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Negotiations launched on issues such as the refinement of the Paris Agreement's Global Stocktake (GST) process, the review of the Warsaw International Mechanism for Loss and Damage (WIM), and cooperative implementation of the Paris Agreement (Article 6). A dialogue focused on the disproportionate effects of climate change on children and delegates also continued reflecting on the gender action plan.

Negotiations and Mandated Events

Procedural and Logistical Elements of the Overall Global Stocktake Process: Co-Facilitator Patrick Spicer (Canada) opened the informal consultations by inviting views on how to refine the procedural and logistical elements of the GST process based on the experiences of the first GST, with a view to adopt a decision thereon in Baku.

Points of consensus emerged around, inter alia:

- aligning the publication of the Intergovernmental Panel on Climate Change's seventh assessment cycle with the second GST to include the best available science;
- considering outputs earlier in the process;
- achieving regionally balanced representation in the second GST's high-level committee; and
- achieving a balance between future-oriented and backwardlooking assessments of collective progress. The Co-Facilitators will produce draft text.
- Mitigation Ambition and Implementation Work

Programme: In informal consultations co-facilitated by Carlos Fuller (Belize), discussions focused on what should be included in draft decision text to be forwarded to SBSTA 61 and CMA 6. The ENVIRONMENTAL INTEGRITY GROUP (EIG), supported by the EUROPEAN UNION (EU), ALLIANCE OF SMALL ISLAND STATES (AOSIS), INDEPENDENT ALLIANCE OF LATIN AMERICA AND THE CARIBBEAN (AILAC), REPUBLIC OF KOREA, JAPAN, and others called for the decision to reflect and build on the outcome of the GST on mitigation. Several parties pointed to paragraph 186 of the GST outcome decision, which invites relevant work programmes to integrate relevant GST outcomes in planning their future work. The LIKE-MINDED DEVELOPING COUNTRIES (LMDCs) noted this paragraph contains the caveat "in line with their mandates" and said such integration is not in line with the work programme mandate, and, together with INDIA and the ARAB GROUP, opposed reflecting the GST outcome in the decision text.

Additional elements proposed for the decision text included substantive actions to scale up mitigation ambition, and calls for submitting nationally determined contributions (NDCs) in line with 1.5°C and covering all greenhouse gases and sectors. Parties also provided feedback on the global dialogues, proposing process improvements to logistics and participation, as well as the possibility of organizing regional dialogues. Parties also called for the dialogues to be translated to real, implementable action that can help parties scale up mitigation action and ambition.

Guidance on Cooperative Approaches referred to in Paris Agreement Article 6.2: In informal consultations, Co-Facilitators Maria Al-Jishi (Saudi Arabia) and Peer Stiansen (Norway) introduced an <u>informal note</u> produced by the SBSTA Chair. They explained the group's mandate is to develop draft decision text for consideration in Baku and focus on "crunch issues" including authorizations, registries, the Agreed Electronic Format (AEF), and sequencing.

Most parties supported the proposed mode of work. A few noted they were not consulted in the preparation of the informal note and opposed using it as a basis for discussions. The LEAST DEVELOPED COUNTRIES (LDCs) underlined there was convergence on most issues during COP 28, but that no decision was adopted because parties wanted a package decision. He urged not reopening everything and focusing only on crunch issues. The EIG expressed dissatisfaction with the text on changes to authorizations and revocations but stated willingness to work on the text. The COALITION FOR RAINFOREST NATIONS (CfRN) and AILAC called for definition of cooperative approaches and AOSIS highlighted inclusion of common nomenclatures. The UK identified changes and minimum authorization elements and infrastructure, including the AEF.

The Co-Facilitators invited written inputs from parties to inform the development of draft text.

Rules, Modalities, and Procedures for the Mechanism established by Paris Agreement Article 6.4: During informal consultations, Co-Facilitators Kate Hancock (Australia) and Sonam Tashi (Bhutan) introduced an <u>informal note</u> produced by the SBSTA Chair. They explained the group's mandate is to address outstanding divergences, and develop draft decision text for consideration at SBSTA 61 and CMA 6. They also invited written inputs from parties for use in developing a first iteration of

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text, and proposed focusing on authorizations and issues relating to registries.

Several parties welcomed the informal note as a good starting point, while highlighting that it does not represent consensus. Others opposed, noting they were not consulted in the preparation of the text and would not be willing to "legitimize" the text in this manner.

Most parties agreed that the two suggested topics are key issues. Regarding authorizations, parties expressed diverging views on the sequencing of authorization and on whether mitigation outcomes had to be authorized before issuance or could simply be authorized before first transfer. In addition, the AFRICAN GROUP suggested that the methodologies and removals recommendation should be finalized. BRAZIL proposed rules for the transition of afforestation and reforestation activities from the Clean Development Mechanism (CDM) to the Article 6.4 mechanism.

Glasgow Committee on Non-Market Approaches: In a contact group co-chaired by Jacqui Ruesga (New Zealand), the Secretariat provided an update on the development of the webbased platform and highlighted upcoming outreach on how to publish non-market approaches (NMAs) on the platform.

Regarding themes for spin-off groups at SB 60, the EU, opposed by the CfRN, the ARAB GROUP, LMDCs, BRAZIL, and INDIA, proposed carbon pricing and nature-based solutions. The EU clarified that carbon pricing discussions would exclude carbon markets and said nature-based solutions are not a market approach. The US supported considering whether carbon pricing and other economic instruments that do not result in a transfer of mitigation outcomes would be appropriate in the context of the NMA framework. CANADA suggested non-market-based pricing approaches. TUVALU supported discussing the non-market elements of carbon pricing, such as feed-in tariffs, and naturebased solutions.

Several parties suggested addressing challenges in identifying and implementing NMAs, and in using the web-based platform. Other suggestions related to, among others: NMAs' contribution to NDC achievement and sustainable development, mobilizing finance for local adaptation, linkages with biodiversity considerations, and sustainable forest management.

Report of the Adaptation Committee and Review of the Progress, Effectiveness, and Performance of the Committee: In informal consultations, SBI Chair Nabeel Munir invited parties' comments on the draft conclusions prepared by the SB Chairs, which propose to: recommend COP 29/CMA 6 take note of the 2023 report of the Adaptation Committee (AC) for 2023; continue considering the review of the progress, effectiveness, and performance of the AC at SB 62; and consider the annual report of the AC and the performance review of the AC as two separate sub-agenda items at future sessions.

The US and the EU agreed that there should be two separate agenda sub-items, but disagreed on deferring the performance review to SB 62, arguing that it makes sense to address both agenda sub-items at the same time. SAUDI ARABIA clarified that review of the AC report is done only every 5 years. Parties agreed on the draft conclusions.

Terms of Reference for the 2024 Review of the Warsaw International Mechanism for Loss and Damage Associated with Climate Change Impacts: In informal consultations, parties supported Co-Facilitator Pepetua Latasi (Tuvalu)'s proposal to use the terms of reference for the 2019 WIM review as basis for discussions.

EIG called out the lack of progress with regard to the work of the WIM Executive Committee (WIM ExCom) in Eastern Europe. The LDCs called for reflecting on the status of financial support for the WIM ExCom and the Santiago Network to deliver on their mandates. AILAC recommended conducting a survey on the WIM ExCom's progress and effectiveness.

The Co-Facilitators will prepare an elements paper, to be informed by these discussions and additional written submissions.

Just Transition Work Programme: Marianne Karlsen (Norway) and Kishan Kumarsingh (Trinidad and Tobago) cochaired contract group discussions.

Parties outlined perceived areas of agreement that emerged during the first dialogue under the work programme, which took place on 2-3 June 2024. These included: tailoring just transition actions to local contexts and national circumstances; building on a whole-of-government approach; and aligning with Paris Agreement goals while including the rights of workers, Indigenous Peoples, and other vulnerable groups.

LMDCs, CHINA, and VENEZUELA stressed that the impact of "unilateral trade measures" on just transitions should be addressed under the work programme. The US argued the World Trade Organization would be a more appropriate forum for discussing this issue.

LDCs, the ARAB GROUP, the US, and others called for more direct interaction in future dialogues, and recommended a "world café" approach. CANADA and others argued for better inclusion of observers in future dialogues.

The Co-Chairs will produce a draft text.

Linkages between the Technology Mechanism and the Financial Mechanism: This mandated event convened throughout the day. On what the Financial Mechanism can do to enhance support for the implementation of the outcomes of the technology needs assessments (TNA) process and Climate Technology Centre and Network (CTCN) technical assistance, ideas included:

- streamlining the process of converting these outcomes into bankable projects and enhancing efficiencies through a "plug and play" approach;
- implementing strategies to enable National Designated Authorities to plan ahead and implement multi-year programmes rather than operating on a project-by-project basis; and
- allocating adequate funds to support implementation of the TNAs and CTCN technical assistance outcomes.

On actions that the Technology Mechanism can undertake, participants called for: enhanced partnerships with accredited entities and direct access entities; better promotion of TNAs; and tailored support mechanisms that address specific needs of countries.

Joint Work on Implementation of Climate Action on Agriculture and Food Security: In informal consultations, Co-Facilitator Una May Gordon (Belize) recalled that parties agreed to continue the discussion on the operationalization of the joint work on implementation of climate action on agriculture and food security, taking into consideration the <u>informal note</u> from SB 59.

Parties unanimously agreed there was no time to waste to launch work, with several suggesting focused discussions on workshop topics, synthesis reports, and the online portal. Discussions continued in informal informals in the afternoon.

In-Session Workshop on Progress, Challenges, Gaps, and Priorities in Implementing the Gender Action Plan and on Future Work to be Undertaken on Gender and Climate Change: This was the second day of the three-day-long <u>mandated</u> <u>event</u>. Discussions touched upon, *inter alia*:

- the pervasive "siloing" of gender within programmes;
- moving from creating plans to ensuring implementation;
- gender-disaggregated data;
- capturing the "diverse realities of people" by adopting an intersectional lens across the action plan; and
- enhancing linkages and complementarities with processes such as those related to the new collective quantified goal on climate finance and the Global Goal on Adaptation.

Expert Dialogue on Children and Climate Change: This mandated event convened throughout the day. The first part focused on the disproportionate impacts of climate change on children, including with regard to: physical and mental health; access to essential services such as food, water, and sanitation; the disruption of education; and cultural impacts.

Participants reflected on the various ways in which climate change jeopardizes children's right to a clean, healthy, and sustainable environment. They pointed to increases in the number of miscarriages and premature births, higher child mortality, and compromised access to prenatal care and pediatric health service, among others.

The second part focused on solutions. Several speakers emphasized the need to provide a space for children to express themselves, with one panelist noting youth engagement enhances the effectiveness of climate solutions. Colombian youth climate activist Francisco Vera called for a children's COP focused on their wellbeing.

In a world café session on enablers of change, participants suggested:

- including children in national delegations and in the work of constituted bodies;
- creating an accessible space for children to understand the process and engage with policymakers; and
- bearing children's interests in mind when developing climate policies.

Arrangements for Intergovernmental Meetings: SBI Chair Munir chaired contact group discussions, inviting views on, among others, the organization of COP 29, including the provisional agendas; and the potential hosts of COP 31, COP 32, and COP 33 (FCCC/SBI/2024/8).

The EU, EIG, the US, CANADA, and NORWAY called for language on ensuring human rights are upheld, per SBI 58 conclusions (FCCC/SBI/2023/L.10). The COP 29 Presidency highlighted staff training on the code of conduct and the creation of a dedicated protest zone. Responding to the AFRICAN GROUP, the Presidency pointed to direct outreach on visa issuance, and assured CHINA that the large number of gates at the venue should curtail waiting times.

Regarding the provisional CMA 6 agenda, the EU, EIG, US, AUSTRALIA, NEW ZEALAND, and NORWAY called for the dialogue on implementing the outcomes of the GST to be considered under matters related to the GST, rather than matters related to finance. The AFRICAN GROUP, ARAB GROUP, BRAZIL, and CHINA opposed the suggested change, underscoring the paragraph establishing the dialogue is contained in the GST outcome's section on finance. The EIG pointed to ongoing discussions on the dialogue's scope.

The US suggested removing the item on the dialogue on Paris Agreement 2.1c, and, with the RUSSIAN FEDERATION, on the report on doubling adaptation finance.

Calls for additional items related to:

- considering the report from the annual dialogue on how the GST informs the preparation of NDCs, suggested by EIG and the US;
- considering the seventh review of the Financial Mechanism under both the COP and CMA, proposed by the US; and
- an item on the special needs and circumstances of Africa, put forward by the AFRICAN GROUP.

Regional groups reported that consultations are underway on the hosts of future COPs. The WESTERN EUROPEAN AND OTHERS GROUP indicated they hope to reach agreement on a regional nomination in time for COP 29, with AUSTRALIA and TÜRKIYE reiterating their candidacy.

In the Corridors

When delegates came to the venue on Tuesday, some appeared to have a severe case of the Mondays. Contact group discussions were slow to warm up, with one Co-Chair threatening to start singing in the absence of interventions. Changes inside the venue, likely spurred by lack of funds, meant that seasoned delegates' well-worn habits were thrown into chaos. There were longer waiting lines at the venue entrance in the morning; the ever-useful coffee spot in front of Chamber Hall had disappeared, leading to some caffeine deprivation. "None of us has gotten into the rhythm yet. It's time to be done with the preliminaries and get going on what's important," assessed one experienced observer.

Still, one participant thought that delegates would shake off the cobwebs soon enough. "Discussions on the NCQG haven't started yet—I bet we'll be a lot more vocal when we start talking money," they opined. Another pointed to the usual fault lines around finance that emerged in discussions on the agendas of the next meeting in Baku. "Nothing like finding a few red lines to focus the mind," he quipped.

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