

## Bonn Highlights: Monday, 12 June 2023

The 58th session of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) have yet to adopt their agendas. Parties brought their disagreements to the fore in plenary, but no compromise could be found. Although it remains unclear whether their outcome will be captured, negotiations continued throughout the day.

### Subsidiary Body for Implementation

**Organizational Matters: Adoption of the agenda:** In an afternoon plenary, SBI Chair Nabeel Munir (Pakistan) invited parties to adopt the supplementary provisional agenda (FCCC/SBI/2023/1/Add.1), amending the title of item 8 to read work programme on just transition pathways referred to “in the relevant paragraphs of” decision 1/CMA.4.

Bolivia, for the LIKE-MINDED DEVELOPING COUNTRIES, delineated the rationale for a proposed additional agenda item on urgently scaling up financial support from developed countries in line with Article 4.5 of the Paris Agreement to enable implementation for developing countries in this critical decade. Supported by Saudi Arabia, for the ARAB GROUP, he emphasized the need for balance between discussions on ambition and means of implementation and underscored the “record of broken promises and failed commitments” by developed countries.

Agreeing that finance is critical, the EU, US, UK, CANADA, NORWAY and Switzerland, for the ENVIRONMENTAL INTEGRITY GROUP (EIG), opposed the LMDC’s proposal but indicated the mitigation work programme (MWP) provides space to discuss finance. Samoa, for the ALLIANCE OF SMALL ISLAND STATES (AOSIS), and Costa Rica, for the INDEPENDENT ALLIANCE OF LATIN AMERICA AND THE CARIBBEAN (AILAC), emphasized the importance of the MWP, with AOSIS underscoring it is a priority for the group, as it is key to staying below 1.5°C of warming.

The EU questioned the submission of a proposed agenda item after work was launched on the opening of the meeting and pointed to other finance-related processes already established in the climate negotiations. The US emphasized Article 4.5 of the Paris Agreement does not specifically refer to support by developed countries. The LMDCs highlighted the lack of a CMA mandate to address the MWP at SB 58, noting the matter was added to the agenda at the request of some parties after the publication of the provisional agenda, and underscored the need for negotiations rather than dialogues on scaling up finance.

The PHILIPPINES urged moving forward and adopting the agenda. Venezuela, for the BOLIVARIAN ALLIANCE FOR THE PEOPLES OF OUR AMERICA (ALBA), objected to the inclusion of the MWP, but expressed openness toward adopting the rest of the agenda. The EU, EIG, and AILAC opposed.

Parties could not reach agreement. The SB Chairs will continue consultations.

**Matters relating to the least developed countries:** In informal consultations, Co-Facilitator Jens Fugl (Denmark) invited parties’ views on draft conclusions. One developed country

proposed adding a sub-paragraph on the submission and approval of proposals by least developed countries (LDCs) to the Green Climate Fund readiness programme for national adaptation plans (NAPs).

Parties converged on requesting the LDCs expert group (LEG) to continue assessing and to propose potential solutions for the challenges faced by many LDCs in relation to the formulation and implementation of NAPs, including by showcasing case studies of approaches, methodologies, and tools used to achieve particular adaptation outputs and outcomes.

**Arrangements for intergovernmental meetings:** The contact group, chaired by SBI Chair Munir, considered draft conclusions. Executive Secretary Stiell recalled that UNFCCC processes need to abide by the UN’s values.

On logistical arrangements that will facilitate inclusive and effective participation, Mexico, for the ENVIRONMENTAL INTEGRITY GROUP, NORWAY, and other developed countries stressed the need to ensure sessions are safe for all and to specify that no reprisals should occur before, during, or after COP.

Both developed and developing countries supported ensuring greater participation from observer organizations from developing countries. NORWAY, the US, JAPAN, CANADA, MEXICO, and SWITZERLAND said they would not support quotas or limits on participation of observer organizations from developed countries to achieve greater parity. CHINA suggested making daily subsistence allowance (DSA) funding available for two civil society organizations on each developing country delegation. The Chair asked delegates to consult further on this issue.

### Subsidiary Body for Scientific and Technological Advice

**Organizational Matters: Adoption of the agenda:** In an afternoon plenary, SBSTA Chair Harry Vreuls (the Netherlands) noted lack of agreement on the agenda and indicated the SB Chairs will continue to consult thereon.

**Nairobi work programme on impacts, vulnerability, and adaptation to climate change:** In informal consultations co-facilitated by María del Pilar Bueno (Argentina) and Maria Samuelsen (Denmark), parties agreed on draft conclusions.

**Research and systematic observation:** In informal consultations, Co-Facilitators Elizabeth Bush (Canada) and Ladislaus Chang’a (Tanzania) invited views on draft conclusions. Pointing to knowledge gaps, two developing country groups suggested removing reference to “best available science” and noting the importance of the Intergovernmental Panel on Climate Change in supporting decision making on climate change “as appropriate.” They also opposed reference to impacts increasing at every increment of global warming, noting this does not adequately capture discussions at the SBSTA-IPCC special event on the Sixth Assessment Synthesis Report.

**Methodological issues under the Convention: 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 were unable to arrive at an agreement on language surrounding divergent views expressed on the reports from the International Civil Aviation Organization (ICAO) and International Maritime

Organization (IMO). Applying Rule 16 of the draft rules of procedure, the issue will be placed on the agenda for SBI 59.

**Guidance on cooperative approaches referred to in Article 6.2 of the Paris Agreement:** In informal consultations, Co-Facilitators Peer Stiansen (Norway) and Maria Al-Jishi (Saudi Arabia) invited parties' views on an informal note. Developing countries underscored the need for rapid capacity building to empower them to contribute to the technical discussions on the development of the agreed electronic format (AEF). Parties agreed that a manual should be developed to assist with the preparation of the AEF. Many emphasized the importance of clarifying triggers for corresponding adjustments. Several developed countries noted persistent inconsistencies should be referred to the Paris Agreement Implementation and Compliance committee (PAICC) and the need for confidentiality should be justified with respect to national laws. A developing country group underscored the international registry could be a permanent option for many parties, not just an interim solution.

Discussions continued in the afternoon.

**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) invited parties' views on an informal note. Comments related to, among others:

- removing references to reducing emissions from deforestation and forest degradation in developing countries (REDD+) in a section on emission avoidance and conservation enhancement activities;
- specifying the conditions under which revocation would be possible, with many parties underscoring the need to protect the credibility of the mechanism; and
- ensuring the pulling and viewing of data not just from the Article 6.2 international registry, but also the national registries.

The Co-Facilitators will revise their informal note.

### **Agenda Items Considered Jointly by the SBSTA and SBI**

**Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation:** During informal consultations, Co-Facilitators Mattias Frumerie (Sweden) and Janine Felson (Belize) invited parties' views on draft conclusions, including an annex with a revised list of elements for the development of the framework on the Global Goal on Adaptation (GGA) and an appendix containing possible targets for future workshop discussions on targets, indicators, and metrics.

Delegates lamented insufficient time to consider the document. Views diverged on the status of the annex and appendix. One developed country proposed to capture their content in an informal note and to specify, in the draft conclusions, that the informal note may inform further work.

**Work programme on just transition pathways referred to in decision 1/CMA.4:** In informal consultations, Co-Facilitators Selam Kidane-Abebe (Zambia) and Luisa Rölke (Germany) invited parties' views on the revised informal note. Many parties called for streamlining the note, especially with regard to themes and linkages to existing workstreams.

Several developed countries underscored the work programme falls under the Paris Agreement, recalled the Agreement's preambular language on just transition, and opposed references to principles of the Convention. One developed country underscored duplication with the agenda item on response measures, calling for the latter's phase-out. Many developing countries highlighted the broader scope of just transition, noting it is not mitigation-centric.

A developing country group emphasized the work programme should address how the multilateral process will support nationally-determined just transition pathways. Several developed countries suggested the work programme identify available resources to support just transition pathways, both within and outside the UNFCCC.

### **Mandated Events and Other Sessions**

**Technical Expert Dialogue under the Ad hoc Work Programme on the New Collective Quantified Goal on Climate Finance:** UNFCCC Executive Secretary Simon Stiell called for "bold and creative thought" to unlock the trillions needed to meet the goals of the Paris Agreement.

The World Resource Institute (WRI) highlighted current assessments of the quantum of finance needed differ in terms of time frames, sectors, and baselines. Global estimates of mitigation finance needed to reach net zero by 2050 range from cumulative USD105-275 trillion, they highlighted. Indicating that clean energy investments have increased, the International Energy Agency (IEA) emphasized progress is largely driven by leading economies, such as China, the EU, and the US. She highlighted the cost of capital as a major challenge for developing countries and underscored a new IEA-International Finance Corporation report showing public funds should at least triple to meet climate goals and must mobilize higher multiples of private finance.

During breakout group discussions, gaps in resources were discussed as one guide for setting the goal. Participants reflected on a bottom-up evaluation of the costs for implementing nationally determined contributions (NDCs) and national adaptation plans (NAPs) complementing a top-down scientific estimate of what is globally needed.

The importance of predictability and accountability, what the funding would be spent on, and who would be responsible for delivering the funding were discussed. Some noted contributions based on GDP might not be predictable, and inflation and the changing economic status of contributors and recipients should be accounted for. Private sector funding was also discussed as a component. Several groups call for a periodic review of the goal, with one group saying the goal should initially be adopted for the 2025-2030 period.

The ARAB GROUP proposed that the goal be USD 1.1 trillion per year in addition to the undelivered amounts from the USD100 billion goal.

**Consultation on possible approaches for enhancing the recognition and accountability of non-party climate action:** The Secretariat conducted a consultation on a draft implementation plan to follow up on Decision 1/CP.27, paragraph 65 and Decision 1/CMA.4 paragraph 93 inviting the Secretariat to ensure greater accountability of voluntary initiatives through the Non-State Actor Zone for Climate Action platform.

The Secretariat reported that the platform, which was launched in 2014, aggregates information on disclosures and pledges, with records by 32,000 non-state actors to date. The information is not complete or well updated, however, with approximately 25% response rate to annual surveys about progress towards objectives. The Secretariat's plan proposes to focus on net-zero commitments.

Several parties questioned whether the proposed actions were in line with the mandate and expressed doubt about whether the Secretariat could deliver them with the requested resources. Participants also asked about the relationship with the Race to Zero and the High-level Champions. Delegates were invited to submit their comments during the next two months.

### **In the Corridors**

At the outset of the second week, the different strands of the process were as disconnected as ever. Those with a keen eye on the big picture welcomed the arrival of Greta Thunberg alongside fellow youth climate activists, and Peter Thomson, the UN Secretary-General's Special Envoy for the Ocean, hoping this would bring a fresh injection of energy into the ossified meeting.

Negotiators meanwhile were knee-deep into their usual technical work. Delegates focused on cooperative approaches under the Paris Agreement and crammed in another six hours working on what a Co-Facilitator likened to Winnie the Pooh's Heffalump, "a mythical creature that nobody has yet seen."

Yet it was Heads of Delegation that delivered the "biggest showdown of them all." During a plenary session in which SBI Chair Munir compared the debate to a bickering "primary school class," statements on the proposed agenda items on mitigation and on finance volleyed back and forth, leading at least one observer to wish they "had brought their popcorn."