



Special Guest Articles

Climate Change: From Sharm-el-Sheikh (COP 27) to Dubai (COP 28)

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Setting the scene

Climate Change is one of the defining issues of our time. It is a common challenge and an existential threat to humanity.

The latest report of the Inter-Governmental Panel on Climate Change (IPCC), released on 20 March 2023, has reemphasized the importance of urgent and ambitious climate action. It has concluded that more than a century of carbon-intensive development has already resulted in global warming of 1.1°C above pre-industrial levels. On current trajectory, the planet will unfortunately overshoot the 1.5 °C threshold in the next decade. Keeping global warming to below 1.5°C above pre-industrial level requires deep, rapid and sustained Green House Gas (GHG) emission reductions. The IPCC has warned that the window of opportunity to secure a livable and sustainable future for all is closing rapidly.

Where does Pakistan stand?

The IPCC has also concluded that vulnerable communities, who have historically contributed the least to climate change, are disproportionately affected by the adverse impacts of climate change. The impact has manifested through both slow onset, as well as extreme weather events, like the devastating floods that Pakistan faced last summer.

Pakistan's own contributions to global GHG emissions are less than 1%. Yet, Pakistan remains one of the top climate vulnerable countries in the world. The Global Climate Risk Index, prepared by German Watch, has, over the years, been consistently projecting Pakistan as among the top ten most vulnerable countries in the world to climate change.

The latest manifestation of our vulnerability was the catastrophic floods last summer. The destruction wreaked was unprecedented. It left a third of the country submerged, over 15,000 dead or injured, and 8 million displaced. Over 2 million homes, 13,000 kms of highways, 439 bridges and more than 4 million acres of agricultural land were destroyed or damaged. And to top it all, an estimated 9 million more people could be forced into poverty as a direct consequence of these floods.

If ever there was need for a reminder that climate change was devastating lives and livelihoods, the floods of 2022 provided that.

Climate Change internationally

Irrespective of going into the debate of who is responsible for climate change, the fact is that every one of us is being impacted. Over the past year alone, extreme weather events were witnessed in all continents, from North America to Africa and from Asia to Europe to Latin America and Oceania. The criticality of action now cannot be over-emphasized.

The institutional structure of the global climate change regime is based on the United Nations Framework Convention on Climate Change (1992), the Kyoto Protocol (1997) and the Paris Agreement (2015).

The UN Climate Change Secretariat is based in Bonn, Germany. The annual meetings of the Governing Bodies of the UNFCCC, the Kyoto Protocol and the Paris Agreement, dubbed as Conference of Parties (COP), are held annually around November-December. Presidencies of the Governing Bodies rotate regionally, and meetings are generally hosted by the Presidencies. COP-27, held in Sharm-el-Sheikh, Egypt from 6-20 November 2022, was the last meeting of the Governing Bodies. The next, COP-28, is scheduled for 30 November – 12 December 2023 in Dubai.

Pakistan at COP-27

Pakistan participated in COP 27 as the Chair of the Group of 77 and China. With a membership of 134 developing countries, the G-77 & China is the largest intergovernmental group within the United Nations.

Pakistan's role in Sharm-el-Sheikh therefore was not only to address concerns and defend Pakistan's own national interest, but also to ensure that interests of developing countries as a whole were protected.

Uniting a large and diverse Group like the G-77 & China, and galvanizing it to ensure appropriate outcomes has always been, and remains, a challenge for Chairs of the Group. And Pakistan was no exception. But therein also lay the secret of the success of the Group. When 134 countries speak with one voice, everyone listens, and no one can ignore. It was this strength that Pakistan was able to leverage to ensure success, including in establishment of a dedicated “fund for addressing losses and damages” suffered by developing countries as a result of climate change.

Major issues in the climate debate

Some of the principal issues of concern for developing countries going into Sharm-el-Sheikh were climate finance, adaptation, financing for loss and damage, operationalization of the Santiago Network for Loss and Damage, mitigation and the first Global Stocktake.

The G-77 & China believed that it was critical that climate change negotiations achieve balanced and significant progress across all issues, including adaptation, mitigation, loss and damage, and most importantly, means of implementation (including technology development and transfer, capacity building and climate finance).

Climate Finance

Climate finance is probably the most contentious and emotive issues on the climate agenda. The scale of the challenge could be gauged from the fact that, according to the

UNFCCC Standing Committee on finance's "first report on the determination of the needs of developing country Parties (NDR)" around US\$ 6 trillion is needed only to fulfill financial needs identified in the Nationally Determined Contributions (NDCs) under Paris Agreement of only 78 developing countries for period up until 2030. The climate finance needed for implementation of the NDCs of all developing countries is much higher. While exact numbers may differ due to lack of agreement on a definition of climate finance, according to the Climate Finance Delivery Plan presented by the developed countries at COP 26 in November 2021, the figures stood at around US\$ 80 billion in 2019 i.e US\$ 20 billion less than the commitment by developed countries in 2009 to mobilize US\$ 100 billion per year as climate finance by 2020. As per the OECD's 2022 data, latest figures on the climate finance mobilized by developed countries stand at US\$ 83.3 billion in 2020.

With an increasing need for adaptation and mitigation to reduce the speed of climate change, climate finance remains an issue of critical importance for developing countries. The principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC), recognized by the UNFCCC, is a corner stone of negotiations on climate finance. It establishes the common responsibility of states for protection of the global environment. But, in addition, it also lays down different standards of conduct for developed and developing countries.

Trust deficit on climate negotiations in general, and climate finance in particular, stems from the fact that the developed countries have not kept their commitment of mobilizing US\$ 100 billion per year for climate finance by 2020. Additionally, no concrete steps have been taken to deliver on the pledge of doubling of adaptation finance, made in COP 26 in Glasgow. There is therefore, an urgent need to actualize the pledge of financial resources to support developing countries in their climate actions.

What makes things even more complicated is that there is still no agreed definition of what constitutes climate finance. Thus the numbers claimed by the developed and the developing countries of financing that has gone into climate, differ widely.

Irrespective of if and when the US\$ 100 billion pledge is delivered, the Paris Agreement decided to set a new climate finance goal, from a floor of US\$ 100 billion per year, for the post 2025 period. Deliberations on this specific issue continue under an ad hoc work programme on New Collective Quantified Goal (NCQG) on Climate Finance.

Discussions on climate finance in Sharm-el-Sheikh remained animated. COP 27 tasked its Standing Committee on Finance to prepare biannual reports on progress on mobilization of the US\$ 100 billion per year, report on the doubling of adaptation finance pledge, and also report on types of climate finance definitions that could be considered within the UNFCCC process.

As we move on to COP 28, reports of the Finance Committee could be the building blocks on which further action could be constructed. Additionally, a few outside factors can also help with positive momentum and creating an environment conducive to trust building.

Movement on reform of the international financial architecture, positive outcomes of the Paris Summit for a New Global Financial Pact and the UN Secretary General's Climate Summit, helpful results of the G-7/G-20 meetings, increased pledges for the Green Climate Fund (that is currently going through its second replenishment) etc are examples of events whose outcomes could help.

Loss and Damage

The latest IPCC report has, inter alia, established that half of the world's population lives in regions that are highly vulnerable to climate change, and that in the last decade, deaths from floods, droughts and storms were 15 times higher in highly vulnerable regions.

Establishment of a fund for addressing losses and damages in countries impacted by climate change was one of the most contentious issues, as well as the probably the biggest achievement of COP 27.

Although Pakistan, on behalf of the G-77 & China, had submitted a formal request, loss and damage was initially not even on the agenda of COP 27. As delegations arrived in Sharm-el-Sheikh, there was resistance to include it in the agenda. Multiple negotiating sessions, going into the early morning of the day of the opening of COP 27, led to an agreement to insert the issue of loss and damage funding on the agenda. But inclusion in the agenda was already considered a huge "concession" by the developed country partners, and the work for Pakistan, as Chair of the G-77 & China, was cut out.

What followed over the next two weeks was constant struggle, both within the G-77 & China to maintain unity, and with the partners to make sure that they fully understood the gravity of the situation.

Pakistan's leadership role, especially in the context of the climate catastrophe faced by the country itself, was a key factor.

The role played by the Prime Minister, the Foreign Minister and the Minister for Climate Change (who remained in Sharm-el-Sheikh till the end) provided a clear roadmap on how to proceed. It also gave a firm indication to the partners about the centrality of the issue for Pakistan.

Concerted efforts, painstaking and lengthy negotiations, and unity and perseverance of the G-77 & China resulted in establishment of the Fund by COP 27. But its modalities and operationalization would be finalized through a Transitional Committee, with decisions expected to be taken at COP 28.

Detailed work by the Transitional Committee, of which Pakistan would be a member, is complex, politically charged and difficult. We need to continue working on this issue with razor sharp focus to ensure that an agreement on modalities is reached, leading to operationalization of the Fund at COP 28.

The **Santiago Network on Loss and Damage** was established by COP 25 in Madrid, with the primary purpose of providing technical assistance to developing countries particularly vulnerable to climate change. Its operationalization however, had been long delayed. COP 27 finally established an Advisory Board to govern the affairs of Santiago Network, and decided that it would have its own Secretariat.

Members of the Advisory Board will be elected, and host of the Secretariat decided by COP 28. This will complete the process of operationalization of Santiago Network, a key demand of developing countries to ensure provision of appropriate technical assistance for countries suffering loss and damage due to climate change.

Adaptation

Adaptation, in terms of climate change, refers to adjustments in ecological, social or economic systems in response to actual or expected climatic stimuli and their effects (UNFCCC definition). It refers to changes in processes, practices and structures to moderate potential damages or to benefit from opportunities associated with climate change. In simple terms, countries and communities need to develop adaptation solutions and implement actions to respond to current and future climate change impacts.

The Glasgow - Sharm-el-Sheikh Work Program on Global Goal on Adaptation (GGA) was launched at COP 26 in Glasgow. COP 27 established the process of development of a framework to enable full and sustained implementation of the Paris Agreement. Adoption of a meaningful framework, that will monitor actions and support to achieve the GGA, will be a tangible outcome of COP 28 in Dubai.

Mitigation

The IPCC has reiterated what science has been saying for some time now - we need to raise ambition, whether it is in adaptation or mitigation (efforts to reduce emissions) or provision of means of implementation, to contain temperature rise to 2°C, and preferably to 1.5°C from pre-industrial levels.

COP 26 had established a Work Program to “urgently scale up mitigation ambition in the ongoing critical decade”. COP 27 finalized the Work Program that will now run till 2026. But the Work Program is not the only way to increase mitigation ambition. The Global Stocktake, for instance, would also provide an opportunity to assess where we are, and where we need to be. Similarly, Cover Decision (drafted by the Presidencies and adopted by COPs) would be another avenue for COP 28 to show the world that negotiators on climate change listen to science as well as people.

It is however, a difficult issue on which countries and groups are divided, and emotions run high. COP 28 will have to come up with creative solutions to ensure sustainable continuity of the planet.

Global Stocktake

Article 14 of the Paris Agreement stipulated a Global Stocktake (GST) every five years to assess quantitative progress on achieving the goals and objectives of the Agreement. Outcome of the GST will inform parties in updating and enhancing their climate commitments in a nationally determined manner in next round of NDCs in 2025. Technical inputs to the first GST will be provided through technical dialogues, that are already on going. This year, the technical process will move into the political decision making phase. The GST will holistically look at, and provide guidance for future action.

A High Level Committee is being established to steer the GST process through the year. A forward looking outcome, fully taking into account the science, as well as the principles of UNFCCC and the Paris Agreement, would be one of the major outcomes of COP 28.

Conclusion

Climate change negotiations are slow and incremental. Every COP builds on the achievements of the previous COPs. In the same vein, while COP 27 established the Fund for Loss and Damage, its modalities will be decided and it will be operationalized by COP 28. Similarly, Global Stocktake, another major landmark, has already been in the works for the last couple of years, and will be concluded in COP 28.

Pakistan was able to achieve its objectives in COP 27 through the hard work of its small team of professional and highly motivated negotiators, and the leadership platform provided by the G-77 & China. It now looks to build on these achievements, and ensure that our common objective of reducing the speed of climate change, and providing support to the developing countries to increase their climate ambition is met. It will work with the UAE Presidency and other developing countries to ensure that our common objectives are achieved.
