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Divergences in key matters on global stocktake at COP29

New Delhi, 2 Dec (Radhika Chatterjee) - Parties could not find consensus on any of the three key matters relating to the Global Stocktake (GST) at the Baku climate talks which concluded on Nov. 24. These included discussions on: [i] the UAE dialogue on implementing the GST outcomes [under paragraph 97 of the decision from Dubai last year]; [ii] procedural and logistical elements of the overall GST process, and [iii] report on the annual GST dialogue referred to in paragraph 187 of decision 1/CMA.5. These matters were considered under the Conference of Parties to the Paris Agreement [CMA].

On the UAE dialogue, the Subsidiary Body for Implementation [SBI] was requested by the Parties to continue consideration of the matter in its next session in June 2025, without the adoption of any procedural conclusion.

On matters relating to procedural and logistical elements of the overall GST process were forwarded to the Subsidiary Bodies [SBs] for consideration in their next session on the basis of an <u>informal note</u> that was prepared by cofacilitators **Thureya Al Ali (United Arab Emirates)** and **Patrick Spicer (Canada)** during COP29.

On the annual GST dialogue, discussions could not

be concluded and Rule 16 of UNFCCC's draft rules of procedure was applied. [Rule 16 provides that "Any item of the agenda of an ordinary session, consideration of which has not been completed at the session, shall be included automatically in the agenda of the next ordinary session,...".]

UAE DIALOGUE

Parties could not agree on the UAE dialogue decision text proposed by the COP 29 Presidency at the closing plenary of COP29. Several country groupings such as the Environmental Integrity Group (EIG), Umbrella Group (UG), the Independent Alliance of Latin American and the Caribbean Nations (AILAC), and the Alliance of Small Island States (AOSIS), expressed their disappointment with the decision text.

Chile for AILAC said that the "text does not enjoy consensus". After hearing their statements, COP29 President, Mukhtar Babayev requested the SBI to continue further consideration of this matter at its next session (SB62). Given the huge divergences amongst Parties, even procedural conclusions could not be adopted for this item. [See further details below].



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AT THE INFORMAL CONSULTATIONS

The key bone of contention in the UAE dialogue was regarding its scope (See <u>TWN update</u>). [The dialogue's scope has been a matter of wide divergence at previous sessions as well (See <u>TWN update</u>). The spillover of that fight also translated into a delay for launching the work at COP29 due to a fight over placement of this item in the agenda (See <u>TWN update</u>).]

Several developing countries like the Likeminded developing countries (LMDC), the Arab Group, the African Group, and Group SUR (Brazil, Ecuador, Paraguay, and Uruguay) emphasized that the dialogue should be focused on finance aspects of the GST outcome. The rationale behind their position was that since the mandate for the dialogue as detailed in paragraph 97 of the GST outcome was in the finance section of the document, its focus therefore had to be on issues relating to finance. There were some minor variations in the position of these groups, with their positions reflected in this informal note that was prepared by co-facilitators Ricardo Marshall (Barbados) and Patrick Spicer (Canada).

The **LMDC** and **Arab Group** favoured the scope for tracking "...financial support from developed countries developing countries to for implementing nationally determined contributions [NDCs] and national adaptation plans [NAPs] and on tracking progress in the delivery of the new collective quantified goal on climate finance [NCQG]..." They also wanted the dialogue to "...provide a space for developed countries to share updates and announcements relating to their contributions and efforts to mobilize climate finance and for developing countries to indicate their gaps and needs for climate finance...".

The **African Group** wanted the dialogue "...to focus on financing implementation of NDCs, NAPs of developing country Parties and agreed climate goals..."

During the informal consultations, **Group SUR** insisted that the original mandate for the dialogue, which was in the finance section of the GST outcome, should be respected. Citing the Vienna Convention on the law of international treaties it said paragraph 97, from which the UAE

dialogue derived its mandate should be read within its context. Calling efforts of developed countries to change that as "acrobatics", Group SUR said "it undermines the integrity of GST" and leads to a loss of "good faith".

Other developing country groupings like AILAC, AOSIS, and Least Developed Countries (LDCs) wanted agreement that the dialogue on "implementing the GST outcomes will facilitate comprehensive consideration collective progress in implementing the outcome of the first GST with a focus on the provision of well as capacity-building finance, as technology transfer..."

Developed countries/groups like the **United** States (US), European Union (EU), EIG, Canada, United Kingdom (UK), Australia, Norway, and **Iapan** on the other hand wanted the scope of the dialogue to be wide and focus on all aspects of GST, agreement that the dialogue on "implementing the GST outcomes will facilitate comprehensive consideration of collective progress in implementing the outcomes of the first GST with a focus on the outcomes not covered by existing mandates or activities of constituted and work programmes under the Convention and the Paris Agreement [PA]." They wanted the dialogue to "include an update on collective progress in implementing the full range of the actionable, forward-looking outcomes of the first GST, contained in decision 1/CMA.5. paragraphs. 28-36, 39-40, 42, 51, 55, 59, 61-65, 70, 90-91, 95-96, 107 118, 130, 154, 170, 173 and 190". They favoured such a wide scope for the dialogue because they wanted it to provide a space for the "consideration of the energy transition in developing countries, including action and support for their transition away from fossil fuels, and innovative solutions for both developed and developing countries," among other things.

The fight over the scope of the UAE dialogue was closely tied with that of the fight over the modalities of the dialogue. According to sources, developed countries like the Umbrella Group, EIG, and some developing countries like AILAC wanted the UAE dialogues to produce annual reports and to use those reports for informing the second GST process. They were also keen to include a request to the secretariat for preparing an "annual report

on global progress towards the implementation of the global efforts referred to in paragraphs 28 and 33" of the first GST outcome.

Some of these aspects were reflected in the text version that was released on November 22, after negotiations over the dialogue had moved to political consultations. However, the final text produced did not include the call for the production of annual reports, which drew criticism at the closing plenary from proponents of the proposal. (See below).

In the final version of the decision <u>text</u> proposed by the Presidency to bridge differences, the scope of the dialogue was reflected in the following paragraphs:

"50. Decides that UAE the dialogue on implementing the GST outcomes will continue until 2026, take place in a facilitative manner and in the spirit of international cooperation; it will consist of parallel tracks on the implementation of the outcomes of the first GST, covering mitigation and adaptation, as well as the identification of opportunities in finance, capacity-building, and technology development and transfer as key enablers, noting the role of Parties' NDCs and NAPs, as appropriate, in implementing the GST outcomes: 51. Also decides that the UAE dialogue will include consideration of opportunities for enhancing the provision of finance and other means of implementation, as well as opportunities for enabling action on mitigation; adaptation; addressing the impacts of response measures; averting, minimizing and addressing loss and damage; and promoting international cooperation, where applicable;"

Further, in paragraph 54, the text was as follows: "Decides that the United Arab Emirates dialogue will be held annually in conjunction with the first regular sessions of the subsidiary bodies of the year".

The decision text in paragraph 7 also requested the Subsidiary Bodies at their next sessions in June 2025, to hold "a round table on the nexus between trade and climate change;" This text appears to be an attempt to respond to the call by developing countries to discuss unilateral measures in the UNFCCC process.

Forward looking elements of the GST outcome, including paragraphs 28 [on the energy transition] and 33 [on addressing deforestation] of the GST outcome, were dealt with in the following paragraphs:

"14. *Also reaffirms* the need for deep, rapid and sustained reductions in greenhouse gas

emissions in line with 1.5 °C pathways and *calls* on Parties to contribute to the global efforts referred to in paragraph 28 of decision 1/CMA.5 in a nationally determined manner, taking into account the PA and their different national circumstances, pathways and approaches;

16. Also reaffirms the importance of conserving, protecting and restoring nature and ecosystems towards achieving the PA temperature goal, including through enhanced efforts towards halting and reversing deforestation and forest degradation by 2030, and other terrestrial and marine ecosystems acting as sinks and reservoirs greenhouse gases and bv conserving biodiversity. while ensuring social environmental safeguards, in line with the Kunming-Montreal Global **Biodiversity** Framework;"

The decision text also reflected messages related to science and urgency of keeping 1.5 °C goal within reach in paragraphs 9,10, and 11.

[Together, these above five paragraphs reflected the "high level" messages that developed countries like the US, EU, EIG, UK, Australia, Canada and a few developing country groups like AOSIS and AILAC were insisting on being included in the decision of the Mitigation Work Programme (MWP). Instead of being reflected in the MWP, those messages were reflected in the UAE dialogue text after those developed countries indicated **MWP** consultations that those messages, including a mechanism to follow up the implementation of GST, especially its paragraph 28, could be reflected in the UAE dialogue decision.]

At the closing plenary of COP29, some Parties took the floor to express their disappointment with the UAE dialogue text proposed by the Presidency, following which the SBI was requested to continue consideration of this matter in its next session during SB62.

AT THE CLOSING PLENARY ON THE UAE DIALOGUE DECISION TEXT

Chile, for AILAC, said "the text that we have in front of us lacks a number of very important elements. For example, we believe that the text does not reflect adequately the tools and procedures that we need to have in place in order to achieve the most of the outcomes of the GST and inform adequately the indices that need to be presented next year. We believe...that our standard procedure under our process would require that the dialogue to have a report so everybody can understand what the dialogue was all about, to record the main ideas and to carry them forward to a decision that the CMA should take in order to make sure that we have continuity in our process. From our point of view, this is a standard procedure in our process and it would be particularly important to have those procedures in place for such a fundamental process like the GST. There is a key element in this ambition cycle that, in turn, is in the heart of the success of the PA.... in our view, the text does not enjoy consensus...So we would like to register our views before you submit this for adoption of the CMA."

Switzerland for the **EIG** said, "we cannot support the draft decision as it is. It falls short of delivering a meaningful space to progress in our ambition. Last year, we took stock of our efforts to implement the PA and agreed on specific actions to take to fulfill at this COP. The proposed decision does not create such a meaningful action. We regret that the draft was significantly watered down by some to limit discussion of... [elements] such as [the] energy transition. We are concerned to see attempts to backtrack from the commitments taken last year. Implementing the GST means first and foremost implementing them at-home. It also means tracking progress in our collective commitment, having a space with sufficient time for meaningful exchanges and having the possibility to take forward the recommendation if necessary. We can and must do better next year."

Australia for the Umbrella Group, said "we are disappointed that some Parties have sought to slow or stymie discussions to take forward the ambitious calls from the GST outcome to triple renewable energy, double energy efficiency, and transition away from fossil fuels. However, the

global momentum toward net zero is accelerating and is irreversible. Countries are already working to accelerate the deployment of renewable energy, grids and storage, and to capture the enormous economic opportunities and to provide better jobs and futures for their workers and communities. We affirm our strong resolve to take forward the ambitious actions in paragraph 28 of the GST in our countries and through our ongoing discussions in this forum on the implementation of the GST."

AOSIS and **Canada** also made similar statements expressing their disappointment with the proposed text on UAE dialogue.

REFINEMENT OF THE LOGISTICAL AND PROCEDURAL ELEMENTS OF THE GST

Another GST matter that Parties dealt was the consideration of what refinements, if any, needed be made to the procedural and logistical elements of the modalities for the GST that were adopted in 2018 in decision 19/CMA.1. The Parties were expected to take lessons learned from the conduct of the first GST that was held from Nov 2021 to Dec 2023 which resulted in decision 1/CMA.5 adopted in Dubai at COP28.

The GST, under Article 14 of the PA and decision 19/CMA.1, is supposed to take place every five years, with the second one scheduled to start in November 2026 at COP31 and conclude in Nov 2028 at COP33.

Under the modalities that were adopted in 2019, the GST has three components: the information collection component, the technical assessment component [which includes the conduct of a Technical Dialogue], and the consideration of outputs component [which is the political negotiations phase under which the Parties negotiate what the outcome of the GST would be]. The GST's outcome is, under Article 14.3 of the PA, intended to inform Parties in updating and enhancing, in a nationally determined manner, their national climate actions and support and to enhance international cooperation.

At the negotiations under the SBs in the first week and under the COP 29 Presidency during the second week, significant progress was made by Parties in identifying some refinements that could

be made.

Virtually all Parties agreed that there should be more time allotted to the political phase of the GST. In the first GST, Parties were not able to engage in actual negotiations with each other on the draft decision text and instead had to rely on the UAE COP28 Presidency to develop the text and conduct bilateral discussions with various Parties and groups of Parties to determine the contents of what the final decision should look like.

Many Parties felt that ensuring the Party-driven nature of the GST requires that the outcome should be negotiated and determined primarily by the Parties through political negotiations. There was also a large degree of convergence at the negotiators' level on highlighting the need to ensure that regional perspectives, especially from developing countries, would be given greater attention during the GST.

The negotiations at COP29 on this agenda item, however, spent a lot of time over two key issues: (1) whether the technical assessment and the consideration of outputs component could overlap; and (2) how to capture what the role of the Intergovernmental Panel on Climate Change (IPCC) and its Seventh Assessment Report (AR7) would be for the second GST.

The first issue was raised by the LMDC and supported by the **Arab Group** because of the need to ensure that the political negotiations phase would benefit from receiving the full set of reports and information coming from the technical assessment phase, and hence the need to ensure that there was little or no overlap between these two phases. The LMDC for example called for the technical assessment phase to end in 2027 so that Parties can focus on the political phase in 2028; whereas other Parties' groups, particularly from the EU, Umbrella Group, EIG, AOSIS and AILAC, felt that some overlap would be needed to make sure that there would be space for information that may be coming from the IPCC in 2028 to still be considered during the technical assessment phase. This issue was linked to the second issue on which there was significant divergence during the negotiations, i.e. the issue regarding the role of the IPCC and its AR7. The developed countries together with AOSIS, the LDCs, and AILAC had pushed for language that would in essence result in the COP/CMA recognizing the IPCC as the source of the best available science on climate change and would request the IPCC to consider shortening its timelines for the preparation of the AR7 so that the report (including from its three working groups and its synthesis report) would then be available in time for the second GST in 2028.

The African Group, LMDC, and Arab Group took the view that the IPCC is a source of such climate science but that there should also be equal recognition of other sources such as regional scientific organizations as also be valid sources of climate science. These groups also argued that the COP/CMA should not be seen as pushing the IPCC to shorten its timelines simply to fit into the GST timeline, as that could compromise the ability of IPCC authors to produce robust reports. They highlighted that paragraphs 183-184 of decision 1/CMA.5 as well as decision 19/CMA.1 already gave ample space for the IPCC and the scientific community to input into the second GST in a timely manner.

Towards the end of the second week, negotiators were starting to close in on negotiated language that would have addressed these issues and allowed for a full decision to be adopted However, because of the pressure from the Presidency to conclude, the negotiators ran out of time to settle these two issues and instead agreed through a procedural decision adopted by the CMA that they would resume discussion and negotiations under this agenda item at the subsidiary bodies' sessions in Bonn in June 2025, with a view to concluding such negotiations by then so that the decision can be adopted in Belem, Brazil at COP30.

ANNUAL REPORT OF THE GST DIALOGUE UNDER PARAGRAPH 187 OF GST DECISION

Paragraph 187 of the first GST Outcome mandated the Chairs of the SBs to organize an annual GST dialogue started in June 2024 "to facilitate the sharing of knowledge and good practices on how the outcomes of the GST are informing the preparation of Parties' next NDCs" and requested the secretariat to prepare a report to be considered by the CMA in Baku in COP29.

The secretariat's report itself was simply a factual

summary of the discussions that took place during the dialogue in June 2024, and did not contain any recommendations.

There were two key issues under this agenda item that Parties had to negotiate during COP29: (1) whether there should be a compilation of key messages coming out from the secretariat's report that should be attached to any decision by the CMA with respect to the report; and (2) whether the annual dialogue is a continuing mandate rather than being a time-limited one.

On the first issue, the **developed countries** together with **AILAC**, **LDCs** and **AOSIS**, pushed to have a list of key messages drawing from the secretariat's report and the dialogue discussions that would highlight some lessons learned. On the other hand, groups like **Arab Group** and **LMDC** stressed that there is no need for such key messages to be developed as it is up to each Party to decide for itself in a nationally determined manner how best to inform itself of the GST outcomes as it prepares its next NDC.

On the second issue, a big argument erupted between the **developed countries** together with **AILAC**, **AOSIS**, and the **LDCs** and the **Arab Group**, **LMDC**, and the **African Group** over whether paragraph 187 mandated a continuing series of annual GST dialogues or whether the mandate terminates.

The **LMDC** pushed for the annual GST dialogue to be considered as having been completed in 2024, since Parties are expected to already submit their next NDCs in 2025. They argued that since the mandate is simply to facilitate the sharing of knowledge and good practices on how the outcomes of the GST are informing the preparation of Parties' next NDCs, once Parties have prepared their NDCs, there is no longer any need for the dialogue to take place.

The other groups that wanted the dialogue to be a continuing mandate argued that since not all Parties will be able to prepare and communicate their next NDCs by February 2025, (the deadline set for the communication of NDCs), there is still a need for the dialogue to take place as such sharing of knowledge and good practices would still be useful for those that are still preparing their next NDCs. These groups also argued that even after all Parties have prepared their next NDCs, the paragraph 187 annual GST dialogues should still continue as such sharing of knowledge and good practices would still be useful for those Parties that might be thinking of updating their current NDCs. The negotiations at the technical level could not be concluded due to hardened positions among the groups. This meant that Rule 16 of the UNFCCC's draft rules of procedure would be applied, such that this agenda item would be considered anew at the SBs during their session in June 2025 and at the CMA in Belem in Nov 2025.