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BONN CLIMATE NEWS UPDATE

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Difficult negotiations on the Just Transition Work Programme

Kuala Lumpur, 19 June (Hilary Kung) – The concluded climate talks under the UNFCCC's Subsidiary Bodies (SBs) in Bonn, Germany, saw Parties finally agree to a further consideration of the Just Transition Work Programme (JTWP) in Baku, Azerbaijan, in November, later this year, after long and intense negotiations on the way forward.

The JTWP negotiations saw several setbacks during the two weeks' negotiation in Bonn, and were deadlocked till the final day of the talks on 13 June. Developing countries wanted the JTWP to be enhanced and strengthened, with a work plan and activities, but developed countries were opposed to this, and pushed for the JTWP to implement the global mitigation efforts agreed to in Dubai last year, under the global stocktake (GST), including transitioning away from fossil fuels. (See further details below).

On 12 June, the Co-Chairs of the joint contact group, Marianne Karlsen (Norway) and Kishan Kumarsingh (Trinidad and Tobago), concluded that no consensus could be reached and closed the final session contact group at 7.30 pm, saying that they would report this to the SB Chairs. Many Parties continued to stay on in the meeting room after the joint contact group ended, talking to each other in an attempt to find a way out to break the deadlock in the negotiations, and to ensure that

the work done in Bonn was not in vain.

Nabeel Munir (Pakistan), the Chair of the Subsidiary Body for Implementation (SBI) and Harry Vreuls (Netherlands), the Chair of the Subsidiary Body for Scientific and Technological Advice (SBSTA) were seen entering the meeting room, to ascertain what was going on. After a long night of consultations from 7.30 pm until 10.50 pm, no consensus was reached.

In one last push for consensus by the **G77** and China before the closing plenary on 13 June, Parties agreed to the conclusions, and for the continued consideration of this matter at SB61 (as reflected under para 9), "taking note of the informal note prepared by the Co-Chairs (of the JTWP) under their own responsibility, the exchanges of views and inputs by Parties, views submitted via the submission portal...and the annual summary report of the dialogues (held under the ITWP), with a view to recommending a draft decision on the matter for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session (CMA 6) (Nov. 2024), recognizing that all inputs do not represent a consensus among Parties and further work is necessary to finalize the decision."



Third World Network is an independent non-profit international research and advocacy organization involved in bringing about a greater articulation of the needs, aspirations and rights of the peoples in the South and in promoting just, equitable and ecological development.

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(The JTWP was established in Sharm el Sheikh, Egypt in 2022, for discussion of pathways to achieving the goals of the Paris Agreement (PA). An annual high-level ministerial round table on just transition was decided in Sharm el-Sheikh. In Dubai last year, Parties agreed on the elements of the JTWP, following stark divergences between developed and developing countries. [See TWN update 1 and para 2 of the decision 3/CMA.5]. The Dubai decision also stated that at least two dialogues should be held each year, annual summary report of the dialogues and a report summarising information to inform the second global stocktake. (See TWN Update 3 on the first dialogue of the JTWP).

With the <u>Dubai decision</u> stating that the SBs shall guide the implementation of the work programme through a joint contact group, with a view to recommending a draft decision on this matter for consideration and adoption in Baku, the negotiations in Bonn saw developing countries, led by **G77 and China** wanting a focus on enhancing and strengthening the JTWP; while developed countries wanted to maintain the minimal modalities, and for the JTWP to serve as a follow up to the first GST, specifically on para 28.

(Para 28 of the GST called on Parties to contribute to the global mitigation efforts, such as: (a) tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030; (b) accelerating efforts towards the phase-down of unabated coal power...(d) Transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner...(h) Phasing out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible etc.)

G77 PROPOSES WORK PLAN FOR IMPLEMENTATION OF JTWP

During the joint contact group on June 10, **Egypt**, on behalf of **G77** and **China**, proposed to add the consideration of "a work plan" in the draft conclusions text. This was strongly opposed by developed countries, led by the **United States (US)**, **Canada**, **European Union (EU)**, **Japan** and **United Kingdom (UK)**, and the "work plan" never made its way into the text. (See <u>TWN Update 9</u>)

The conclusion text saw a newly added para 5, which reads, "The SBSTA and the SBI emphasized

working systematically to cover the elements contained in paragraph 2 of decision 3/CMA.5." This was originally proposed as new para under 4bis by developed countries in response to the call by developing countries to include the "work plan" in the draft text. The only reference to the work plan is in the informal note that reads, "[Placeholder on the work plan for the work programme]". This work plan proposal in brackets foreshadows a tough fight for developing countries in their effort to continue strengthening the JTWP in Baku.

During the joint contact group on 11 June, **Kenya** for the **African Group (AG)** said it would not support having the placeholder on the workplan. (The AG had submitted a draft decision text, known as Conference Room Paper [CRP], together with a detailed workplan for 2024 and wanted its proposal to be integrated into the draft text, instead of a placeholder. The CRP clearly outlines the activities and timeline under each element of the JTWP, as well as the expected outputs). The AG called for its input to be fully integrated into the draft text. This was also echoed by **China** and **South Africa**.

On the other hand, the **US** called for removal of the placeholder for the work plan, citing no consensus on the matter, while the **UK** insisted on adding language in the draft conclusion text to reiterate some key messages from the GST, which was supported by the **US** and **New Zealand**.

The **UK** proposed additions as heard in the room for the following text: "Decide (that the) JTWP should facilitate the accelerated implementation of 1.5 °C aligned pathways and transition away from fossil fuel, in line with para 28 of decision 1/CMA.5" and "Invites Parties to share experience in implementing the GST outcome in particular paras 28 and 42 of decision 1/CMA5, at the UAE just transition work programme dialogue".

Reacting the proposal of developed countries, **Qatar** for the **Arab Group** reminded Parties that the "JTWP is not a mechanism to follow up on GST" and called to postpone discussions on the draft text and only focus on the draft SB conclusions in Bonn, which was echoed by **Saudi Arabia**.

India said it felt that "we are diverting from our goal, elements, and procedures which [were] mentioned in the JTWP" and is "supposed to be on

the implementation of the work programme..."

Bolivia for the **Like-Minded Developing Countries (LMDC)** also reiterated the importance of including the elements that have been agreed to in Dubai in the draft text and explained the need to postpone discussions on the draft.

South Africa also recalled the Dubai decision which is to discuss pathways to achieving the goals of the PA outlined in Article 2.1, which is in the context of Article 2.2 (reflecting the principles of equity and common but differentiated responsibilities and respective capabilities) and not deviate from the essence of the JTWP.

Elaborating further, it said the GST decision is important but it is not the essence of the work programme. It also called on Parties to focus on operationalising the JTWP and wanted to see the textual proposal by the AG reflected in the operative paragraphs of the draft text. "The [proposed] work plan seeks to organize the work and align with the elements [as per para 2 of Dubai decision], not to deviate from the agenda item," said South Africa further.

DELICATE BALANCE IN FORWARDING THE INFORMAL NOTE

The <u>draft text</u> released by the co-chairs on 10 June, (which was later referred to as the informal note by the Co-Chairs), had been a contentious issue, with divergences between developed countries, including **Australia**, **UK**, **US**, **EU**, and **New Zealand** who wanted to forward the text to SB61 for further consideration in Baku; while a majority of the developing countries, except **Papua New Guinea**, did not see the current draft as a good basis for further negotiation in Baku.

The adopted conclusions in Bonn saw a delicate balance in forwarding the <u>informal note</u>, alongside the exchanges of views and inputs by Parties under these agenda items at these sessions, views submitted via the submission portal no later than four weeks prior to SB 61, and the annual summary report on the dialogues, with a view to recommending a draft decision in Baku, "recognizing that all inputs do not represent a consensus among Parties and further work is necessary to finalize the decision." (See para 9 of

the conclusions as stated above).

Bolivia for the **LMDC** noted that the draft text was very unbalanced and did not include all views from Parties, and that the text cannot be forwarded without all views being taken into account. This was echoed by Qatar for **Arab group**, **China** and **Saudi Arabia**; while others called for more time to work on a bridging proposal put forward by Nepal.

China again called for integrating the AG's textual proposal into the draft text as a better way forward, emphasising that this is a Party-driven process.

US, Norway, Canada, Australia, UK, EU, Switzerland for the Environmental Integrity Group (EIG) wanted to forward the draft text as is to Baku, but also expressed willingness to engage with Nepal's bridging proposal (See below). In previous sessions, the US had also called for the deletion of references to the "Convention" to be replaced with the PA in the draft text, which was supported by the EU.

Nepal, in an attempt to salvage the work done in Bonn, provided a bridging proposal to balance the draft text with a call for submissions of Parties whose views have not been included and to submit their views before SB 61 in Baku.

Sources informed TWN that during the consultations with the SB Chairs, the **UK**, in response to the new paragraph inserted by developing countries which calls for submissions from Parties to complement the informal note, the UK reintroduced language from the GST decision through a new paragraph. This caused another breakdown of the negotiations and Parties had to move into huddles to find convergence.

Towards the end, Parties seemed to agree to the delicate balance in the paragraph concerned, but not on removing all the brackets in the other paragraphs in the draft conclusions. The US answered "No" when the SBI Chair asked whether there is an agreement with removing the brackets in para 6, which was about holding the second dialogue intersessionally, well in advance of SB 61. Clearly, the conclusions in Bonn have set the stage for tough fights to happen in Baku on the implementation of the JTWP.

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