

**Climate Change
Expert Group**

Key Takeaways from the CCXG Global Forum on the Environment and Climate Change

13-14 September 2022

Adaptation in the global stocktake (GST) - Understanding adequacy and effectiveness of adaptation action



- Reviewing adequacy and effectiveness of adaptation is an inherently **complex task with linkages to different components of the GST mandate; yet it remains crucial** at the national level to guide adaptation efforts and at the international level to assess collective efforts.
- **Multiple tools and approaches could be combined to triangulate different types of information** to provide a more comprehensive picture, and country-level self-assessments of adequacy and effectiveness of their adaptation efforts, accompanied by support and capacity building, could help circumvent some remaining challenges, fill data gaps, and feed into the GST.
- Embracing a **learning-by-doing approach** can help to ensure the first GST sets a foundation for improved approaches and data over time at both the national and international level.

Adaptation in the GST - Enhancing implementation of adaptation action



- Currently, few countries track implementation of their adaptation actions, and there is an opportunity to scale up efforts and **learn lessons from experiences by establishing monitoring, evaluation and learning (MEL) systems**, e.g., by starting simple, adopting a phased approach, a focus on continuous improvement, engaging key stakeholders, etc.
- **Targeted GST outputs could inform and enhance national adaptation efforts**, e.g., by providing technical information, raising awareness, sharing successful experiences, identifying opportunities for technical and financial support, etc.
- Potential exists for **positive feedback loops** whereby GST outputs can feed into national efforts and help strengthen the domestic enabling environment, including MEL systems, which can lead to improved information to inform subsequent GST cycles.



Adaptation in the GST - Links with other processes

- **Building linkages between the GST and parallel processes** could ensure they are mutually supportive, e.g. formulating GST outputs relative to the work programme on the global goal on adaptation, developing outcome-based recommendations that could be linked to the new collective quantified goal on climate finance, etc.
- **Different methodologies and indicator frameworks could help to frame how the GST approaches its mandate on adaptation**, but there is limited available data, current indicators focus on processes rather than outcomes, and some guidance documents have not been updated for many years.
- The GST could **usefully identify gaps** in information, guidance and methodologies, etc., **which could guide subsequent research efforts, including the IPCC's work programme** for the next assessment cycle, that could in turn feed into improved country efforts and inform future GST cycles.

Towards successful outcomes of the global stocktake (GST)



- The first GST (GST1) has been an engaging and useful process to date, a key question now is **how to take this forward in practical ways** that can inform national efforts to enhance NDCs and international co-operation for climate action.
- GST1 could play a catalytic role in getting us on track to reach the goals of the Paris Agreement. To realise this potential, it will be important to **prioritise efforts, build linkages with other processes, and engage non-Party stakeholders** as key drivers and implementers of climate action.
- There is a need for more **focus on the concept of equity in GST1** to ensure inclusiveness, ~~and~~ build trust within the process and to support the translation of GST outputs into national actions.

Mitigation work programme (MWP) - Enhancing ambition and implementation



- There is growing recognition of the need to urgently scale up mitigation efforts in this critical decade, but **how to go about this in practice is not straightforward and the role of the UNFCCC in encouraging national action is unclear.** This requires a flexible, collaborative and innovative approach to move forward.
- The MWP could focus on both implementation and enhancing ambition by **setting clear signals to drive implementation** in the short-term in key areas; **building linkages** to efforts by non-Party stakeholders and wider initiatives; and **connecting to discussions at the high-level ministerial roundtable** to strengthen accountability and build political space for further ambition.
- The MWP could provide a **facilitative platform to share sectoral best practices and consider enabling conditions**, such as the mobilisation of finance, technology and capacity building to support implementation and drive enhanced mitigation action.



MWP - What could a sectoral perspective look like?

- A MWP focused on helping and encouraging countries to act could usefully include a **sectoral component, to focus on high-impact actions** that align with domestic policy-making.
- Countries highlighted several **sectors identified as having high potential for mitigation globally**, such as energy supply, industry, transport, agriculture and buildings, as well as **cross-cutting areas** identified in the Glasgow Climate Pact.
- A **focus on sectors and actionable solutions at the sectoral/sub-sectoral level** could help with policy development for both short- and long-term targets; through sharing experience, identifying specific gaps in and sources of support, and better co-ordinating sectoral international co-operation. More clarity on how any sectoral component could be implemented is needed.

MWP - Modalities, role of non-Party stakeholders (NPS) and links with other processes



- Modalities of the MWP could be framed in a way to **set the foundations of the process while leaving both flexibility and room for learning** as the process unfolds, e.g. the MWP could have different phases (preparatory, technical, political) and designed as an iterative process with technical discussions feeding into political discussions at the ministerial round table.
- **Engaging domestic practitioners and NPS** in the MWP process (e.g. in negotiating rooms), related activities (e.g. workshops, in-country visits) and in political discussions (e.g. through High-Level Champions) is critical to inform discussions under the MWP, build links to on-going efforts, and ensure subsequent follow-up.
- The MWP **complements the on-going global stocktake (GST) process** and could be viewed as the **implementing arm of the GST in the short-term**, providing tools and mechanisms that could help to inform and enhance Parties' future NDCs and wider international co-operation.



Article 6 reporting - Confidentiality in reporting

- COP26 guidance includes **significant leeway** regarding the extent of Article 6-related information and data to be reported that could be **classified as confidential** by Parties.
- There are differing views by Parties on **how to implement the confidentiality clauses** from Decision 2.CMA/3, but wide agreement that a level of transparency needs to be ensured to make sure the credibility of the market is not undermined.
- There is a **perceived risk** that keeping substantial amounts of information confidential could “chip away” at other agreed provisions under Article 6.2, noting there would need to be consistency between confidential information across Article 6 and Article 13 reporting.

Article 6 authorisation – Timing of and changes to authorisation



- There is some agreement between countries on **authorisation representing a formal consent for the transfer and use of ITMOs**, which gives **predictability to fulfil reciprocal obligations**;
 - However, there are widely different views on the implications of **unilateral authorisations under Article 6.2** decentralised approaches.
- Countries are **concerned about the accounting implications of the timing of authorisations and first transfers of ITMOs, including up to the end of an NDC period** permitted by the Article 6.2 guidance under 2/CMA.3, which could lead to a lack of transparency.
- There is wide agreement that changes to authorisations may be needed, they may have widely different implications in terms of number and scope of ITMO transfers, and it would be useful if authorisations **specify upfront conditions that could lead to different changes** to the authorisation.

Article 6 authorisation - Format and domestic processes of authorisation



- Countries agree that authorisation is an important topic at both the national and international level, and merit **more discussions** i.a. on format and elements of authorisation.
- Countries widely agree that there will be **individual national approaches** regarding the **format and domestic process of authorisation**.
- Many countries agree that some **further guidance from CMA** on authorisation could be useful:
 - Indeed, some countries **may delay authorisation** until there is **further clarity on reporting formats** or other templates – so development of these would **facilitate engagement of countries**;
 - Guidance would need to **allow for learning-by-doing** and ensure it does not over-complicate the authorisation process.

Article 6 authorisation – Other possible authorisation elements



- Parties recognise that agreed rules address **different authorisations** (e.g. for co-operative approaches, for ITMOs uses and for participating entities), and there are different views on whether these should be included in **a single document or in multiple documents**.
- Countries are open to the **development of templates** on authorisation, but have differing views on whether **additional content** (e.g. restrictions on timeframe, crediting periods, maximum ITMOs use volume) should be invited for inclusion on these forms.
- A **two-step process** with an ex-ante “pre-authorisation” and an ex-post authorisation is being seen by some countries piloting Article 6.2 co-operation as a **practical way to give confidence** to both participating Parties.



Key issues on finance for losses and damages (L&D)

- There are a **diversity of financing mechanisms available for averting and minimising L&D**; but overall financing levels and the effectiveness of existing mechanisms in the context of a changing climate is unclear; and there are **gaps, including in financing for slow onset events**.
- **How to bridge the political and technical discussions is a key challenge** and requires a delicate balancing act of finding pragmatic solutions, mobilising efforts both inside and outside the UNFCCC process, and being ambitious in light of the scale of the challenge.
- There is a need to **better understand the landscape of financing available for L&D within the UNFCCC process and beyond** to improve understanding of who is doing what, enhance coordination, inform current financing mechanisms and identify potentially promising ways forward (e.g. debt swaps, voluntary markets, share of proceeds) to close remaining gaps.



THANK YOU!

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