

Måndag den 13 juni 2022

*Nedan följer en sammanfattning från den första veckan av Bonn Climate Change Conference (SB56) som pågår den 6–16 juni. Det är det enskilt viktigaste mötet inför COP27 i Sharm el-Sheikh senare i höst och lägger grunden för de fortsatta förhandlingarna. ICC deltar på plats i egenskap av näringslivets officiella fokuspunkt i FN:s klimatkonvention UNFCCC. Sammanfattningen är skriven av ICC:s **Sandra Hanni**, Global Policy Lead – Climate.*

## OPENING PLENARY

The opening plenary on Monday, 6 June was marked by heated discussions on the organisation of work and supplementary provisional agenda items – with Parties disagreeing on the number of informal consultations (“two” or “at least two” informal consultation slots) to be held on item 18 “Glasgow–Sharm el-Sheikh work programme on the Global Goal for Adaptation”. Agreement was eventually found and contact groups and informal consultation on numerous agenda items were set up.

In their opening statements, many developing countries stressed the need for balance between discussions on mitigation and adaptation and that the limits of adaptation are now being reached, with need for urgent action on a loss and damage and the creation of a finance facility on loss and damage by COP27.

With her mandate nearing its end, UNFCCC Executive Secretary Patricia Espinosa addressed assembled delegates in a [moving speech](#), reflecting on challenges faced during her tenure but also the many achievements.

The UNFCCC Business and Industry Constituency in its [statement](#) thanked the Executive Secretary for her leadership and unwavering commitment to the Convention and Paris Agreement and outlined its key priorities for the Bonn session and COP27.

## KEY ISSUES IN NEGOTIATION ROOMS

### Article 6

At COP26, after years of negotiations, countries finally adopted rules for the implementation of Article 6 of the Paris Agreement on international emissions trading.

Glasgow decision texts cover three important issues under Article 6: two mechanisms that enable the effective functioning on international carbon markets – [Article 6.2](#) (allowing for the international transfer of carbon credits between countries) and [Article 6.4](#) (creating a central UNFCCC mechanism,

also referred to as Sustainable Development Mechanism, to trade credits from emissions reductions generated through specific projects) – and a third one based on non-market approaches [Article 6.8](#).

While the fundamental rules for Article 6 are agreed, the myriad details to make them function and to ensure that the new mechanisms can deliver real and additional benefits to the climate and society have still to be defined.

Further decisions are needed, in particular on the reporting and tracking infrastructure to support 6.2 cooperative approaches and Parties also need to urgently finalise appointments of members to the Article 6.4 Supervisory Body, so it can start the significant work needed to operationalise the new mechanism under the Paris Agreement.

During week 1 here in Bonn, negotiators convened in information consultations under 6.2 (Co-chaired by Norway and Indonesia) and 6.4 (Co-chaired by Australia and South Africa) to advance important technical work on a number of important elements – such as the process for delivering overall mitigation in global emissions as well as for implementing corresponding adjustments to avoid double claiming and a levy on these cooperative activities that will go towards supporting developing countries' adaptation action (referred to as the “share of proceeds”).

Co-Facilitator worked on informal notes for 6.2 (still to be published) and [6.4](#) until late in the night yesterday and today to capture views from Parties expressed. Further deliberations are set to take place in the coming days before a draft decision text needs to be submitted to the SBSTA Chair by 1pm on 15 June.

Read our key documents on [Article 6](#) and [ICC Carbon Pricing Principles](#) launched at COP26<sup>1</sup>. Please also refer to the [technical paper on infrastructure needs for Article 6.2](#) prepared by the International Emissions Trading Association.

### **Adaptation Goal and Loss and Damage**

Adaptation and Loss and Damage and linked finance were particularly high on the negotiation agenda at COP26 and are increasingly seen as “make or break” issues for Sharm el-Sheikh.

Many countries here in Bonn, in particular from the Global South stressed adaptation as a top priority for COP27 – calling for substantial progress on key deliverables, including on the two-year [Glasgow-Sharm el-Sheikh Work Programme on the Global Goal on Adaptation](#) (also called GGA) agreed in Glasgow and a loss and damage financial mechanism.

The first in-session workshop under the work programme on GGA was conducted. Co-facilitated by Ghana, Parties were informed by the IPCC Working Group II on key findings on climate change impacts and adaption and were invited to share views on operational aspects and way forward. Co-facilitator

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<sup>1</sup> Du hittar även informationen på svenska i dokumentet [”Prioriteringar för ICC under COP26”](#).

developed this [draft decision](#) that endorses the themes and sequence of the workshops for 2022 set out in the [compilation and synthesis of submissions on the Glasgow–Sharm el-Sheikh work programme](#).

COP26 also established the [Glasgow Dialogue](#) between Parties, relevant organisations and stakeholders to discuss the arrangements for the funding of activities to avert, minimise and address loss and damage associated with the adverse impacts of climate change. We saw heated debates on whether funding arrangements for loss and damage exist and whether they are sufficient to meet existing and future needs. Several developed countries recognised the urgency of the issue for vulnerable countries but also underlined that they do not necessarily support a new fund and called instead for strengthening existing instruments and broadening mandates and scopes of climate finance institutions.

## **Agriculture**

Issues related to agriculture were discussed under the Koronivia Joint Work on Agriculture (KJWA) established at COP23, officially acknowledging the importance of the agriculture sector in adapting to and mitigating climate change.

Deliberations under KJWA progressed very slowly during the first week. Parties were asked to adopt a) conclusions on the findings of the last KJWA workshop on water management and implementation of innovation and technologies held last in 2021 and b) a draft COP decision on the overall progress done under KJWA and future work. Co-facilitators from Poland and Peru were mandated to produce a draft conclusion on item a) and an informal note on item b). A [draft text of conclusion](#) on item a) was published on Saturday and further deliberations will take place in the coming days before final draft texts need to be sent to SBSTA and SBI for consideration by 15 June 1pm.

The draft recognises the importance of considering sustainable land and water management for agriculture in a systemic and integrated manner. Adaptation, adaptation co-benefits and mitigation as well as the importance of ensuring food security and nutrition are also mentioned, without any reference of “agroecology” – which was one of the points generating disagreement. The mention of mitigation and adaptation and adaption co-benefits seems an important first step in opening future work on agriculture to consider a broader range of interlinked issues.

Business contributed to the discussion with a [statement](#) emphasising the need for any future work to establish links between the agricultural discussion and the broader UNFCCC decision-making process, including Article 6 on markets.

## Global Stocktake

This week also saw the opening of the first technical dialogue under the Global Stocktake [Global Stocktake](#) (GST) – a key means of accountability in the Paris Agreement architecture.

ICC and the Business and Industry Group is actively participating and contributing to the respective technical dialogues on mitigation, adaptation and finance. A copy of the business statement delivered at the opening session can be found [here](#).

## Enhancing stakeholder engagement and conflict of interest

As the UNFCCC process pivots to implementation, Parties discuss engagement with non-Party stakeholders in the UNFCCC process under the SBI agenda of “Arrangements for Intergovernmental Meetings”. The number of Observer organisations continues to increase at a moment when Parties are focussed on efficiency of the deliberations, which is posing logistical challenges for the negotiations.

During the week, the UNFCCC Executive Secretary, the High-Level Climate Champions, the UK COP26 Presidency and incoming COP27 President, and the SB Chairs clearly stated that the engagement of all stakeholders, including business, was critical in the UN climate process and in all aspects of implementation in order to achieve collective climate goals.

Business and Industry had the opportunity to deliver a [statement](#) reiterating that business has a genuine interest in achieving the goals of the UNFCCC, including the Paris Agreement, and that business has much to contribute to increase and deliver on ambitious climate action. Business stated that including business experts across every sector and jurisdiction would actually contribute to the deliberations’ efficiency and supported an EU proposal for a workshop on these matters.

We will continue to monitor discussions, as some civil society groups argue for the addition of a distorted interpretation of “conflict of interest” which would stigmatise or disqualify some business sectors in the process and will speak with government delegations to seek continued support for inclusive involvement by business.