

CAN Briefing May Ministerial & Ministerial on Climate Action

May 2022

Climate Action Network (CAN) is the world's largest network of civil society organizations working together to promote government action to address the climate crisis, with more than 1500 members in over 130 countries. www.climatenetwork.org

The IPCC 6th Assessment Report (AR6) WGII (2022) clearly showed it is ever more important to convert the commitments countries agreed upon in Glasgow and under the Paris Agreement into real-world action: "Human-induced climate change, including more frequent and intense extreme events, has caused widespread adverse impacts and related losses and damages to nature and people, beyond natural climate variability". It further warned that soft limits to some human adaptation have been reached; hard limits to adaptation have been reached in some ecosystems (high confidence).

Ministers have a paramount responsibility to respond to the code red from scientists and the real-world effects of the climate crisis to put their promises of Glasgow into action and to do so with urgency. All work programs from COP26 must not be talk shop but result in concrete outcomes and milestones at COP27, countries must translate their collective commitment into concrete climate action on the ground. This briefing lays out concrete expectations for ministers' conversations at the May Ministerial and Ministerial on Climate Action (MoCA) and to be agreed milestones.

Loss and Damage

Milestones	Guiding Questions & COP Decisions
1 Establishment of the loss and damage finance facility 2 Establishment of a process to identify loss and damage funding needs	 SB 2022 - Dialogue 1: What are options and respective operational requirements for adequate L&D finance under the UNFCCC within and outside existing institutions? What is an adequate process to identify the scale of funding needed to address L&D (e.g. through a loss and damage gap report)?

COP 27:

- Decision to establish a L&D finance facility by defining core institutional arrangements, including relationships with existing UNFCCC financial mechanisms and the Paris Agreement, with a set-up or design mandate to respective bodies.
- Decision to establish an adequate process to identify the scale of funding needed to address L&D (e.g. commission a L&D finance gap report)

Loss and Damage (L&D) has gained political attention at COP26 like never before, however, this has not yet translated into supporting climate impacted developing countries in addressing climate impacts beyond the limits of adaptation.

The Glasgow Dialogue is not the first dialogue process of its kind and should not duplicate past dialogues and efforts including the 2018 Suva Expert Dialogue. The Glasgow Dialogue must build on previous processes but culminate into concrete outcomes and an agreement on the next steps to define the modalities of a L&D finance facility, its institutional arrangements, various sources of predictable, sustainable, adequate, new and additional L&D finance, and equitable and direct access for vulnerable developing countries based on need and priorities.

Concrete steps and meaningful outcomes to be achieved at the end of each year until 2024 should be defined in the first dialogue. A critical milestone to deliver will be COP27: in Sharm el Sheik countries must formally establish a L&D finance facility. Ministers must use the May Ministerial to set the groundwork and reach common understanding for the agreement of an L&D finance facility at COP27 and guide their negotiators at SB56 to work in that direction.

Subsequently, the Glasgow Dialogue should flesh out the operationalization of such a facility, and how L&D finance is delivered and can be made accessible for the most vulnerable countries and most impacted people. These discussions should be conducted in coordination with other relevant processes such as the New Collective Quantified Goal on Climate Finance and the Global Stocktake.

Key success factor: Concrete outcomes that provide adequate, new and additional support for the in addressing L&D – otherwise the dialogue would fail Key outcome needed: Agreement on a L&D finance facility and its full operationalization over the course of the dialogue

Necessary criteria for outcomes: New and additional, reliable and grants-based finance and support to address loss and damage.

For more details, please refer to <u>CAN's briefing on the Glasgow Dialogue on Loss</u> and Damage.

Mitigation

The window of opportunity to deliver mitigation at the scale and speed needed for the 1.5°C limit is rapidly closing. The IPCC 6AR WG III report further strengthens the work of WGI and II and offers an even clearer picture of the remaining carbon budget to remain within the 1.5C temperature limit which would avoid the very worst impacts of climate change.

The Work Programme (WP) to Scale Mitigation Ambition and Implementation, initiated at COP26, will need to reflect and result in sound technical work and outputs, but at the same time must be "political" in the sense of leading to actions and decisions which make a real-world difference to close the emission gap to the 1.5°C limit. To this end, it must be steered by the principles of Common but Differentiated Responsibilities, justice, equity, and human rights.

The objectives of the work program should be to:

- (a) Enhance the ambition and implementation of Parties' efforts to reduce emissions in global aggregate by at least 43% [34–60%] reductions by 2030 over 2019 levels¹ to be in line with **limiting global warming to 1.5C**
- (b) Commitments to be **reflected in NDCs, and Long Term Strategies (LTS)**, ensuring alignment between the two
- (c) Enhance the role of **Non-Parties Stakeholders** towards raising 2030 ambition and implementation by strengthening the link between Non-Parties' contributions and efforts by Parties' and enable Non-Party contributions to the Work Programme. This should be strengthened by a call for non-party stakeholders engaged inside the UNFCCC (especially in the Marrakech Partnership for Global Climate Action) to apply to accountability systems that are already in place, such as reporting to the Global Climate Action Portal annually
- (d) Enhance the implementation of Parties' **sectoral** decarbonisation commitments, including sectoral commitments under the Glasgow Climate Pact (including coal, fossil fuel subsidies, clean power generation, energy efficiency, protecting and restoring ecosystems, and methane) and plurilateral initiatives for sectoral decarbonisation made by Parties'. This could include a series of dialogues with line ministers
- (e) Facilitate the mobilization of **finance** to raise mitigation ambition and deliver implementation and potential overachievement of Parties' 2030 climate targets, especially for developing countries and their just energy transitions

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¹ IPCC AR6 WG III SPM C.1.1

- (f) Strengthen coordinated, robust **support** structures for the development and implementation of NDCs, in particular by developing country Parties
- (g) Defining enabling conditions for implementation
- (h) Strengthen Parties' and non-Parties' individual and collective actions in response to COP mandate (1/CMA3, para 36) to rapidly scale up the deployment of clean power generation and energy efficiency measures, whilst also accelerating the **just phasedown of coal power** and the **just phase-out of fossil fuels** and subsidies, in a manner that supports the poorest and most vulnerable, recognising national circumstances and just transition.

Key success factors for the WP would be: to see mandates from COP 27 to ensure sectoral commitments are reflected in NDCs and LTS synthesis report by COP28; COP 27 to mandate the Synthesis report to reflect implementation gap and; a standing agenda item on the implementation pathway

Adaptation

Over the next two years, the Glasgow Sharm-el Sheikh (GlaSS) process on the Global Goal on Adaptation needs to ensure that adaptation is high on the political agenda in UNFCCC, with agenda items at COP27 and COP28 and at the Subsidiary Body (SB) meetings.

While the GGA has long been considered a methodological exercise, it has become clear, over the past year in the run-up to COP26, that operationalizing the GGA (and implementing the necessary actions) goes much beyond a technical exercise and is also a question of political will - alongside a need for capacity building and support provision. As such, the GlaSS work programme should be thought of as a "support and capacity-building" programme rather than primarily a methodological discussion. It will require both.

The GlaSS work programme should bear in mind the overarching goal of increasing adaptation actions to build the climate resilience of impacted people, biodiversity and ecosystems according to national circumstances.

The GlaSS Work Programme should accelerate adaptation actions by:

- 1. Driving understanding, coordination, processes and actions on adaptation regionally and nationally.
- 2. Supporting the inclusion of sub-national and locally derived goals and locally-led plans
- 3. Improve coherence and understanding of adaptation under the UNFCCC
- 4. Scaling up of finance for adaptation
- 5. Learning and iterative process

Finance

The UNFCCC Determination of the Needs of Developing Country Parties report is clear that Trillions are needed to address climate action. Yet, developed countries failed to keep their promise to ramp up climate finance to \$100bn a year by 2020. According to their delivery plan, the \$100bn level would be reached only in 2023, three years later than promised. This is now again put into question by some countries apparently not following through with their pledges, such as Germany or the US. At the same time, only a quarter of current climate finance is dedicated to adaptation, and most climate finance comes in the form of loans, further worsening the debt burden of many countries.

Key issues to address at the ministerial are:

- Demonstrate action towards doubling adaptation finance by 2025:

 Developed countries should commit to present, well ahead of COP27, a
 clear pathway how they plan to achieve and surpass the goal set by COP26,
 to at least double adaptation finance by 2025. This plan should be backed
 up by concrete commitments by individual developed countries to increase
 their adaptation finance provisions. We note that a doubling of 2019
 adaptation finance flows would equate to less than \$US 50 Billion, which is
 nowhere near an equal balance between mitigation and adaptation
 finance. Climate vulnerable communities urgently need to be able to
 carry-out community based adaptation measures, but can't do this without
 new and additional, predictable adaptation finance.
- Show the \$100bn Delivery Plan is being implemented: Developed countries to commit to put forward new and additional, gender-responsive climate finance to reach the \$100bn goal this year and provide a clear pathway to go well beyond it in 2022-2025, to make up for earlier gaps this includes in particular countries whose pledges from last year do not constitute an increase over current levels (e.g. France, Australia or Japan). But also other developed countries such as Germany or the US, whose planned future provisions fall far behind their pledges from last year must urgently show that they are not backtracking from their pledges.
- Enhanced access to grant-based climate finance: Enhance equitable access to climate finance in the form of non-debt generating instruments e.g. grants not loans, to ensure that climate finance does not force them into fiscally unsustainable debt levels.
- Live up to pledges made: Previous climate finance pledges, including those made at COP26 to the Green Climate Fund (GCF) must be converted into contribution agreements and signed as soon as possible.

 Announcements of pledges do not enable developing countries to carry out climate action measures, only disbursement of climate finance does.