

Bonn Highlights: Thursday, 8 June 2023

Discussions on loss and damage finance took center-stage at the Bonn Climate Conference, with civil society urging delegates to “fill the fund.” In other parts of the venue, negotiations opened on the mitigation work programme and on national adaptation plans, and discussions continued on a range of items.

Subsidiary Body for Scientific and Technological Advice

Methodological issues under the Convention: Greenhouse gas data interface: In informal consultations co-facilitated by Thiago Mendes (Brazil), the Secretariat indicated it would take between 6 and 12 months to develop the new GHG interface, at a cost of EUR300,000. Some countries expressed reservation in giving the Secretariat a mandate without funding, while others expressed concern over delaying the process any longer. However, many parties supported a proposal from a developed country to defer consideration of the matter to SB 60, with a developing country expressing a preference for deferral to SB 62. The Co-Facilitators will produce draft conclusions.

Emissions from fuel used for international aviation and maritime transport: In informal consultations co-facilitated by Martin Cames (Germany) and Pacifica F. Achieng Ogola (Kenya), parties discussed draft conclusions text. Some developed countries called for deleting a paragraph that notes divergent views expressed by parties on submissions by the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO), while developing countries stressed the paragraph accurately reflected discussions and should remain in the draft text.

Guidance on cooperative approaches referred to in Article 6.2 of the Paris Agreement: Informal consultations were co-facilitated by Peer Stiansen (Norway) and Maria Al-Jishi (Saudi Arabia). On the process of authorization of internationally transferred mitigation outcomes (ITMOs), several developed and developing countries stressed that authorization should not be revoked or changed after they have been transferred so as to not undermine the market, and for transparency and environmental integrity.

On the process of first transfer of mitigation outcomes, several parties called for guidelines on how authorization should be handled and how changes should be reported to ensure transparency, with one developed country proposing the creation of a repository.

Some developing countries called for the Secretariat to draft a technical paper on the definition and identification of common

nomenclatures to ensure consistency and help guide the work on the agreed electronic format.

Two developing country groups called for establishing basic principles and guidelines on how to address the special circumstances of least developed countries (LDCs) and small island developing states (SIDS) with respect to their participation in cooperative approaches.

Rules, modalities, and procedures for the mechanism established by Article 6.4 of the Paris Agreement: In informal consultations, Co-Facilitators Kate Hancock (Australia) and Sonam Tashi (Bhutan) sought feedback from parties on the connection between the Article 6.4 registry and Article 6.2 international registry.

Several developed countries said units from Article 6.4 registry should not only be transferable to the Article 6.2 international registry, but also to Article 6.2 national registries, recognizing that these two approaches can co-exist and be accommodated. One proponent pointed out that the process of transferring units would be similar to the Kyoto mechanism so parties already know it works.

A few developed countries asked about the costs of connecting the Article 6.4 registry with Article 6.2 international registry. One developing country called for guidance and provision of capacity building from the Secretariat on the operation of the Article 6.4 registry.

The Co-Facilitators will prepare an informal note.

Subsidiary Body for Implementation

Reporting and review pursuant to Article 13 of the Paris Agreement: provision of financial and technical support to developing country parties for reporting and capacity building: In informal consultations co-facilitated by Eve Deakin (UK), the Global Environment Facility (GEF) reported on progress in the provision of GEF support for developing countries' reporting.

Parties welcomed an informal note prepared by the Co-Facilitators that sets out elements on context, challenges developing countries face, and ideas for addressing these. A developing country group pointed to the transition from reporting under the Convention to reporting under the Paris Agreement's enhanced transparency framework (ETF) as the context of discussions. He pointed to significant differences between developing countries in terms of reporting infrastructure and highlighted electronic reporting as a particular challenge. Many developed countries called for referencing existing support initiatives. A developed country called for streamlining the list of potential solutions.

The Co-Facilitators will revise their informal note.

Second review of the functions of the Standing Committee on Finance: Informal consultations were co-facilitated by Ali Waqas (Pakistan) and Gabriela Blatter (Switzerland). The Co-Facilitators reported on guidance by the SBI Chair and Secretariat regarding a developing country group's point of order questioning the mandate to prepare a draft CMA decision. They pointed to decision 15/CMA.4 in which the CMA affirms decision 15/CP.27 on the second review of the functions of the Standing Committee on Finance (SCF). They invited parties' views on draft SBI conclusions, noting the text contains elements on areas of improvement identified by parties as well as guidance to the Secretariat for the preparation of the technical paper on the review. Several parties cautioned against preempting findings on areas of improvement. Several groups and parties suggested changes to the text, with discussions centering on the user-friendliness and gender-responsiveness of SCF outputs.

The Co-Facilitator will revise the draft conclusions.

National adaptation plans: In informal consultations co-facilitated by Antwi Boasiko (Ghana) and Jens Fugl (Denmark), developing countries stressed the equal importance of adaptation and mitigation. They further underscored key challenges constraining the formulation and implementation of national adaptation plans (NAPs), including technological constraints and other capacity gaps, and the need for predictable funds to move from NAP formulation to implementation. Parties converged on inviting the Adaptation Committee (AC) and the LDC Expert Group (LEG) to report on their NAP-related work during the next informal consultations. Some developing countries suggested also extending invitations to the Standing Committee on Finance (SCF) and other relevant constituted bodies.

Agenda Items Considered Jointly by the SBSTA and SBI

Sharm el-Sheikh mitigation ambition and implementation work programme: In informal consultations, Co-Facilitators Carlos Fuller (Belize) and Kay Harrison (New Zealand) recalled that convening the consultations does not pre-empt consultations on the adoption of the agendas, and whether the outcome of the consultations will be captured depends on the adopted agendas.

Parties commented on lessons learned from the first global dialogue and investment-focused event under the work programme, which took place immediately prior to the SBs. Many parties called for relevant documentation on such events to be distributed earlier to facilitate preparation and foster participation by stakeholders relevant to the specific themes, especially those from outside the UNFCCC process, such as financiers and policy brokers.

Parties proposed including case studies and world café-style discussions, framing the next dialogue with “how” questions, and convening regional dialogues. On topics for future dialogues, they suggested: building renewable energy capacity for those without energy access; energy transition; and decoupling economies from fossil fuels.

Mandated Events and Other Sessions

Second Glasgow Dialogue on loss and damage: In opening remarks, SBI Chair Nabeel Munir recalled the COP 27/CMA 4 mandate for the second Glasgow Dialogue to focus on the operationalization of the new funding arrangements and fund.

Cuba, for the G-77/CHINA, called for a free-standing entity of the Financial Mechanism. JAPAN, GERMANY, and SWITZERLAND urged for a mosaic approach. Several

developing country groups and countries called for finance by developed countries. NEW ZEALAND, FRANCE, and others emphasized exploring innovative sources of funding.

Argentina, for ARGENTINA, BRAZIL, and URUGUAY (ABU), Timor-Leste, for the LDCs, and CANADA called for agility to quickly disburse funding in the case of sudden need. Several groups and countries emphasized the need to consider slow-onset events within the funding arrangements. JAPAN and the US stated there is no one size fits all approach to address all types of loss and damage.

ABU, the BOLIVARIAN ALLIANCE FOR THE PEOPLES OF OUR AMERICA (ALBA), the AFRICAN GROUP, the INDEPENDENT ALLIANCE OF LATIN AMERICA AND THE CARIBBEAN (AILAC), the ARAB GROUP, and the LIKE-MINDED DEVELOPING COUNTRIES (LMDCs) underscored the funds should be available to all developing countries. AUSTRALIA, SWITZERLAND, JAPAN, and the US said the most vulnerable developing countries should be prioritized.

Youth Stocktaking: An assessment of the challenges for youth inclusion in UNFCCC processes and a roadmap for the future: Incoming COP 28 President Sultan Al Jaber (UAE) pointed to the designation of a Youth Climate Champion for COP 28, noting the aim to foster inclusiveness.

COP 28 Youth Climate Champion Shamma Al Mazrui (UAE) stressed the need to challenge “how things have always been done,” asking “what if oil industry leaders are leading the transition?”

Echoing concerns about ties to the fossil fuel industry, YOUNGO called on the COP 28 Presidency to be a “champion of change.” She cautioned against “youth washing” and “tokenism.” As pathways for effective youth engagement, she pointed to: youth inclusion in party delegations; access to funding and capacity building; and formal recognition of the Global Youth Statement.

Several parties shared experiences on the role of youth in their delegations, with MEXICO indicating it trains its youth delegates to participate as negotiators.

In the Corridors

“We are here to hold the process accountable,” emphasized a civil society participant, as she folded up her banner after one of several protests that took place at the World Conference Center. The decision on establishing funding arrangements for loss and damage was widely hailed as the big success of the Sharm el-Sheikh Climate Change Conference. But now it is key to “fill the fund,” as her banner read.

Yet the opening of the second Glasgow Dialogue showed how far apart countries are on various operationalization modalities, especially: What sources will feed the fund? Who will be eligible? And how quickly will funds be disbursed? Protesters had a clear answer to the first of these questions.

“Make polluters pay,” they chanted, as they demanded barring participants with conflicts of interest from engaging in the climate negotiations process. Many of the worries about risks of obstruction were directed at the just-arrived Sultan Al Jaber, the President-Designate of the upcoming climate conference to be held in the UAE. During the Youth Stocktake, the youth constituency voiced this concern directly, and challenged the Presidency to instead demonstrate it will be a champion for change.