

Måndag den 12 juni 2023

Nedan följer en sammanfattning från den första veckan av Bonn Climate Change Conference (SB58). Det är det enskilt viktigaste förmötet inför COP28 i Dubai 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 representant i UNFCCC Sandra Hanni, Global Policy Lead – Climate.

OPENING PLENARY

The UNFCCC Subsidiary Bodies' joint opening plenary on Monday, 5 June was delayed into the afternoon and was marked by a familiar "agenda fight" that seems, *inter alia*, to concern the joint SBSTA/SBI item on the "Sharm el-Sheikh mitigation ambition and implementation work programme". Despite many hours of Heads of Delegation meetings prior to the start of the conference, no agreement had been reached.

A "workaround" could eventually be found to launch work based on provisional agendas, with the understanding that consultations would continue and the agendas would be adopted at a later stage. However, at the end of this first week and after five days of deliberations, work here in Bonn is still operating on provisional agendas.

A three-hour 2nd part Opening Plenary is now scheduled to take place on Monday, 10 June and we expect to hear more about the agenda issue then.

Despite the difficult start of the conference, the UNFCCC Business and Industry Constituency was able to deliver its opening statement attached outlining its key priorities for COP28 and the Bonn session.

KEY ISSUES IN NEGOTIATION ROOMS

Mitigation

The Sharm el-Sheikh mitigation ambition and implementation work programme, established in Glasgow and further progressed at COP27, is seen by many countries as the central piece for collective climate efforts going forward.

Discussions on the work programme, only started on Day 4 on Thursday, with co-facilitators from New Zealand and Belize noting that deliberation on this agenda item does not pre-empt still ongoing consultation on the adoption of the agenda and whether the outcome of discussions will be captured depends on the adopted agendas.

Parties reflected on the first global dialogue and investment-focused event under the work programme, which took place immediately prior to the SBs, and gave recommendations for the organisation of the second dialogue later this year. Many of them called for relevant documentation to be distributed earlier, framing the next dialogue with “how” questions, and convening regional dialogues. On topics for future dialogues, Parties suggested: building renewable energy capacity for those without energy access; energy efficiency; energy transition; decoupling economies from fossil fuels; and carbon capture, utilisation, and storage.

The rest of the session this week saw very difficult and heated discussions, with several developing countries rejecting any consultation on this matter, given that there is still no agreement on the agenda.

Article 6

Article 6 discussions on cooperative market approaches under Article 6.2 and Article 6.4 kicked off under the authority of Subsidiary Body for Scientific and Technological Advice (SBSTA) Chair.

We saw Parties conducting work constructively and collaboratively, with more or less willingness to advance the operationalisation of Article 6 mechanisms and implement the rules agreed at COP26 and further guidance provided at COP27.

On Article 6.2 – that defines the internationally transferred mitigation outcomes (called ITMOs) that Parties can trade bilaterally or multilaterally – key outstanding details for reporting requirements are still to be agreed on.

Parties discussed a long list of issues related to review, infrastructure and reporting, including (i) the draft version of the agreed electronic format; (ii) sequencing and timing of initial reports; (iii) inconsistencies in the information provided; (iv) modalities for reviewing confidential information; (v) international registry including its interoperability with national registries; as well as (vi) process of authorisation of ITMOs for use towards achievement of a NDCs and for other international mitigation purposes.

With regards to Article 6.4, the Article 6.4 Supervisory Body met prior to the Bonn session to discuss further requirements and processes necessary to operate the mechanism as well as to support the implementation of the new UNFCCC mechanism for global trading of carbon emissions. In addition, in informal consultations facilitated by Australia and Bhutan this week, Parties exchanged views on three major issues linked to the mechanism, (i) the inclusion of emission avoidance; (ii) authorisation by host Party; (iii) connection between the mechanism registry and the international registry and other registries;

Co-Facilitators of both agenda items have prepared informal notes for [Article 6.2](#) and [Article 6.4](#), drawing on interventions made by Parties, that aim to assist Parties in advancing discussions on this matter next week.

With regards to the non-market item Article 6.8, after the successful initiation of the activities of the work programme and the establishment of the Glasgow Committee on Non-market Approaches GCNMA, SBSTA Chair convened this week an in-session workshop in conjunction with the 3rd meeting of the GCNM to further discuss the development and implementation of non-market approaches. BINGO member, Emily Gerrard, Comhar Group was invited by the GCNMA to provide an expert presentation.

A [draft text on Article 6.8](#) was published yesterday.

Loss & Damage Finance

While finance is not a center piece of the agenda at this Bonn meeting, it was nevertheless omnipresence this first week and in particular in discussions on loss and damage that took center-stage here in Bonn on Thursday with civil society urging countries to “fill the fund”.

In the second [Glasgow Dialogue on Loss and Damage](#) that took place this week, discussions focused on the operationalisation of the new funding arrangements and fund, with many also referring to the critical work of the [Transitional Committee](#).

In plenaries, and in break-out groups we heard the full spectrum of possible options and saw how far apart countries are on various operationalisation modalities, in particular with regards to the following issues: (i) what constitutes 'loss and damage' (economic and non-economic losses, slow onset events, immediate, medium- and long-term recovery needs, development support etc.); (ii) phases of loss and damage, from preparedness and immediate responses to events, to recovery and rehabilitation phases; (iii) how to measure and quantify loss and damage; (iv) nature and governance of the new fund (free-standing entity, as part of "mosaic" of different approaches), (v) sources of funding and contributors; (vi) who will get funding (all developing countries; most vulnerable developing countries); (vii) how quickly funds can be disbursed. Another issues that came up throughout the three-week dialogue is the need for direct local access to funds, as well as to grant-based funding that does not increase debt.

At COP27, Parties also agreed on the institutional arrangements to operationalise the Santiago network in order to catalyse technical assistance to developing countries that are particularly vulnerable to the adverse effects of climate change. Discussions on these items were held throughout the week. This is the latest [draft text](#) and discussion will continue in Informal-Informals, so called INF-INFs.

Adaptation and GGA

A key agenda item that will be particularly high on the negotiation agenda for COP28, is adaptation and the Global Goal on Adaptation aka GGA, given the importance of this issue for developing countries, in particular for the African Group.

Discussions this week on adaptation took place under different agenda items. The Glasgow–Sharm el-Sheikh work programme on the GGA, co-facilitated by Belize, saw little progress. [A draft conclusion](#) was published on Friday night and discussed in the session on Saturday, where many Parties stressed that the text does not adequately capture their views, in particular with regards to specific targets and indicators, and that they will submit their views in writing.

Agriculture

Issues related to agriculture were discussed under the Sharm el-Sheikh joint work on implementation of climate action on agriculture and food security established at COP27.

Countries are now tasked to agree on a roadmap for the joint work that captures the elements of that work, including workshop topics. Parties also need to agree on the operationalisation of the online portal.

The large number of submissions from Parties and observers prior to SB58 are a testimony of strong interest in this agenda item.

Deliberations under this item, co-facilitated by Italy and Peru, progressed very slowly during the first week and saw a number of divergent views. At the fourth informal consultations on this matter held on Saturday, Parties asked the co-facilitators to develop text capturing elements of the joint work, on the basis of Parties' views. This [informal note](#) was published yesterday night.

Global Stocktake

The first [Global Stocktake](#) at COP28 will mark a key moment to take stock of the collective progress towards the Paris Agreement's objectives and is seen as a critical tool to provide the global community with the framework to "course correct: and set forward the pathways and actions on mitigation, adaptation, and finance and other means of implementation." The first stocktake got underway at COP26 in 2021 and will conclude in Dubai later this year. Each stocktake is a two-year process that happens every five years.

The Bonn session saw the 3rd and final technical dialogue under the GST. In the GST opening plenary, an interactive "World Café" and four insightful roundtables focusing on the "what is next?" in each of the four cluster above, we heard Parties and Observers views on expected outputs from the GST and what important emerging messages participants are seeing, also building on the [summary report on TD1.2](#) that took place during COP27.

Matters relating the GST were also discussed in a joint SBSTA/SBI contact group co-chaired by UK and Singapore that focused on Parties views on expected outputs from the GST. While many countries emphasised the critical importance of a strong GST outcome in Dubai key divergences emerged with regards to the elements that should be included in an outline to be agreed on in Bonn.

Many developing countries emphasised the need for a balanced assessment of the information collected, with a major focus on pre-2020 ambition gap and financial issues and rejected any mitigation-centered and prescriptive nature of the outcome. Some countries also supported a political declaration and a technical annex, in addition to the "cover decision" to be adopted in Dubai. Others expressed concerns with regards to the technical annex as for them it would be impossible to capture all solutions and approaches in an annex.

ICC and the Business and Industry Group actively participated and contributed to the third technical dialogue across the different components. A copy of the business statement delivered at the opening session can be found attached.

OUTSIDE NEGOTIATION ROOMS

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

We would like to share with you attached the announcement of the establishment of the “UNFCCC Secretariat Recognition and Accountability Framework for non-Party stakeholders climate action and the first implementation plan under the Framework” from 4 June.

We are currently engaging extensively with governments, business groups and representatives on the process and details of this UNFCCC proposal and are finalising a response letter from ICC and BINGO. We will share a copy of the final letter with you as soon as possible.

The UNFCCC proposal will also be presented and discussed tomorrow in this [event](#). The event will be livestreamed from Bonn.

We, of course, welcome any views and questions you have or areas of concern you see with regards to the proposal.

Best regards,

Sandra