

Climate negotiations kick off after smooth adoption of agendas

Sharm El-Sheikh, 7 Nov (Perna Bomzan): The climate talks in Sharm El-Sheikh kicked off on 6 November, following the smooth adoption of agendas for the meetings that included the most anticipated matter of funding arrangements for addressing loss and damage proposed by the Group of 77 and China.

The Foreign Minister **Sameh Shoukry** of **Egypt** presided over the 27th meeting of the Conference of Parties to the UNFCCC (COP 27), the 17th meeting of the Kyoto Protocol Parties (CMP 17) and the 4th meeting of the Parties to the Paris Agreement (CMA 4), which launched negotiations that are expected to conclude on 18 Nov.

The smooth and rapid adoption of the agendas materialised following 48 gruelling hours of intense informal consultations over two days from 5 Nov until dawn of 6 Nov, convened by the Egyptian COP Presidency team, on several new agenda items proposed by various Parties, that included the matter of funding arrangements for addressing loss and damage, which saw a compromise reached to include this matter with some adjustment.

The final agendas adopted by the COP/CMA on the issue now contain the agenda item which reads as follows: *“Matters relating to funding arrangements responding to loss and damage associated with the adverse effects of climate change, including a focus*

on addressing loss and damage.”

Minister **Shoukry** also read out the understandings reached in the compromise, prior to the adoption of the agenda. (See further details below).

Following adoption of the agenda item, the COP 27 President said that a “formal” COP/CMA agenda item on the matter creates an “institutional space” in relation to funding arrangements as regards the “existing gaps” to respond to loss and damage.

The work of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) also commenced with the convening of the 57th sessions of the two Subsidiary Bodies (SBs) in the afternoon. This was followed by a joint plenary session presided over by Minister **Shoukry** to hear statements from Parties on their expectations of the Sharm El-Sheikh talks. (Separate article to follow on groups statements).

AT THE OPENING PLENARY

At the opening of the talks, after assuming the COP Presidency from his predecessor **Alok Sharma** of the **United Kingdom (UK)**, Minister

Shoukry in his welcome remarks urged Parties to “renew commitments to scale up our ambition and start implementation” of climate action and highlighted that science proves that the “development path since the industrial revolution is no longer sustainable” and that if there is no “radical change” then future generations will face consequences. He added that science confirms that we are still facing glaring gaps on keeping the Paris Agreement goals, and that “developed countries must fulfil their role” for the “necessary finance”.

Ministry **Shoukry** called for “political will” underlining the need to advance “from negotiations and pledges to an era of implementation as priority as well as acceleration of implementation” agreed under the UNFCCC and the PA, while “scaling up ambition according to countries’ capacities and nature of resources”. He said that the UNFCCC’s synthesis report of the nationally determined contributions (NDCs) of Parties revealed that the current ambition is not up to mark to reach the PA goal and called upon countries to update their NDCs, informing that Egypt has done so.

Shoukry further remarked about two “undeniable facts”; the first being that climate change related efforts over the past decade were remarkably “polarised”, which has slowed down the process of negotiations and second, the current mobilisation efforts on finance raise many “concerns” – pointing out that the USD 100 billion pledge per year has not yet been implemented; that the financing currently focuses on curbing emissions and not adaptation efforts; and that the finance provided is also mostly in the form of loans. “We don’t have the luxury of continuing this way”, he underscored and urged Parties to work “diligently and honestly” to “reach consensual solutions that can be implemented”.

In conclusion, Shoukry hoped that the two weeks of negotiations would be fruitful, calling upon all Parties to commit to implementation and turn political commitments into “agreements and texts and resolutions that we will all implement”. He reminded that “zero sum games have no winners” and that the implications and efforts of the talks will affect lives and livelihoods around the world of people who are suffering from the impacts of climate change and must not threaten future generations.

Alok Sharma when handing over the Presidency to Minister Shoukry assured support to Egypt, and stressed that this conference must be about concrete actions and trust. He underlined the key issue of finance stating that “finance makes or breaks the programme ahead of us” adding that progress is possible and encouraged Parties to make it happen.

The opening of the talks also saw statements by the new Executive Secretary of the UNFCCC Simon Stiell, and the Chair of the Intergovernmental Panel on Climate Change (IPCC) Hoesung Lee.

Simon Stiell, who served as the Minister for Climate Resilience and the Environment of Grenada in his previous capacity, delivered an impassioned speech stating at the outset that “a new era begins” in Sharm El-Sheikh as it shifts us to “implementation” and that “this is a signal that times have changed”. “We’ll be holding people to account, be they Presidents, Prime Ministers, or CEOs because our policies, business and actions must be aligned with the PA and the Convention”. He remarked further that “Some still refuse to act unless others do”, and urged that respective positioning should not block progress, reminding that the COP process is unique and “we must create a safe, political space to do our jobs and deliver world change”.

Stiell highlighted critical lines of action, of demonstrating “transformational shift putting negotiations into concrete actions” and how the global financial architecture will be made fit for purpose. He stressed progress on mitigation, adaptation, finance and “crucially” on loss and damage with enhanced flow to addressing its impacts, pointing out that “what is said in negotiation rooms has to be reflected in the urgency outside”. “There are areas of commonalities and we must build bridges”, he said.

Stiell reemphasized on enhancing the delivery of principle of accountability reminding on what has been promised on mitigation, adaptation and means of implementation, urging Parties to stick to their commitments. He also underscored to place women and girls at the centre of decision-making and action and further provided assurances of listening to the voices of civil society particularly, the youth.

Hoesung Lee highlighted that the “time for our collective action is now” pointing out that the progress on financial flows remains low and therefore, “accelerated financial cooperation is a critical enabler of low emissions and just transition”. He informed that adaptation gaps are particularly driven by widening disparities of adaptation costs and financing and underlined prioritising finance to reduce climate risks for low income and marginalised communities. “This is an opportunity as well as an obligation”, he said and that time available now will not be there for future leaders and policy makers. Lee assured that the scientific community remains ready to work and support in every step of the way to limit global warming and also achieving sustainable development.

AT THE INFORMAL CONSULTATIONS ON THE NEW AGENDA ITEMS

At the informal consultations that took place over Nov 5 and 6, according to sources, the proponents of the new agenda items provided their rationale and defended their proposals, with the most contentious being the item on ‘Matters related to funding arrangements for addressing loss and damage’.

Developed countries led by the **United States (US)** and the **European Union (EU)** wanted to clarify the scope and timeline of the loss and damage agenda item and wanted assurances that it would have nothing to do with liability or compensation. Sources further said that the **US** stood firm on not accepting an exclusive focus on “addressing loss and damage” while **Canada** spoke about a “broad and dynamic donor base” (in relation to the funding arrangements).

Following the Presidency consultations, **Egypt** proposed a reformulation of the title of the agenda item as follows: “*Matters relating to funding arrangements responding to loss and damage associated with the adverse effects of climate change, including a focus on addressing loss and damage.*” It also proposed to add a footnote to the agenda item as follows: “*This item and the outcomes thereof are without prejudice to the consideration of similar issues in the future.*”

Egypt further provided assurances that the COP Presidency would read out the following text prior to the adoption of the agenda item viz. “*It is understood that:*

- *The outcomes of this agenda item are based on cooperation and facilitation and do not involve liability or compensation.*
- *This agenda item includes the Glasgow Dialogue (which are general discussions on loss and damage).*
- *The agenda item will launch a process with a view to adopting a conclusive decision no later than 2024.”*

Sources said that the **G77** and **China** were not entirely convinced about this approach, but following lengthy deliberations within the group, they decided to accept the compromise proposal offered by the COP Presidency team, which led to the final agenda item being adopted on 6 Nov as above, with the understandings read by the COP President.

Further, according to sources, the new agenda item proposed by the **Environmental Integrity Group (EIG)** on ‘*Limiting global warming to 1.5 °C*’ was also highly contentious. Several developing countries felt that there was no need for such a new proposal since the matter was being dealt with under the CMA agenda item on the ‘Mitigation Work Programme’ (MWP). Developed countries, however, said the matter merited independent attention since they expected the MWP outcome to be a procedural decision at CMA 4.

It is learnt that **Bolivia** expressed astonishment over the EIG proposal given that at COP 26 in Glasgow, Bolivia had proposed a new agenda item entitled, ‘*Equitable, fair, ambitious and urgent real emission reductions now consistent with a trajectory to reduce the temperature below 1.5 °C*’, which was then met with very stiff resistance from developed countries, including by the EIG, and the proposal was not accepted to be on the agenda. It asked if developed countries rejected the proposal because it contained the words of “equitable and fair” adding that Bolivia wants to protect Mother Earth and stands for 1.5°C, but not in the context of “carbon colonialism” and that accepting the agenda item now would be hypocritical and not in good faith.

Following prolonged consultations, the Egyptian Presidency offered that the proposed agenda item by the EIG would be dropped from the CMA agenda due to lack of consensus, and that informal consultations on the matter would be convened. This approach was agreed to during the formal adoption of the CMA agenda on 6 Nov.

Similarly, on the other proposed new agenda items, instead of their inclusion in the agendas of the COP or CMA, it was agreed that the COP Presidency would continue conducting informal consultations

on those matters, which led to the smooth adoption of the agendas. (For further details on the other agenda items, see [TWN Update 1](#)).

As negotiations under the various bodies were launched, world leaders began arriving for the 'Sharm El-Sheikh Climate Implementation Summit' scheduled for 7-8 Nov, which includes an official opening ceremony, high-level round tables and side-events and delivery of national statements by over 100 Heads of State and Government.