

## Head-on clash foreseen in Baku over scope of “UAE dialogue”

20 June, Kathmandu (Perna Bomzan): At the recently concluded 60<sup>th</sup> session of the UNFCCC’s Subsidiary Bodies (SB 60) on June 13 in Bonn, Germany, negotiations proved irreconcilable over the “scope” of the “United Arab Emirates (UAE) dialogue” established by paragraph 97 of the decision on the first global stocktake (GST) outcome, adopted at the annual climate talks in Dubai last year.

(In the GST [decision 1/CMA.5](#), paragraph 97, it was decided “... to establish the United Arab Emirates dialogue on implementing the global stocktake outcomes”, and is placed under the “finance” heading of the section on “means of implementation and support” of the Dubai decision.)

At the start of the informal consultations in Bonn, differences arose on what actually transpired in Dubai during the drafting of the final GST decision and how paragraph 97 was arrived at.

The **African Group** and reiterated by **Egypt**, and **South Africa**, stated that meetings of the COP/CMA since Glasgow (COP 26/ CMA 3) through to COP 28/CMA 5 and their decisions, have all confirmed that there is a “major gap between the climate finance needs and finance mobilized and provided to developing countries

to implement their current NDCs [nationally determined contributions] and NAPs [national adaptation plans], let alone the additional targets or aspirations set out in the GST outcome.”

They highlighted further that “it was this, that caused the Ministerial pair facilitating the finance section of the GST decision and the team working on final GST outcome under the UAE’s leadership, to propose the paragraphs (referring to paras 97 and 98) that created the space for focused discussions on financing the implementation of the GST elements, with this intention made explicitly clear through the placement of the paragraphs in the finance section of the decision”.

Developed countries however, recalled different understandings of what actually happened, leading to the conundrum faced in Bonn, and which is expected to come to a flashpoint in Baku.

In Bonn, a majority of developing countries argued that a logical correct reading of the decision clearly points to the scope of the UAE dialogue as solely focused on “finance-related” GST outcomes. Developed countries and some groupings of developing countries however, had

divergent views particularly arguing for a broader scope covering “all” GST outcomes (see [TWN Update](#)), and this fundamental difference on scope dominated the negotiations, obscuring the key mandate of developing the “modalities” for the dialogue as contained in following paragraph 98 of the decision.

The issue of scope turned into a key fight of “form following function,” as mentioned by the **European Union (EU)**, especially by those pushing for the purpose and objective to cover “all” GST outcomes, placing emphasis on the “mitigation” outcomes of the GST decision (in particular, highly contested paragraph 28 which includes global efforts to transition away from fossil fuels) among others. This approach was vehemently objected by those who wanted the focus to only be on “finance-related” outcomes of the GST, decrying that such a broad scope was outside of the GST mandate, was policy prescriptive and not acceptable.

(It is to be noted that throughout the second week of negotiations, the informal note to capture the views of Parties prepared by co-facilitators **Richardo Marshall [Barbados]** and **Patrick Spicer [Canada]**, evolved into multiple iterations with Parties citing imbalance of the overall text on the scope, captured broadly by “three options or vision” and hence, not being fully reflective of all different views. The three options/vision were: climate finance/means of implementation (MOI) to implement the GST outcomes; implementing all GST outcomes; and all GST outcomes with a focus on finance/MOI.)

Parties finally agreed to take forward the “[informal note](#)” capturing “five options /vision” on the scope, as the basis of negotiations later in Baku, when Parties will convene to take decisions at the 6<sup>th</sup> session of the meeting of Parties to the Paris Agreement (CMA 6).

Two options/visions were added to reflect the views of the **Like-Minded Developing Countries (LMDC)** (supported by the **Arab Group**) and of the **Environmental and Integrity Group (EIG)** respectively, which proponents contested as separate from the initial three options/visions. (See details below.)

The adopted [draft conclusions](#) proposed by the Chair of the Subsidiary Body for Implementation (SBI) notes that “*the informal note does not*

*represent consensus among Parties, and agreed to continue consideration of this matter, taking into account the informal note, at SBI 61 (November 2024)”* with a view to concluding consideration of the matter by CMA 6. Further, the SBI also invited Parties to submit their views on the modalities of the dialogue by 15 September this year, and further requested the secretariat to prepare a synthesis of the submissions for consideration at SBI 61.

The chapeau of the informal note states, “*includes divergent views on scope, modalities, and timeline, of the GST-related activities and has been prepared by the co-facilitators for this agenda item under their own responsibility*”. Further, “*the informal note has not been agreed upon, is not exhaustive, and has no formal status. It is intended to assist Parties in their discussions and does not prejudice further work or prevent Parties from expressing any further views*”. Additionally, “*based on the deliberations and submissions by Parties, the non-exhaustive list of possible elements reflect various views on the scope of the dialogue, its purpose and objectives, and related modalities on timing, format, inputs and outputs. Some Parties also provided views on possible preambular elements, which are presented at the end of the informal note*”. The entire list of possible elements is kept in “brackets [ ]” (denoting not agreed).

The five different options/visions on the scope of the dialogue comprising respective purpose and objectives as well as the modalities are listed comprehensively in the informal note in the following order:

#### **SCOPE: CLIMATE FINANCE/MOI TO IMPLEMENT GST OUTCOMES**

This option/vision reflects the views of the **African Group** led by **Ghana** and **Group SUR (Argentina, Brazil, Uruguay, Paraguay)** led by **Brazil**, further echoed by **Egypt, South Africa** and **Kenya** during the negotiations.

Among a list of elements under the purpose and objective, the dialogue will “*focus on climate finance in relation to implementing the GST-1 outcomes, with the rationale of serving as a follow up mechanism dedicated to climate finance, ensuring response to and/or monitoring of, as may be appropriate and necessary, all climate finance items under the GST*”.

The dialogue “*should allow for discussions on implementation with provision of finance at the centre of implementation of such outcomes, recognising that other means of implementation are also crucial*” and further, “*the main elements of the discussions should include:*

- *Scale of finance available and accessible for developing countries;*
- *Instruments used for providing climate finance in particular for the additional elements referred to under GST;*
- *Access modalities for finance;*
- *Distribution of finance resources and channels used;*
- *Balance of finance between the different themes and targets;*
- *Role of relevant financial institutions in providing climate finance”.*

It also states that “*The sole mandate of UAE dialogue [para 97 of Decision 1/CMA.5 on dialogue], is to discuss the availability, predictability and adequacy of the provision of finance to support the implementation of the current NDCs and NAPs, and deliver on the additional recommendations from the CMA.5 outcomes. This would include discussion on the adequacy, instruments, accessibility and equitable distribution of finance, and the gaps in this regard.*” This paragraph reflects the understanding of the African Group and supported by Egypt and South Africa as to what transpired in Dubai as regards the GST decision.

#### **SCOPE: FINANCIAL SUPPORT FROM DEVELOPED TO DEVELOPING COUNTRIES AND TRACKING THE DELIVERY OF THE NCQG**

This option/vision was added reflecting the views of the **LMDC** led by **Saudi Arabia** and the **Arab Group** led by **Qatar** and **Iraq**, further echoed by **China** and **India** during the negotiations.

It was clubbed with the preceding first option/vision. However, **Saudi Arabia** for the **LMDC** consistently emphasised on capturing its views as a “separate vision on its own”, given that the preceding option/vision “did not accurately reflect the characterisation” of the dialogue. It said that the group does not see the implementation of GST outcomes in a “decision text” and that it can be “feasibly” achieved in a dialogue since implementation is at the “national” level through

the NDCs and NAPs being a “national process”. It further cautioned that the informal note without its separate vision is a “non-starter” as it contained “redlines and renegotiation of the GST outcomes” (responding to paragraph 28 on mitigation reflected with different interpretations in the informal note) and hence, “balance” was required with incorporation of its inputs.

In the adopted informal note, under this option/vision, the “*purpose and objectives*

- *Confirms that the UAE dialogue on implementing the global stocktake outcomes referred to in paragraphs 97 and 98 of decision 1/CMA.5 will focus on*
  - *financial support from developed to developing countries to implement their Nationally Determined Contributions under Paris Agreement and their National Adaptation Plans, and*
  - *decides to track the delivery of the New Collective Quantified Goal on Climate Finance within the UAE dialogue on implementing the global stocktake;*
- *Decides that the dialogue shall provide developed countries with space to provide updates and announcements on their contributions and efforts to mobilize finance, and developing countries to outline gaps and needs for finance”*

Before agreeing to the informal note, **Saudi Arabia** also requested “surgical edits” in the chapeau to reflect the “*divergent views*” of Parties which was echoed by **Qatar** for **Arab Group**, **China** and **India** and which was accepted.

#### **SCOPE: IMPLEMENTING ALL GST OUTCOMES**

This option/vision reflects the views of the **EU**, echoed by **Norway**, the **United States (US)** and **Japan** during the negotiations. In the initial version of the informal note of 7 June, this option/vision was captured as “all GST outcomes including MOI/Finance” but was rephrased from the subsequent iteration of 10 June to “*implementing all GST outcomes*”.

Among a list of elements under the purpose and objectives:

- *“The UAE dialogue on the implementation of the GST1 outcomes, aims to keep track of the status of implementation, this includes tracking of actions taking place at the global level, and the resources available towards the achievement of the objectives globally and will create a bridge to inform the GST2 on how the outcomes from GST1 has been addressed;*
- *The purpose of the UAE dialogue should be to track collective progress across all outcomes in the first Global Stocktake, with three clear roles:*
  - *Creating an opportunity for Parties to consider follow-up to the first GST in a holistic and integrated manner, by providing a space to discuss how our work across all workstreams ties together in pursuit of the goals of the Paris Agreement, and a tool to reflect on how this contributes to our collective progress in implementing the GST outcomes;*
  - *Playing an important role in ensuring concrete follow-up to elements of the GST1 outcome that are not being addressed elsewhere in the UNFCCC process;*
  - *Ensuring a holistic understanding of follow-up to GST outcomes for which greater coordination is required – for example if certain outcomes are being considered by more than one work programme or constituted body (in line with the mandate in paragraph 186 in 1/CMA.5);”*

Another element states that the dialogue “should include enhancing efforts toward achieving Article 2, paragraph 1(c) in relation to implementing the GST1 outcomes”.

Given no common understanding on Article 2.1(c) of the Paris Agreement on “making financial flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development”, **Egypt** reminded Parties that the place to discuss this unresolved issue is at the

ongoing Sharm el-Sheikh dialogue extended to 2024 and 2025, as decided in Dubai last year.

The option/vision also has the following text-  
*“.....emphasize the need for urgent action and support to keep the 1.5°C goal within reach and address climate crisis in this critical decade.....”.*

**SCOPE: ALL GST OUTCOMES WITH A VIEW TO INFORM PARTIES IN UPDATING AND ENHANCING THEIR ACTIONS AND SUPPORT**

This option/vision was added reflecting the views of the **EIG** led by **Switzerland** who pushed for a “separate vision” focusing on the “actions” element of the GST decision, which it insisted was “squeezed out” from the preceding third option/vision.

Among a list of elements under the purpose and objective, “paragraph 28” of the mitigation outcomes is listed in its entirety as a topic that “*the UAE dialogue on climate action*” may consider in terms of “*experience, best practices, opportunities and challenges with regards to contribute (sp) to global efforts.....”.*

**SCOPE: ALL GST OUTCOMES WITH A FOCUS ON FINANCE/MOI**

This option reflects views of the **Independent Alliance of Latin America and the Caribbean (AILAC)** led by **Chile**, the **Alliance of Small Island States (AOSIS)** led by **Grenada** and the **Maldives**, and the **Least Developed Countries (LDCs)** led by **Malawi**.

Among a list of elements under the purpose and objective:

- *“The Dialogue to serve as a platform for a robust follow-up mechanism within the GST framework to ensure effective implementation of its outcomes. This dialogue should facilitate a thorough assessment of progress in implementing the GST outcomes, allowing the identification of gaps and challenges. The dialogue should prioritize the implementation of outcomes within the context of delivering the necessary means of implementation, with the provision*

*of finance being a critical component, while maintaining an overarching focus on the GST, covering all its components, including means of implementation;*

- *“The UAE dialogue framing must establish a clear connection between finance and other means of implementation with all actionable calls and commitments outlined in decision 1/CMA.5;”*

These five different options/visions on the scope of the UAE dialogue definitely signal a head-on fight in Baku to arrive at a consensus and land a final decision to “operationalise” the dialogue starting at CMA 6 and concluding at CMA 10 (2028) as mandated by paragraph 98 of the GST decision 1/CMA.5.

This will definitely be one of the most watched agenda items in Baku and how a compromise will be arrived at will indeed be nail-biting.