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UNFCCC SBs #9

Bonn Highlights: Wednesday, 12 June 2024

Tension was palpable across the venue on the penultimate day of the 2024 June Climate Conference. Negotiators were keen to find agreement on outstanding issues—or at least ensure that discussions held in Bonn could feed into the next session. While progress was achieved on some issues, such as on the cooperative implementation of the Paris Agreement (Article 6), disagreements persisted in many others.

Negotiations and Mandated Events

Procedural and Logistical Elements of the Overall Global Stocktake Process: In informal consultations, Co-Facilitators Thureya Al Ali (UAE) and Patrick Spicer (Canada) presented a revised informal note and draft conclusions. The draft conclusions specify that the Subsidiary Bodies (SB) agree to continue consideration of this matter at SB 61 on the basis of the informal note with a view for the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) concluding the consideration at its sixth session (November 2024). Parties supported both documents with minor editorial changes. The draft conclusions will be forwarded for approval in plenary.

Modalities of the Dialogue on Implementing the Global Stocktake Outcomes: In informal consultations, Co-Facilitators Patrick Spicer (Canada) and Ricardo Marshall (Barbados) presented draft conclusions and a revised informal note. At the LIKE-MINDED DEVELOPING COUNTRIES' (LMDCs) request, parties agreed to specify, in the draft conclusions, that the informal note does not represent consensus views.

The Co-Facilitators will forward the draft conclusions for approval in plenary.

Mitigation Ambition and Implementation Work Programme: After opening remarks by SB Chairs Harry Vreuls (the Netherlands) and Nabeel Munir (Pakistan), Co-Facilitators Kay Harrison (New Zealand) and Carlos Fuller (Belize) presented draft conclusions text and an informal note produced under their own authority. They invited discussions on the draft conclusions, noting that the SB Chairs had recommended not to engage on the informal note due to diverging opinions between parties. LMDCs, the ARAB GROUP, and others refused to engage on the draft conclusions or the informal note, arguing that parties had not mandated the Co-Facilitators to produce these documents. The Secretariat, at AUSTRALIA's request, clarified that Co-Facilitators are at their leisure to produce informal notes, and that these have no status.

Significant divergence in opinion remained on whether to call for intersessional submissions and to mandate a synthesis report by the Secretariat thereon, with the EU, the ENVIRONMENTAL INTEGRITY GROUP (EIG), the LEAST DEVELOPED COUNTRIES (LDCs), the INDEPENDENT ASSOCIATION OF LATIN AMERICA AND THE CARIBBEAN (AILAC), the US, and AUSTRALIA supporting, and the ARAB GROUP, and LMDCs against.

Several parties expressed their disappointment with the manner in which negotiations had been conducted. The AFRICAN GROUP expressed "concerns, confusion, and uncertainty" on the process, and shared that the group felt "as though we are negotiating both with the Co-Facilitators and parties." PAKISTAN considered that "the feeling of neutrality by the Co-Facilitators" was lacking. Several parties responded that they considered the Co-Facilitators' work excellent and well within their mandate.

Parties were unable to come to an agreement on the draft conclusions. The Co-Facilitators will consult with the SB Chairs on a way forward.

Guidance on Cooperative Approaches referred to in Paris Agreement Article 6.2: In informal consultations co-facilitated by Maria Al-Jishi (Saudi Arabia) and Peer Stiansen (Norway), parties discussed revised draft conclusions, noting the Co-Facilitators succeeded in capturing progress made at the session.

Delegates continued debating how to clarify that until a determination is made in relation to emission avoidance, such activities would not be eligible under Article 6.2. Several parties considered that the current guidance on internationally transferred mitigation outcomes is sufficiently clear, while the EU and the COALITION FOR RAINFOREST NATIONS (CfRN) requested more clarity, considering the magnitude of the environmental integrity risk. GRUPO SUR emphasized the need for consistency between references to this issue under both Article 6.2 and Article 6.4.

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After a huddle, parties reported convergence on the Subsidiary Body for Scientific and Technological Advice (SBSTA) noting that: in the absence of further guidance by the CMA, the current guidance applies; and that emission avoidance is not included in the current guidance.

Delegates could not resolve disagreement over whether to conduct an intersessional workshop and what its format would be, with the ALLIANCE OF SMALL ISLAND STATES (AOSIS), LDCs, AILAC, and the AFRICAN GROUP calling for it to be hybrid.

LMDCs and the ARAB GROUP said the entire draft conclusions text needs to remain bracketed until balanced progress is achieved across agenda items.

The Co-Facilitators will consult the SBSTA Chair on the way forward.

Rules, Modalities, and Procedures for the Mechanism established by Paris Agreement Article 6.4: In informal consultations co-facilitated by Kate Hancock (Australia) and Sonam Tashi (Bhutan), parties shared views on revised draft conclusions text.

Discussions centered on language around emission avoidance and conservation enhancement. Parties agreed on the substance, but debated language, especially to acknowledge that conservation enhancement activities could result in reductions or removals. They converged on the SBSTA noting that: in the absence of further guidance by the CMA, the current Article 6.4 rules, modalities, and procedures (RMPs) apply; emission avoidance is not included; and conservation enhancement is not a separate category of activities in the current RMPs.

Parties refrained from restating their positions on a possible intersessional workshop, pointing to discussions held in informal consultations on Article 6.2. LMDCs underscored the entire draft conclusions text needs to remain bracketed until balanced progress is achieved across agenda items.

The Co-Facilitators will consult the SBSTA Chair on the way forward.

Work Programme under the Framework for Non-market Approaches referred to in Paris Agreement Article 6.8: In a contact group, Co-Chairs Jacqui Ruesga (New Zealand) and Kristin Qui (Trinidad and Tobago) invited views on revised draft conclusions text. CfRN welcomed the US and EU's suggestion to request the Secretariat to add links to the Climate Technology Centre and Network and the Paris Committee on Capacitybuilding on the web-based platform for non-market approaches (NMAs), in recognition of their potential to provide technical and capacity-building support for identifying and developing NMAs.

After a lengthy huddle, parties reported agreement on outstanding issues related to, among others:

• replacing a bracketed reference to recognizing that NMAs are "a key" or "an important" element of Paris Agreement

implementation with a reference to the GST outcome on the urgent need to strengthen integrated, holistic, and balanced NMAs;

- having a broad reference to capacity building, not just related to national Article 6.8 focal points;
- deleting the invitation for parties to reflect on the importance of the provision of public finance from developed countries for NMAs as part of their consideration of the new collective quantified goal on climate finance; and
- deleting the reference to launching a high-level ministerial event.

The Co-Chairs will revise the draft conclusions accordingly and forward them for adoption in the SB closing plenary.

Nairobi Work Programme on Impacts, Vulnerability, and Adaptation to Climate Change: In informal consultations cofacilitated by Morgan Whalen (Canada), parties agreed to forward the revised draft conclusions text for adoption at the SB's closing plenary.

Workshop under the Dialogue on Paris Agreement Article 2.1c: This <u>mandated event</u> focused on adaptation investments and the consistency of financial flows with a climate-resilient development pathway. Discussions related to, among others:

- what signals need to be sent to public and private sector stakeholders outside the UNFCCC process;
- capacity-building needs for project development and available support through the Green Climate Fund's Readiness Programme;
- cooperation among banks, such as through the Network for Greening the Financial System; and
- insurers' willingness to provide financing, such as debt instruments, when backed with some sort of security.

Breakout group discussions highlighted the need to reflect community and ecosystem aspects in the definition of resilience. Participants also noted the importance of attractive regulatory environments to encourage private sector engagement, and emphasized that climate-risk-informed approaches should not drive up the cost of capital for countries perceived as high-risk.

Just Transition Work Programme: In the morning, Contact Group Co-Chair Kishan Kumarsingh (Trinidad and Tobago) noted that, given that no agreement could be reached, the Co-Chairs would be forced to draft procedural conclusions. The AFRICAN GROUP requested additional time for informal consultations. Parties deliberated at length, but were unable to come to an agreement, and the session was suspended.

Parties reconvened in the early evening. Contact group Co-Chair Marianne Karlsen (Norway) requested a report of whether any agreement had been found between parties. Hearing none, she stated that the contact group had run out of time, and that the Co-Chairs would forward draft procedural conclusions to the SB Chairs. On a point of order, the G-77/CHINA noted that it could not agree to procedural conclusions and would need to consult.

The SB Chairs conducted further consultations later in the evening.

Forum on the Impact of the Implementation of Response Measures under the Convention, Kyoto Protocol, and Paris Agreement: In contact group discussions co-chaired by Xolisa Ngwadla (Botswana), parties debated whether to use the updated draft conclusions text as basis for negotiations in Baku.

The EU, UK, US, CANADA, and SWITZERLAND objected to using the new text, noting the new table of activities failed to reflect parties' submissions, with SWITZERLAND calling the text "unreadable and unacceptable," and the EU and UK noting that the previous table better reflected parties' proposals.

Despite lengthy discussions in a huddle and two sessions of informal consultations, parties could not reach agreement during the afternoon. The Co-Chairs said they would consult with the SB Chairs on the way forward. Informal consultations continued in the evening.

Research and Systematic Observation: In informal consultations co-facilitated by Frank McGovern (Ireland) and Patricia Nying'uro (Kenya), parties reflected on revised draft conclusions, which include a placeholder for references to the 16th meeting of the research dialogue, research needs, and follow-up activities to the scientific community's response to these needs.

AOSIS, the EU, US, and others, opposed by SAUDI ARABIA and KUWAIT, called for inviting the Intergovernmental Panel on Climate Change (IPCC) to take into account, in determining its future products and assessment cycles, work under the Convention and the Paris Agreement.

Parties then turned to the placeholder elements. AOSIS, the AFRICAN GROUP, EU, GRUPO SUR, CHILE, the UK, and US, supported by LDCs, JAPAN, and the RUSSIAN FEDERATION, made textual proposals on these issues and called for projecting text on screen to facilitate deliberations thereon. SAUDI ARABIA, KUWAIT, and INDIA opposed. After a lengthy debate on the process, discussions continued in informal informals.

Despite discussion in informal informals in the afternoon, parties did not reach an agreement on outstanding issues. AOSIS, supported by the EU, AFRICAN GROUP, LDCs, GRUPO SUR, and the RUSSIAN FEDERATION, proposed a paragraph, in lieu of placeholder reference, that intends to capture research needs, acknowledge work that has been done, and recognize what further work needs to be finished.

With respect to referencing the IPCC, SAUDI ARABIA, with KUWAIT and INDIA, proposed to recognize the IPCC's significant work in providing relevant information to parties on scientific, technical, and socio-economic aspects of climate change. After a lengthy debate, the proposed paragraphs from AOSIS and SAUDI ARABIA were placed in brackets.

With parties unable to reach agreement on the way forward, the Co-Facilitators will report back to the SBSTA Chair on the status of the negotiations.

Annual Dialogue on Ocean and Climate Change: On the second day of this <u>mandated event</u>, speakers presented case studies, best practices, and challenges related to ocean and climate action at the regional and national level. This was followed by interactive breakout sessions and a final wrap-up in plenary. Speakers and participants highlighted:

- mangrove restoration and nature-based seawalls, which protect against erosion, sequester carbon, and serve as habitat for many species;
- the need to scale up options to implement ocean-based renewable energy and decarbonize the maritime industry;
- the role of Indigenous Peoples and coastal communities, and the need to protect their rights by implementing free, prior, and informed consent; and
- the importance of viewing the ocean as intrinsically valuable, not only as a solution to climate change.

In the Corridors

For most delegates, if the word of the day was "huddle," the second word was "time"—as in, "dear Co-Facilitators, if we could have just a bit more time to consult, maybe in a huddle…"

Indeed, negotiators who had complained that certain rooms were too large to interact intimately got a taste of their own medicine when, in a last-minute rush to avoid procedural conclusions, they begged for time to gather and hash out bridging proposals. Clumps of negotiators formed—sometimes multiple huddles in the same room, leading one Co-Chair to try to herd parties, reminding them that they are supposed to talk "to each other, not around each other."

With the final plenary less than twenty-four hours away, applause went up in every room that managed to agree on draft conclusions. Some grimly accepted the results regardless of the actual quality of the text—one negotiator was overheard mentioning that the draft conclusions of his item were akin to "putting lipstick on a pig."

Still, other negotiators pointed out that it would have been much worse, both from the point of view of appearances and of substantial work, to arrive in Baku with nothing to show from Bonn. And a hardy few remained stubbornly optimistic: "We have done all we can to set ourselves up for success in Baku, even if that just means capturing our discussions. We need every idea on the table in November—we're going to need them!"

The *Earth Negotiations Bulletin* summary and analysis of SB 60 will be available on Monday, 17 June 2024 at <u>bit.ly/enb_sbi60-sbsta60</u>

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