



## SD 🎯 Earth Negotiations Bulletin

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### **Baku Climate Change Conference** Wednesday, 20 November 2024

A Stocktaking Plenary revealed the broad divide that persists in negotiations on the new finance goal, but indicated some progress with regard to cooperative approaches for implementing the Paris Agreement. Across agenda items, negotiators did their best to clean their draft texts, which are now in the hands of the Presidency.

#### Presidency Stocktaking Plenary

Conference of the Parties (COP) President Mukhtar Babayev reminded parties they had less than three days to finalize work and invited an overview of the status of work under ministerial consultation and at the technical level.

From ministerial consultations on the new collective quantified goal on climate finance (NCQG), Yasmine Fouad (Egypt) reported there are persistent divergences on the structure, with all parties agreeing on the need for a quantum for mobilized finance, and some also seeing a role for a broader finance goal, in the scale of trillions, from all sources. Regarding the contributor base, she noted all agreed that the goal does not change Article 9 of the Paris Agreement (finance), and some suggested clarifying that there will be no change to countries' development status or their ability to receive finance. Chris Bowen (Australia) noted developing countries' expectation for a mobilization goal of USD 1.3 trillion, with proposals for the provision element including USD 440 billion, USD 600 billion, and USD 900 billion. He said others have pointed to a floor of USD 100 billion and underscored interlinkages with a resolution on the contributor base, and sources and structure. He also noted that: some want a single quantum for provision and mobilization; allocation floors are key to some and unacceptable to others, who emphasize regional balance; and some call for burden sharing provisions, which others consider as a red line.

On a "mitigation outcome," Dion Travers George (South Africa) noted consultations focused on what parties consider to be mitigation outcomes and political messages needed from Baku, and whether these should be placed under the mitigation work programme or other agenda items.

On the Global Goal on Adaptation (GGA), Franz Tattenbach (Costa Rica) reported on consensus that adaptation, including adaptation finance, needs elevated attention. Eamon Ryan (Ireland) indicated divergence on: indicators relating to means of implementation; establishing GGA as a permanent agenda item (relating to paragraph 38 in Decision 2/CMA.5 (requesting the Subsidiary Bodies (SBs) to consider the GGA)); and the definition and applicability of transformational adaptation. He noted the first

of these would require consultations with the ministerial "finance track," while the latter two could be resolved at the technical level.

On Article 6, specifically on the international registry under Article 6.2, Grace Fu (Singapore) reported a potential landing ground, comprising a "dual layer registry system" whereby the international registry would form an "accounting layer" for tracking units, while the UNFCCC Secretariat would provide an optional service outside the registry with additional functions, including transfer and holding of units. She noted convergence that the international registry would not have an issuance function. Simon Watts (New Zealand) noted constructive exchanges on other issues, including upfront information and addressing inconsistencies.

On a "high ambition balanced package," COP 29 Lead Negotiator Yalchin Rafiyev explained consultations would be held in the afternoon of Wednesday, 20 November.

Reporting on technical work, Rafiyev highlighted that: negotiators working on the dialogue on implementing the global stocktake (GST) outcomes were awaiting political guidance; and parties converged that the qualitative aspects of the NCQG should be concise. He said all ministerial facilitators were requested to provide their proposals by 5:00 pm on Wednesday, 20 November, with new text iterations on ongoing technical work to be released by 7:00 am on Thursday, 21 November, after which parties will convene in a "single setting."

The LIKE-MINDED DEVELOPING COUNTRIES (LMDCs) expressed concern with the pace of negotiations and the focus being "mitigation, mitigation, and mitigation," with "adaptation totally deadlocked, nothing on just transition, and receding hope on getting an ambitious NCQG."

President Babayev observed "a willingness to leave with a robust and balanced package" and urged parties to find a way.

#### **Finance**

Matters relating to the Adaptation Fund: During the COP serving as the Meeting of the Parties to the Kyoto Protocol (CMP) and COP serving as the Meeting of the Parties to the Paris Agreement (CMA) informal consultations, Co-Facilitator Ralph Bodle (Germany) invited parties to continue consideration of the draft CMP and CMA decision texts. They cleaned up the text relating to: the Adaptation Fund (AF) Board's (AFB) decision to update the AF's environmental and social safeguard policy; the AFB's consideration of funding caps and an enhanced readiness programme; and the resource mobilization strategy. Parties accepted the AFRICAN GROUP's proposal to request the Subsidiary Body for Implementation (SBI) to consider the matter of the arrangements for the AF to exclusively serve the Paris Agreement and to make recommendations to CMA 7 and CMP 20.

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Parties were unable to agree to remove brackets around text on: fulfillment of pledges to the AF; and welcoming the AFB's efforts to strengthen complementarity and coherence with respect to accreditations and other relevant areas of operations, with the ARAB GROUP proposing deletion of "with respect to accreditations and other relevant areas of operation."

The Co-Facilitator will consult with the Presidency on the way forward.

#### Mitigation

Further guidance on nationally determined contributions (NDC) features: In the CMA informal consultations, Co-Facilitator Federica Fricano (Italy) invited views on a draft decision text. CHILE considered there is no need for further guidance on NDC features, but suggested exploring guidance on voluntary elements, such as adaptation or ocean components, and noted it would be better to have a workshop under the SBs first to inform CMA discussions, rather than the other way around. Many supported engagement under the SBs first, though some suggested the workshop take place in 2025, while others noted that few countries will have submitted NDCs by then and the updated NDC synthesis report—which many considered important input to the discussion-will not yet be available. Some stressed avoiding overlaps with the consideration of updates to the guidance for information to facilitate clarity, transparency, and understanding (ICTU) of NDCs and the modalities, procedures, and guidelines (MPGs) of the enhanced transparency framework in 2028.

The AFRICAN GROUP, INDIA, and EGYPT supported terminating discussions on this item at CMA 6. CHINA opposed an in-session workshop and, supported by INDIA, a reference to the NDC synthesis report. PANAMA emphasized "we cannot have a Picasso of NDCs that are not comparable." INDIA responded that "we get what we painted," reiterating the "voluntary," nationally-determined nature of NDCs.

Co-Facilitator Fricano noted that if parties cannot reach agreement, Rule 16 will apply and parties will therefore consider the matter again at the next session. She considered the discussions to be more constructive than at COP 24 in Katowice and invited parties to huddle.

Periodic review of the long-term global goal under the Convention and of overall progress towards achieving it: In the COP contact group, Co-Chairs Leon Charles (Grenada) and Jolene Cook (UK) invited further views on the draft decision text. Parties expressed divergent opinions over the future of the periodic review. The US described this agenda item as a "vestige of pre-Paris discussions" and, together with JAPAN and AUSTRALIA, reiterated its preference to terminate the periodic review as soon as possible and continue these discussions under the GST. The LEAST DEVELOPED COUNTRIES (LDCs), among others, opposed this, advocating to retain this agenda item and calling for parties to prepare submissions with a view to determining the modalities of the next periodic reviews. Countries also diverged on the timeline for further discussions, with the LDCs, opposed by JAPAN and NORWAY, proposing to continue discussions at the 62th session of the Subsidiary Body for Scientific and Technological Advice (SBSTA 62), while the ALLIANCE OF SMALL ISLAND STATES (AOSIS) and INDIA favored COP 30 and JAPAN suggested COP 32.

On the submission of views, KENYA, the PHILIPPINES, and INDIA proposed to invite submissions not only on whether or not the periodic review dialogue should continue, but also on how it would do so. The US, CANADA, and AUSTRALIA opposed, warning that this framing would prejudge the outcome of discussions. They also opposed requesting a synthesis report

on the views submitted, which was favored by KENYA and the PHILIPPINES.

#### Adaptation

Matters relating to the GGA: In CMA informal consultations, Co-Facilitator Tina Kobilšek (Slovenia) invited comments on the parts of the draft decision that deal with taking forward paragraph 38 of decision 2/CMA.5 (requesting the SBs to consider the GGA). The LDCs urged parties not to unpack this text in the limited time left and continue discussions at SB 62 (June 2025) instead.

On the potential inputs on progress towards the GGA for informing future GSTs, AUSTRALIA, with the AFRICAN GROUP, supported a call for the GGA to be reflected in updated adaptation communications and for the Secretariat to review progress towards the GGA Framework's targets so as to feed into the second GST (GST-2). The US, with the EU and the UK, opposed this, saying it would prejudge work in other processes. Their preferred option would recognize GGA indicators as sources of input for future GSTs more generally. GRUPO SUR and the ARAB GROUP preferred a similar option. AOSIS and the AFRICAN GROUP additionally called for reviewing the adequacy and effectiveness of adaptation support.

The ARAB GROUP and AFRICAN GROUP, opposed by the EU, AUSTRALIA, the US, and JAPAN, reiterated a call for inviting the Intergovernmental Panel on Climate Change (IPCC) to establish a task force on adaptation with a view to provide guidance and relevant information towards the implementation of the GGA.

Parties converged on deferring the review of the GGA Framework until after GST-2, but disagreed as to when to establish the terms of reference for the review. The EU, supported by AOSIS, stressed the importance of progress on transformational adaptation, underscoring that it does not replace incremental adaptation and is not a condition for the provision of support. The LMDCs opposed any language on this, citing the lack of time to properly consider the report on transformational adaptation (FCCC/TP/2024/8) ahead of COP 29.

Discussions continued in informal informals.

**National Adaptation Plans:** In COP informal consultations co-facilitated by Antwi-Boasiako Amoah (Ghana), parties agreed to continue consideration of the matter at SB 62 on the basis of the draft text prepared in Baku.

#### Other Issues

Joint annual report of the Executive Committee of the Warsaw International Mechanism (WIM) and the Santiago Network: These Presidency-led COP/CMA consultations centered around the long-standing debate whether the WIM falls under the authority of the CMA only, as maintained by developed countries, or is subject to the joint governance of the COP and CMA, a view held by developing countries. At the Presidency's invitation, parties reiterated their views. The G-77/CHINA said that it strongly supports joint COP/CMA governance of the WIM, while the EU and US underscored their view that the WIM had been transferred to the CMA with the adoption of the Paris Agreement.

Parties agreed on a draft decision welcoming the work of the WIM and the operationalization of the Santiago Network, adopting the rules of procedure of the Network's Advisory Body, and forwarding the text for adoption to the governing bodies with a footnote specifying that the decision does not prejudge governance questions.

Provision of financial and technical support to developing countries for reporting under the Paris Agreement: In CMA

technical consultations co-facilitated by Sandra Motshwanedi (South Africa) and Ole-Kenneth Nielsen (Denmark), countries went through the draft decision paragraph by paragraph. AOSIS, supported by CHINA but opposed by KYRGYZSTAN and GEORGIA, suggested removing a reference to mountainous regions. The US requested language on the provision of support through bilateral, multilateral, and other channels. She further suggested emphasizing that 70% of available support under the eighth replenishment of the GEF Trust Fund (GEF-8) remains untapped. The AFRICAN GROUP opposed, saying that GEF-8 allocations are already several years old. BRAZIL stressed the continued hurdles in accessing this money and said that this issue should be addressed under guidance to the GEF.

Citing the availability of existing resources, the US, supported by AUSTRALIA, also requested deleting a reference to scaling up the provision of resources for transparency and reporting. BRAZIL opposed, noting multiple countries have accessed GEF funding and found it insufficient to comply with their reporting obligations under the enhanced transparency framework.

After meeting in informal informals, discussions continued in the afternoon. Disagreement on how to deal with the linkages to guidance provided to the GEF under a different agenda item and on the need to "scale up the provision of financial, technical, and capacity building support" persisted. The AFRICAN GROUP proposed an additional paragraph that calls for the organization of a joint workshop with the GEF to address issues around accessing GEF funds to build internal capacity for transparency and reporting. The UK initially voiced skepticism, but ultimately agreed to retain the paragraph with slightly altered language.

Noting "rather entrenched" positions and outstanding agreement on related issues under the GEF guidance agenda item, the Co-Facilitators will report back to the Presidency.

**Poznan strategic programme on technology transfer:** In COP informal consultations, Duduzile Nhlegenthwa-Masina (Eswatini) and Stig Svenningsen (Norway) presented a draft decision text.

Parties discussed the timing of the evaluation of the programme and eventually settled on requesting the Secretariat to prepare a report for consideration at SBI 64 (June 2026), with a view to recommending a draft decision for adoption by COP 31 (November 2026). With this, but without a reference to potentially concluding the consideration of the programme's agenda item after the evaluation, supported by the EU but opposed by the G-77/CHINA, parties agreed to the draft decision.

**Technology implementation programme:** The CMA contact group was co-chaired by Diann Black-Layne (Antigua and Barbuda) and Elfriede More (Austria).

The G-77/CHINA, echoed by many, proposed adopting procedural conclusions and using the rest of the session to clean up the text as far as possible for further consideration at the next session.

Commenting on the preamble, the EU requested a reference to decision 1/CMA5 (GST decision) and SAUDI ARABIA called for referencing specifically paragraph 110 of the decision 1/CMA5, which established the work programme. After informal informals, parties reported that they still could not reach an agreement on referencing the GST decision, but the rest of the preamble is agreed. They also reached agreement on the operating paragraphs related to the TIP's objective and the sources of technology priorities identified by developing countries, with views still diverging on challenges.

Parties then agreed to continue discussions on this matter at SBI 62 (June 2025), with discussions to be based on the last iteration of the draft text.

Procedural and logistical elements of the overall GST process: In CMA informal consultations, Co-Faciliators Thureya Al Ali (UAE) and Patrick Spicer (Canada) invited views on draft decision text. The LMDCs stressed the need to have a short and succinct text and listed suggestions for deleting, streamlining, and cleaning up various paragraphs, including a proposal for alternative text on the role of the IPCC. The US said that "agrees" should be replaced with "decides" throughout the text and acknowledged productive informal discussions the night before on the role of the IPCC. She also underscored that the high-level committee for the consideration of outputs should consist of all three Presidencies involved in any given GST. On the technical assessment component of GST-2, AUSTRALIA said that the decision should set forth the modalities for all future GSTs and not reference any particular year or timeline.

Discussions continued in informal informals.

Report on the annual dialogue on the GST informing NDC preparation (referred to in paragraph 187 of Decision 1/ CMA.5): In CMA informal consultations, Co-Facilitators Noura Alissa (Saudi Arabia) and Kaarle Kupiainen (Finland) presented a revised decision text to be forwarded to the Presidency.

AOSIS, the EU, AUSTRALIA, CANADA, and the US called for substantive messages to be included. The LMDCs, the AFRICAN GROUP, IRAN, and QATAR opposed. A huddle did not yield agreement.

While proponents of substantive messages called for reflecting all views in the text for the Presidency, opponents of those messages opposed forwarding the text to the Presidency with the compilation of messages included. The Co-Facilitators will further consult with parties.

#### In the Corridors

Turning the corner on the last week of the COP, it was time for everyone to get down to their core interests. In the few remaining technical negotiations, delegates found little overlap in their interests. Some cited "irreconcilable differences" even after huddling or chatting in informal informals. In discussions on possible further guidance on the features of nationally determined contributions, parties debated the aesthetics of the Picasso-like collage of hard-to-compare NDCs. "We get what we painted," noted a fan of abstract art.

Observers were addressing other interests. One dedicated to the Article 6 negotiations worried that "consultants-turned-lobbyists" were seeding misinformation that a UNFCCC-hosted registry for Article 6.2 would lead to "hot air" credits. It would actually allow countries to participate based on agreed-upon provisions but without having to "pony up" for someone to set up a national registry, he explained.

On the new finance goal, some new figures transpired from the Presidency Stocktake. With groups tabling expectations of USD 440, 600, or 900 billion in public finance, multiple NGOs and some delegates called the USD 200 to 300 billion range "a joke," with one noting "it is not even enough to address the adaptation gap." With everyone trying to maximize their piece of the cake, the floor—or, minimum amount of finance—seems to have fallen out beneath least developed countries and small island developing states. Meanwhile, developed country delegates continued to hold conversations with what one called "countries that have graduated from the developing country category."

While not all were mentioned in the stocktaking plenary, the list of items on the Presidency's to-do list is long and varied. Few seemed sure where the Just Transition Work Programme, response measures, and others "were at." New texts are due early Thursday morning. It might be in everyone's interest to get a few hours of sleep while they still can.



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