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Opposition to means of implementation and CBDR on adaptation

Bonn, 12 June (Eqram Mustaqeem)-- Ever since the start of the on-going climate talks under the 60th session of the UNFCCC's Subsidiary Bodies (SB 60) in Bonn, Germany, developed countries have made a concerted effort to block references to the means of implementation (MOI) and the principle of common but differentiated responsibilities (CBDR), in informal consultations across two adaptation related agenda items, viz. the global goal on adaptation (GGA), national adaptation plans (NAPs).

Despite the ever pressing need for adaptation support, especially on finance across the developing world, developed countries have made references to such support as their "red line" in the negotiations, preferring to emphasise only on private sector finance instead of much needed public finance.

Another point of major contention is over how the indicators for the targets adopted in Dubai last year, for the global goal and adaptation (GGA) will be developed, which is a critical task for Parties at SB 60. Developing countries wanted an expert led process while developed countries wanted the Adaptation Committee (AC) to play a greater role.

GLOBAL GOAL ON ADAPTATION (GGA)

(The GGA entails the development of indicators under the two-year UAE-Belem work programme for measuring progress achieved towards the thematic and dimensional targets adopted by decision 2/CMA.5 under the 'UAE Framework for Global Climate Resilience' at the 5th meeting of the Conference of Parties to the Paris Agreement [CMA 5]. The adoption of this GGA framework was a huge win for developing countries after a tough fight. (See TWN Update). The GGA thematic targets cover water, food and agriculture, health, ecosystems and biodiversity, infrastructure and human settlements, poverty eradication and livelihoods and protection of cultural heritage.)

At the start of GGA negotiation on June 3, the co-facilitators, **Pedro Pedroso (Cuba)** and **Tina Kobilsek (Slovenia)**, called on Parties discuss modalities for the 'UAE-Belém Work Programme (UBWP)' on the development of indicators related to the GGA targets, and deliberate on general issues under the scope of the UAE Framework for Global Climate Resilience (UFGCR).

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However, from the outset of the negotiations, there was clear divergence between the developed and developing countries especially over references to the MOI, CBDR and the role of the Adaptation Committee (AC) in developing the indicators.

Uganda for the **G77 and China** emphasised the urgency of the work and the importance of building upon the principle of CBDR in developing the indicators.

Saudi Arabia for the **Arab Group** pointed out the critical role of finance, technology transfer and capacity building in implementing the UFGCR and recalling several paras from the GGA decision, while calling developed countries to deliver on their obligations as per the articles of the Paris Agreement (PA) on the means of implementation, as these are essential for developing countries to achieve their adaptation goals and targets.

Botswana for the **African Group** referred to the 2023 Adaptation Gap Report highlighting the growing adaptation finance needs and faltering flows, with the current adaptation finance gap now estimated at US$366 billion per year, and that current adaptation finance flows do need meet the needs of developing countries with Africa in particular. It also referred to the global stocktake (GST) outcome from Dubai last year which highlighted the increasing adaptation finance gap and the need to finance adaptation. She added that the GGA presents a critical opportunity to address the growing adaptation finance gap in developing countries, referring to Article 4.4 of the Convention and Article 9.1 of the PA, as being clear on the obligations of developed countries to meet the adaptation costs and needs of developing countries.

China for the **Like-Minded Developing Countries (LMDC)** underscored the importance of MOI and differentiation between developing and developed countries consistent with the CBDR principle, as being the crucial basis for the development of indicators. Ignoring the overarching need for the MOI as emphasised in the UFGCR should not be the spirit of how the indicators should be developed.

Sudan for the **LDC (Least Developed Countries**) stressed that it is vital to consider MOI in the development of the indicators to better understand the gaps and needs of developing countries, especially when taking into account the special circumstances of LDCs and Small Island Developing States (SIDS).

Developed countries on the other hand, called for references to MOI and CBDR to be removed and also raised budgetary concerns over the modalities proposed by developing countries.

The **United States (US)** stressed that any modality proposed must be conscious of the budgetary context of the UNFCCC and emphasised that it did not see the relevance of support and MOI in the discussion on indicators, and did not want the bifurcation of indicators between developed and developing countries.

Japan echoing the US stated bluntly that it opposed the development of indicators on MOI and also stressed on the need to be conscious of the budgetary constraints of the UNFCCC.

The issue of budgetary concerns was also highlighted by both **Canada** and **Norway**.

Role of the Adaptation Committee

On the issue of the role of the AC, differences were evident from the start of negotiations.

On June 8, when Parties were proposing modalities for the development of indicators for the GGA targets, **Uganda** for the **G77/China**, stated while recognising the work undertaken by the AC in relation to the GGA, it must be limited to the scope that has been outlined accordingly in the decision of the UFGCR. Further, it also emphasised that while the AC has done very important work on adaptation and can have added value and provide great contribution to the indicator development progress, there must be no reference to the AC leading the work on developing the indicators, it said.

The same view was echoed by **Samoa** for the **Alliance of Small Island States (AOSIS),** where they were concerned that there has been no adequate assurance from the developed countries that want the AC to lead the work, that the work will be “transparent and not political”. It further stressed that the AC is made up of negotiators and even if they delegate work to experts, it will have to be decided amongst themselves how to do so, and this would mean handing the decision to decide on the way forward of the work from this large group of negotiators to a small group of negotiators. Samoa was concerned that it would be political rather than being an expert driven process.

Colombia on behalf of the **Independent Association of Latin America and the Caribbean (AILAC)**, stressed that while it is important to consider the engagement of the AC, it is also important to allow for experts to contribute to this indicator development process. Hence, it would only allow the AC to participate but not lead the process. It also stressed that it is key for developing countries to have access to MOI for them to implement the adaptation thematic targets outlined in the UNFGCR, and that this has to be outlined in the text.

Sudan for the **Least Developed Countries (LDCs)** was also of the same view that the AC should only play a supporting role in the development of the indicators consistent with its existing mandates and the scope of work provided in the UNFGCR.

Brazil for **Group Sur**, **(Argentina, Brazil, Paraguay and Uruguay)** again emphasized on the need for strong language on MOI from developed to developing countries and acknowledged the work of the AC but did not see them leading the work programme but rather in just supporting in the mapping of indicators.

Saudi Arabia for the **Arab Group** shared that while the AC's contribution is much appreciated, the AC must stick and deliver on its mandates as outlined in the UNFGCR and that it is understood that from the previous AC meetings, there is still a lot of budgetary issues in the AC when it comes to conducting work from the existing mandate.

The **European Union (EU)** stated its strong preference for the AC to take the lead and is against any structure of experts engaged in developing the indicators as it would duplicate the modalities of the AC while not providing a way forward.

The **United Kingdom (UK)** preferred the AC to lead the work on the development of indicators given their role as a technical body on adaptation.

The **US** said that the AC operates as a constituted body that has an incredibly transparent process, has both the ability and resources in terms of its modalities to lead the role on the mapping of indicators. **Canada** agreed with the US.

Pedro Pedroso (Cuba) as co-facilitator reminded Parties that on the contentious issue of MOI and support, and that the UFGCR has emphasised the importance of MOI and support from developed to developing countries and that it will be very unlikely for Parties to be able to develop the indicators for the GGA if they do not address the issue of MOI.

In the informal consultations on 11 June, after Parties had gone through a 3 hour informal-informal consultations the day before, **Samoa** for **AOSIS** reported back that while there were still differences on how the mapping (of work) and compilation should be done and said that while there is no consensus on the role of the AC, most Parties agreed that it should not take the lead in developing the indicators and that many Parties echoed the need for expert work to be done, and the need for Party inputs into the development of indicators.

As the SB60 approaches its end on Thursday, 13 June, with Parties still not being able to agree on the modality for the UAE-Belem Work Programme, **Uganda** for the **G77/China** proposed a way forward by mandating the co-facilitators to work on a new text taking into account the conclusions that the group would like to see as a minimum. It said that the AC should not be the lead in indicator development work instead only a contributor; the provision of MOI for the implementation of the GGA and its relevant work, and balanced regional representation in the development of indicators. It also said that there must be global indicators but it should not be a basis of comparison between Parties and for an immediate launch of the technical work after SB60 to allow for review of the mapping criteria, identifying gaps and the development of new indicators and lastly, the provision of support and resources for the effective engagement of experts with an emphasis on regional balance.

Botswana for the **African Group, Saudi Arabia** for the **Arab Group, China** for the **LMDC, Brazil** for **Group Sur), Samoa** for **AOSIS** and **Sudan** for the **LDCs** in their interventions, all aligned themselves with the minimum elements expressed by **Uganda,** particularly on the need for MOI, the role of the AC, the need to launch work immediately after SB60 and the support for experts to attend workshops to maintain a regional balance.

However, the **US** proposed a completely different way forward as it wanted to have representative group of Parties coming together to draft text with minimum elements, instead of mandating it to the co-facilitators.

This suggestion was supported by **Australia**, **Canada**, **UK** and the **EU** with **Australia** remarking that "common sense does not exist in the room "in relation to the suggestion of the G77 in wanting minimum elements of Parties to be drafted as a text by the co-facilitators which was rightfully called out by **Botswana** for the **African Group** as being disrespectful, distasteful and undiplomatic and the kind of language that should not be used in such a setting.

The **US** in expressing its minimum elements stated that firstly, it is willing to compromise on the leading role of the AC if Parties can specify the AC's role in the mapping of indicators. It cannot accept any language of MOI for indicators; it does not accept any structure for an expert group; it cannot accept a text that references the Convention or any elements of CBDR because this is a CMA mandated process, and it expected that the modalities and the conclusions to be aligned with the existing budget of the UNFCCC secretariat.

National Adaptation Plans (NAPs)

Since start of informal consultations on June 4, developing countries have been sharing their challenges for developing their NAPs, chief amongst them being the lack of financial resources, resulting in only 56 developing countries having NAPs as of 2024.

Fiji on behalf of the **G77 and China** emphasised that it is important for developing countries to be fully supported in the formulation, implementation, monitoring and evaluation of their NAPs and the key to this is finance.

Brazil (**Group Sur)** and **China** for the **LMDC** and **Kuwait** for the **Arab Group** all made interventions doubling down on the need for MOI in the form of technological transfer, capacity building and finance for the development of NAPs.

China for the **LMDC** particularly stressed on how the multiple steps and long process time that it takes to apply for support from the Global Environment Fund (GEF) is a hindrance for developing countries in accessing support for their NAPs and recommended that the process be made easier for developing countries.

Uzbekistan in particular stated that aside from the issues of lack of MOI and implementation support for developing countries in the NAPs, there is also a big issue over the quality of NAPs being developed in developing countries once they get the support needed, as the financing conditions would require the involvement of international organisations and their foreign consultants. In their experience, most of the money for their NAPs are spent on the foreign consultants, who are not familiar with the local context and hence are not able to properly develop a NAP that encompasses the needs of the country and are only superficial in nature. It called for a review of the financial support architecture for NAPs that will be able to deliver support for country specific and tangible NAPs formulation.

The developed countries in the first session did not confront the issue of NAPs financing and support but rather chose to elaborate on suggested elements that could make NAPs better.

In the following session on 5 June, the **US** emphasised that the NAP process can be a tool for unlocking and mobilising finance from all sources, especially the private sector for adaptation and implementation and that it would like to see a linkage between the NAP process and other relevant issues including the UFGCR.

Canada echoed the same view on finance mobilisation where it stated that beyond public support and finance, meeting the scale of adaptation needs will require effective mobilising of all available sources at both national and international levels with all sectors of society contributing.

The **European Union (EU)** concurred with the same by stressing the need for strong linkages between the NAPs and the UFGCR as well as the GST. The EU also wanted to recognise the specific importance of the private sector in mobilising adaptation finance and to focus on creating enabling environments for successful adaptation and implementation action under the NAPs.

Japan emphasised the role of the private sector to contribute to adaptation measures in areas for them to be included in the larger NAPs development and implementation process.

During the consultations on 10 June where the first draft text for discussions was published by the co-facilitators, the developing countries were opposed to the inclusion of private sector finance in the text.

Fiji for the **G77/China** expressed concerns with the text that made specific references to the private sector.

Kuwait for the **Arab Group** pointed out that the text still missed references to developing countries demanding developed countries to deliver on their adaptation commitments, which was mentioned multiple times but was not adequately reflected.

China for the **LMDC** expressed that in terms of resource mobilisation, there is no differentiation between developed and developing countries explicitly mentioned in the text which is not in the spirit of the UNFCCC and the PA. It also called for no linkages to be made between the NAPs and the GGA as it would prejudge negotiations in the GGA room.

Panama for **AILAC, Brazil** for **Group Sur, Ghana** for the **African Group**, **India, Pakistan** and **Saudi Arabia** all echoed similar views on the rejection of the inclusion of the private sector on NAPs finance mobilisation.

With one day remaining before the SBs close, negotiations have reached a frenzy speed to see if the wide-ranging divergences will be bridged across the adaptation related matters.