

Tisdag den 20 juni 2023

Nedan följer en summering av Bonn Climate Change Conference (SB58) och vad resultaten från Bonn innebär för möjligheterna att slutföra en lyckad klimatkonferens i Dubai senare i höst. ICC deltog på plats i egenskap av näringslivets officiella fokalpunkt i FN:s klimatkonvention UNFCCC. Sammanfattningen är skriven av ICC:s representant i UNFCCC Sandra Hanni, Global Policy Lead – Climate.

FINAL OUTCOME OF BONN SESSION

With a record number of close to 8,000 registered delegates, including government negotiators, many business representatives and NGOs, SB58 ended on Thursday last week after two weeks of intense discussions.

It was the last big milestone in UN climate negotiations before COP28 in Dubai later this year, where negotiators were tasked to advance on important technical work for the long list of high-stake issues for COP28 (loss and damage, new goal on climate finance, mitigation work programme, Global Goal on Adaptation and the first Global Stocktake under the Paris Accord).

Tensions were particularly running high, when on Day 1, countries were unable to even settle on the agenda for the meeting. While not unusual, the agenda fight – that involved in particular the key item on mitigation “mitigation ambition and implementation work programme” – could only be resolved two days before the closing of the session.

Work undertaken for the remainder of the session was marked by lengthy and for the most part, divisive discussions that brought only little progress. Nevertheless, we saw Party delegates working relentlessly and showing readiness for dialogue. We were particularly pleased to see some positive signs of progress from the markets discussions in the Article 6 room.

As stated by UNFCCC Executive Secretary in the closing session, “there are bridges that can be built to realise the common ground we know exists”. All eyes are now on the UAE incoming COP28 Presidency that will have to show real leadership and determination to table the more than 50 decisions items waiting for Dubai.

The Bonn session closed on Thursday night with Parties agreeing on a number of procedural and draft conclusions as well as a series of “informal notes” capturing countries views (please see [SBSTA 58](#) and [SBI 58](#)). These provide the basis for continued work between now and November.

ICC, as the official UNFCCC Focal Point for Business and Industry and members of the business group actively participated in and contributed to a number of technical discussions and met with lead negotiators and experts throughout the two-week session. Please also refer to [the final statement](#) that we delivered at the Closing Plenary.

KEY ISSUES IN NEGOTIATION ROOMS

Mitigation

Scaling up mitigation efforts, and in particular the inclusion of the Sharm el-Sheikh Mitigation Ambition and Implementation Work Programme (MWP) within the official agenda was perhaps the largest point of contention we saw at this Bonn session.

The item was proposed for inclusion in the provisional agenda by the EU already in March 2023 and found acceptance by the UNFCCC Subsidiary Bodies (SB) Chairs. This engendered a lot of discontent amongst a group of developing countries at the opening plenary on 5 June, and came up with several counter items, in particular on scaling up finance for developing countries.

Ultimately, neither item was included in the agenda adopted on Day 8. Countries also agreed to capture outcomes from discussions carried out under the MWP during week 1 and 2 in an informal note (still) to be issued under the authority of the SB Chairs.

During the four sessions that took place under the MWP, we noted a large fissure between countries that emphasised the critical importance of scaling up mitigation efforts this decade and were committed to meaningfully engage in and advance discussions on this item and others that were not ready to engage at all and noted the absence of a legal basis for holding such discussion.

Article 6

With regards to Article 6 (market and non-market approaches) – historically the “problem child” of the Paris Agreement – we were pleased to see Parties engaging constructively and making some progress on the highly complex remaining issues.

Talks concluded in an agreement on an ambitious programme of work for both Article 6.2 and Article 6.4 to be carried out on the road to Dubai, including requests for a technical paper under Article 6.2 (on process of authorization, draft version of the agreed electronic format, and processes pertaining to inconsistencies identified in review and data on Internationally

Transferred Mitigation Outcomes); a manual containing illustrative elements to assist with the preparation of reporting; as well as a workshops to discuss technical papers.

As for the Article 6.4 decision, a technical expert dialogue is to be held in the lead up to COP28 and it further requests the SBSTA Chair to prepare an informal document capturing countries' views expressed during the Bonn session as well as outcome of the technical dialogue with the aim to help advance deliberations on rules, modalities and procedure for the new UNFCCC mechanisms in Dubai.

While the work carried out under Article 6 is certainly a step in the right direction, lots still remains to be done in order to fully operationalise Article 6 mechanisms.

In our statements and interventions, we called on Parties to build on already existing experiences under Article 6.2 and to focus on national implementation as well as prioritise work necessary to operationalise the Article 6.4 mechanism without delay.

Please refer to the conclusions on [Article 6.2](#), [Article 6.4](#), that should be read together with the informal notes referenced in the conclusions. Here is also the conclusion on the non-market item [Article 6.8](#).

Matters on Finance

While not directly on the negotiating agenda, finance, in particular the lack of climate finance for developing countries was a hot topic in almost every negotiating room.

The main finance-specific event in the second week was a “technical expert dialogue” concerning the “new collective quantified” goal aka NCQG on climate finance that will take effect in 2025.

The Dialogue co-chaired by Australia and South Africa focused on the range of finance needed (between USD 105-275 trillion needed to reach net zero by 2050); predictability and accountability; sources of finance, with some developed countries calling for both more focus on private finance and the expansion of the donor base; as well as the relation between the NCQG and Article 2.1(c) of the Paris Agreement – that essentially requires all public and private finance to be aligned with the goals of the Paris Agreement.

While many developed countries see Article 2.1(c) as central element in forthcoming finance discussion, many developing countries see the increasing focus on this item as an attempt by developed countries to escape their climate finance obligations, referring, *inter alia*, to Article 9 and Article 4.5. of the Paris.

To build trust, fulfilling the 100 billion dollar-a-year promise and further enhancing on adaptation finance was also seen as critical.

Outcomes from the 6th Dialogue will be captured in a summary report that will be made available on the [NCQG webpage](#). Two more technical expert dialogues on NCQG will take place in 2023, one before and one during COP28.

Loss & Damage

As reported in our Week 1 update, the second Glasgow Dialogue on loss and damage took place during the first week and focused on the operationalisation of the new funding arrangements and fund, with the aim to inform the work of the [transitional committee](#), that will meet again for a workshop in July and its 3rd meeting end of August.

The only loss-and-damage item that was the subject of formal negotiations in Bonn was under a joint SBSTA/SBI item on matters relating to the Santiago Network. Negotiation on this item continued in the second week with a focus on the question of where the Santiago Network for loss and damage should be located.

Despite intense negotiations and several INF-INFs, Parties [could not come to an agreement](#) on this item and decided to continue discussion at COP28, taking into account the [draft decision text](#) prepared in Bonn.

Adaptation and GGA

Matters on climate adaptation were discussed under four agenda items, namely the global goal on adaptation (GGA), the Adaptation Committee, the Nairobi work programme, and national adaptation plans.

Work under the Glasgow–Sharm el-Sheikh work programme on the GGA continued into the second week where we saw stark divisions arising with regards to the draft text proposed by the co-facilitator, that included an annex with a list of elements for the development of the adaptation framework as well as an appendix referring to future workshop discussions on targets, indicators, and metrics.

Discussion on different options for an agreement, on more substantive conclusion supported by many developing countries, a more procedural conclusion continued into the afternoon of the last day of the Conference, when countries ultimately settled on a compromise. Please refer to the [decision text](#).

Agriculture

Discussions under the Sharm el-Sheikh joint work on implementation of climate action on agriculture and food security, co-facilitated by Italy and Peru, continued into the second week.

Despite intense work, Parties failed to make any significant progress in reaching an agreement on a roadmap for the new joint work on agriculture and were able to agree only on procedural [draft conclusions](#), to continue discussion on this item at COP28 in Dubai.

Several delegates expressed their disappointment with the outcome and called it a missed opportunity to make meaningful progress in Bonn.

One of the main elements of disagreement was a proposal from G77 plus China to create a coordination group on agriculture to facilitate the coordination of the joint work and accelerate implementation of climate action in agriculture. This proposal was opposed by several developed countries, which expressed their concerns around the objectives of such a group, and the budgetary implications it would entail. The choice of the workshop topics proved to be another highly problematic element.

Global Stocktake

While the 3rd and final technical dialogue under the first Global Stocktake (GST) ended on Tuesday during the second week, Parties continued intense negotiations on a potential outcome under the GST process in a joint contact group led by UK and Singapore.

Discussions focused on elements for an outline that can serve as a basis for further deliberations. A draft framework for the GST was published during the second week in Bonn, containing five key areas:

- A. Preamble;
- B. Context and cross-cutting considerations;
- C. Collective progress towards achieving the purpose and long-term goals of the Paris Agreement, in the light of equity and the best available science, and informing parties in updating and enhancing, in a nationally determined manner, action and support;
- D. Enhancing international cooperation;
- E. Guidance and way forward.

Major divergences arose between groups of Parties on section C, which included several subsections, including one on “flows and means of implementation and support”, with many developed countries pushing for placing means of implementation ahead of finance flows, or the deletion of the reference to finance flows. Several developed countries rejected this, suggesting implementation and support should sit as a subsection under finance flows

The divergent views were captured as four different options in the [informal note](#), referenced in the adopted [draft conclusions](#).

ICC and the Business and Industry Group actively participated and contributed to the third technical dialogue of the GST. A copy of the business statement delivered at the GST closing plenary [is attached](#)

Just Transition Pathways

Negotiations under the Work programme on just transition pathways – established at COP27 with the mandate for Parties to develop a draft decision to be considered and adopted at COP28 – were initiated in the first week of the Bonn session and went on until the final hours of the Conference.

While major disagreements still remain around the definition of just transition as well as the objectives, scope, institutional arrangements, modalities, linkages, inputs and outcomes of the work programme, Parties were able to agree on [draft conclusions](#), setting a clear direction of work from now to COP28.

Parties agreed to continue their work at COP28 informed by the [informal note](#) developed by the co-facilitators during the Bonn session, which contains preliminary, not agreed, and not exhaustive initial views expressed by delegates throughout the two weeks.

Parties also requested the secretariat to organise a workshop before COP28, that was strongly supported by developing countries. A call for submission will be open to Parties and Observers to share views on the different elements of the work program.

Technology

Under this SBI agenda item, countries agreed on ways to further strengthen linkages between the UNFCCC Technology Mechanism and the Financial Mechanism in order to support technology development and transfer in developing countries with measurable, time-bound, and result-oriented actions. Please refer to the [draft conclusions text](#).

Enhancing Stakeholder Engagement and Conflict of Interest

Under the agenda item of Arrangements for Intergovernmental Meeting – also called AIM, we saw significant interest in increasing the efficiency of UNFCCC meetings, enhancing observer participation from the global south as well as ensuring the safety of all attendees at UNFCCC meetings.

In previous years, discussions under AIM have included challenging exchanges pertaining to business participation and conflict of interest (COI) in relation to observer engagement. However, this year, there were no negative references made to business participation in UNFCCC processes, and COI was not mentioned at all. Please refer to the [draft conclusions text](#) for more details.

OUTSIDE NEGOTIATION ROOMS

UNFCCC Recognition and Accountability Framework for non-Party stakeholders climate action

Further to information shared in the Week 1 update, we would like to share with you here the link to the [recording of the “consultation” event](#) that took place on Monday, 12 June as well as [a copy of the letter](#) ICC Secretary General, John W.H. Denton AO sent to UNFCCC Executive Secretary in response to the announcement of the Framework.

We are currently exchanging with several countries’ negotiators and experts on the details and workability of the different elements contained in the UNFCCC proposal and are planning to prepare a substantive submission for the forthcoming consultation period.

Further information will be shared in a separate email. In the meantime, please do not hesitate to reach out to us for any questions or concerns you may have in this regard.

A heartfelt thank you to all those of you who actively participated and contributed to our work during the Bonn session and shared their valuable insights and expertise.

Best regards,

Sandra