Progress of work at Bonn climate talks, pending agenda adoption

Bonn, 12 June (Prerna Bomzan): At the end of the first week of the ongoing 58th session of the UNFCCC's Subsidiary Bodies (SB58) in Bonn, negotiations on the various agenda items under the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) have been progressing at different paces, pending adoption of both agendas (See TWN Update 2)

This article provides a snapshot of status of negotiations on the pending agendas of the SBs and on two key issues of high importance to developing countries: the global goal on adaptation (GGA) and the Santiago Network on Loss and Damage (SNLD).

PENDING AGENDAS OF THE SBS

Discussions on the provisional agendas of the SBs continued with both SBI Chair **Nabeel Munir (Pakistan)** and SBSTA Chair **Harry Vreuls (Netherlands)** consulting with Parties behind closed doors throughout the first week. Consultations happened largely over two agenda items, viz. on the Sharm el-Sheikh mitigation ambition and implementation work programme (known as the Mitigation Work Programme [MWP]) proposed by the **European Union (EU)** and on the National Adaptation Plans (NAPs)

proposed by the **G77 and China**.

While there was agreement to include the NAPs in the SBI supplementary provisional agenda, TWN has learnt from sources that there is however no consensus on including the MWP item.

Meanwhile, sources also inform that another proposal on scaling up mitigation finance has been proposed by the **Like-Minded Developing Countries (LMDC)** to be included in the agenda of the ongoing SB session.

The MWP agenda inclusion is being resisted by some developing country groups led by the **LMDC**, **Brazil, South Africa, India, China (BASIC)** and the **Arab Group**. It is learnt that according to these groups, there is no mandate at "this" session to discuss the substance of the MWP (decision 4/CMA4). They refer to paragraphs 15 and 16 of the Sharm el-Sheikh decision on the MWP, which requests the Secretariat to prepare two reports on each of the global dialogues along with an annual report for the consideration of the CMA (Conference of Parties to the Paris Agreement [PA]).

(The relevant paragraphs from the decision 4/CMA. 4 reads as follows:

15. Requests the secretariat to prepare, under the guidance of the co-chairs of the work programme, a report on each of the dialogues referred to in paragraphs 8–9 above, reflecting in a comprehensive and balanced manner the discussions held and including a summary, key findings, and opportunities and barriers relevant to the topic, and to prepare an annual report comprising a compilation of the individual dialogue reports for consideration by the CMA, the SBSTA and the SBI;

16. Also requests the SBSTA and SBI, taking into account the annual report referred to in paragraph 15 above, to consider progress, including key findings, opportunities and barriers, in implementing the work programme with a view to recommending a draft decision for consideration and adoption by the CMA at each of its sessions;)

The first MWP global dialogue convened from June 3 – 4th, followed on 5th June by what was called an "investment focused event" prior to the opening of SB 58 in Bonn. Sources said that the developing country groups expressed the view that any substantive discussions will have to wait until the report of the first global dialogue is made available, and that discussions can take place in Dubai, UAE later this year, when the annual report from both the dialogues are available.

Meanwhile, the **LMDC** presented another agenda item on mitigation finance for inclusion in the SB58 agenda under Rule 13 of the UNFCCC's draft Rules of Procedure, which states that "only items which are considered by the COP to be urgent and important may be added to the agenda".

The LMDC's proposal is titled, "Urgently scaling up financial support from developed country Parties in line with Article 4.5 to enable implementation for developing countries in this critical decade".

(Article 4.5 of the PA states that "Support shall be provided to developing country Parties for the implementation of this Article, in accordance with Articles 9, 10 and 11, recognizing that enhanced support for developing country Parties will allow for higher ambition in their actions.")

The rationale for the LMDC proposal states, "Given

that discussions under Article 4 of the PA will be increasing, and recognizing the importance of Article 4.5, there can be no discussion on enhancing mitigation ambition in developing country Parties without an accompanied discussion on enhancing financial support ambition from developed country Parties."

Sources said that the proposal was supported by the **Arab Group**, the **African Group**, the **BASIC** group of countries and **Argentina, Brazil, Uruguay (ABU).** However, the LMDC proposal was met with complete rejection by the developed countries, said the sources further who also told TWN that the **United States (US)** and the **European Union** called the proposal as "non-serious" and the US even suggested that Article 4.5 does not specify that the developed countries would provide support (even though Article 9.1 clearly makes it a legal obligation on developed countries to provide financing to developing countries for their mitigation actions).

Sources confirmed to TWN that the issue remained deadlocked until the end of the first week of the climate talks and it remains to be seen how the issue gets resolved as the climate talks enter the second week. The opening plenary session of the SBs which was adjourned on 5 June is scheduled to resume afternoon of 12 June.

Global Goal on Adaptation (GGA)

The key issue of contention on the development of the GGA framework is that the developing countries want a draft conclusion with a comprehensive structure of the framework as well as inclusion of targets and/or indicators while the developed countries want to keep the structure very "high-level" without any targets and indicators.

On 10 June, Co-facilitators **Janine Felson (Belize)** and **Mattias Frumerie (Sweden)** presented a draft text comprising two parts – the first part contains seven paragraphs related to largely procedural issues while the following second part contains a "compilation" of different elements without any headings, based on "views" of Parties made at the first informal consultations on 7 June.

Paragraph 7 of the first part of the text states that the views "may be considered" in the development of the framework, "recognising that they do not represent consensus among Parties".

It is to be noted that the second part of the text comprising compilation of different elements captures views on targets and indicators.

Reacting to the draft text, the **G77 and China** led by **Suriname** said that the "the G77 and China proposal was the basis for the structure of the draft recommendations for a decision and this has not been adequately reflected in the current text. The text should be restructured framed by the elements of the headings as proposed by the G77 and China".

It said that "the text should be based on the following elements:

1. The Preambular text
2. Capturing Progress of the Glasgow Sharm El Sheikh Work Programme 2022-2023
3. Establishment of the GGA framework
4. We all agreed that something needs to follow, but we will provide greater clarity on this at a later time
5. Additional work
6. Reporting instruments
7. Finance
8. Budgetary Provisions".

It also provided specific bullet points under "Establishment of the GGA framework" spelling out the purpose of the framework and on the subject of targets, it provided seven "options" saying that "the G77 and China would like to propose a non-exclusive, non-exhaustive contribution, that is still under discussion but we think it is important for it to be captured". Suriname reiterated that "for G77 and China, the inclusion of targets as part of the GGA framework is critical and we would like to stress the importance of moving into substantive discussion on targets".

On the process issue, at the outset, it raised a point of order saying "this is a Party driven process, so it is very inappropriate and incorrect for the Secretariat to communicate to us by email to propose having an inf-inf [not formal negotiations with representation by all Parties] without Parties

calling for one. This is a dangerous precedent that the G77 and China will not entertain", said Suriname further.

It also pointed out that being a large Group, it would prefer to be given "adequate time to coordinate", asking for more time allocation, to elaborate each element of the draft recommendations for the decision to be adopted in Dubai later this year.

Developed countries led by **Norway**, the **United States**, the **European Union**, **Canada**, the **United Kingdom**, **Japan** and **Australia** said that the draft text does not adequately reflect all Parties' views and focused their interventions on keeping the structure very high-level with no targets and indicators including some of them suggesting to delete the entire second part of text containing the compilation of different elements.

The other political issue pointed out by them was references to the "UNFCCC" and the principle of "common but differentiated responsibilities and respective capabilities" (CBDR) in the draft text which they called for deletion, arguing that the GGA is under the Paris Agreement (PA) and its CMA (Conference of the Parties to the PA).

China speaking for the **Like-Minded Developing Countries (LMDC)**, **Saudi Arabia** for the **Arab** Group, **Ecuador** and **India** defended keeping both references to the UNFCCC and the principle of CBDR in the text stating that the PA is under the UNFCCC and Article 2.1 of the PA clearly says ".....in enhancing the implementation of the Convention....." while article 2.2 anchors CBDR and equity in the PA implementation.

In closing of the session, the Co-facilitators invited Parties to send through their written submissions to "determine the best way forward to reform the current text" and informed that the next iteration would be shared with Parties in the morning of 12 June.

Santiago Network on Loss and Damage (SNLD)

Discussions are progressing on the selection of the host of the SNLD secretariat with two short-listed proposals under consideration from the following

interested organisations: (1) Caribbean Development Bank (2) UN Office for Disaster Risk Reduction and the UN Office for Project Services.

On 9 June, Co-facilitators **Cornelia Jager (Austria)** and **Lucas di Pietro (Argentina)** produced a draft text comprising procedural conclusions as well as elements of a draft decision. The focus of the session was to present views on the "preferred option" of the host of the SNLD secretariat as well as reflections and inputs on the draft text.

Philippines on behalf of the **G77 and China** said that the Group is still working through the selection process and that although some of its sub-groups have made their selection but no "common choice" has been reached, hence, it is not ready to engage on this particular discussion.

As regards the draft text, it expressed disappointment that certain matters presented in its initial interventions [during the first informal consultations on 7 June] were not reflected. It further added that the Group has a suggested text and gave a rundown on its elaborate text which includes "Draft SBI Conclusions" in relation to the selection of the host for the SNLD secretariat as well as "Draft COP/CMA Decision On Arrangements To Make The Santiago Network Fully Operational".

The Group's proposed draft SBI conclusions, among other matters, includes an important paragraph on the "memorandum of understanding" with the selected host agency, spelling out the following four key points – (i) that the secretariat is a "hosted secretariat which is independent and is accountable to and under the guidance of the Santiago Network Advisory Board" and that it would be "substantively separate operationally in implementing its roles and responsibilities and the functions of the Santiago Network from the activities of the host agency while being administratively hosted by the host agency";

(ii) that the host agency will "support the hosted independent secretariat in having a broad regional presence that will ensure that the hosted secretariat and its services will be easily, equitably, and directly accessible to Parties in all developing

country regions while recognising that the hosted secretariat's main administrative office will be hosted in an office of the host agency" and that the secretariat will have a "lean, cost-efficient organisational structure";

(iii) that the "scope of technical assistance activities and other support that can be catalysed, facilitated, or assisted through the Santiago Network and its hosted secretariat will be consistent with the wide range of topics and full spectrum of technical assistance and other support relevant to averting, minimising and addressing loss and damage associated with the adverse effects of climate change, including urgent and timely responses to the impacts of climate change, economic and non-economic losses, extreme weather events, slow onset events and the linkages between them, with a view towards rehabilitation, recovery, and reconstruction" and to "ensure that the host agency's activities under its primary institutional mandate will not adversely affect the activities of the Santiago network hosted secretariat";

(iv) that the host agency "commits and undertakes to provide in-kind and other support that may be needed by the hosted secretariat to ensure an adequate, predictable and sustainable level of operations and activities to implement the hosted secretariat's roles and responsibilities and the functions of the Santiago Network".

The Group's proposed draft COP/CMA decision elaborates selection of the host agency for the secretariat of the Santiago Network; adoption of the memorandum of understanding; the Advisory Board; the host agency for the Santiago Network secretariat; the national loss and damage focal points and liaison to the Santiago Network secretariat; and financial support for the Santiago Network and its secretariat. One key point underscored is for the Advisory Board to develop guidelines to address "conflicts of interest" with respect to the host agency.

It requests the Advisory Board to develop guidelines to address conflicts of interest that may arise should the hosted secretariat engage the technical support services of organisations, bodies, networks and entities that may otherwise be providers or recipients of technical assistance and

other support that the hosted secretariat may seek to catalyse or facilitate.

Philippines further said that its suggested text also contains an "Annex 1" with a "placeholder" on the memorandum of understanding between the governing body or bodies to the UNFCCC and the PA and the selected host agency.

Most of the developing country sub-groups as well as developed countries who made interventions said that they are still considering both proposals given both strengths and weaknesses.

However, **New Zealand** supported the proposal by the Caribbean Development Bank.

It is to be noted that in the first informal consultations on 7 June, the **Dominican Republic** for the **Alliance of Small Island States (AOSIS)** had also stated that the Caribbean Development Bank is the most appropriate.

In closing of the session, the Co-facilitators proposed "inf-infs" (informal-informal meetings) on the way forward to which Parties agreed. Philippines for G77 and China expressed hope that going forward the Group's suggested text will be considered.