



THE OCEAN AND CLIMATE CHANGE DIALOGUE

UNFCCC SBSTA 56

THURSDAY 15 JUNE 2022, Bonn, Germany

SYNTHESIS REPORT









ABBREVIATIONS AND ACRONYMS

AOSIS Alliance of Small Island States
CBD Convention on Biological Diversity

COP Conference of the Parties

FAO Food and Agriculture Organisation

GCF Green Climate Fund

GEF Global Environment Facility

GESAMP Group of Experts on the Scientific Aspects of Marine Environmental Protection

GHG Greenhouse gas

IGO Intergovernmental Organisation
IMO International Maritime Organisation

IOC-UNESCO Intergovernmental Oceanographic Commission of the United Nations Educational,

Scientific and Cultural Organisation

IPCC Intergovernmental Panel on Climate Change
IPLC Indigenous Peoples and Local Communities
IRENA International Renewable Energy Agency
LEG Least Developed Countries Expert Group

MPA Marine Protected Area
MRE Marine Renewable Energy
NAP National Adaptation Plan

NDC Nationally Determined Contribution NGO Non-Governmental Organisation

NWP Nairobi Work Programme

SBSTA Subsidiary Body for Scientific and Technological Advice

SCF Standing Committee on Finance
SIDS Small Island Developing States
TEC Technology Executive Committee

UNFCCC United Nations Framework Convention on Climate Change



Disclaimer:

This document summarises the views expressed during the Ocean and Climate Change Dialogue, and does not represent the opinions of authors. This document does not anticipate the conclusions the UNFCCC Secretariat and SBSTA Chair will reach in the Informal Summary Report, and does not include the additional inputs collected through the UNFCCC website.

UNFCCC MANDATE AND INTRODUCTION:

As an <u>outcome of the "Blue COP" under the Chilean Presidency</u> (UNFCCC COP25, 2-13 December 2019, Madrid), an Ocean and Climate Change Dialogue was held virtually at the fifty-second session of the SBSTA on 2 and 3 December 2020. With the aim to consider how to strengthen mitigation and adaptation within the ocean-climate nexus, it provided a space for Parties and non-Party stakeholders to improve understanding of ocean-climate solutions and challenges, share knowledge and experience, and identify how to strengthen synergies.

Building on the progress of its first edition, COP26 requested the SBSTA Chair, in its <u>decision 1/CP.26 paragraph 61</u>, to hold an annual Ocean and Climate Change Dialogue, starting at the fifty-sixth session of the SBSTA in June 2022. The overall objective is to consider how to strengthen ocean-based action in the context of climate change, as well as to strengthen ocean-action in existing work programmes and mandates under the UNFCCC. An informal summary report thereon will be drafted by the UNFCCC Secretariat for consideration by the COP at its subsequent session (i.e., in this case, COP27 in November 2022).

The first annual and in-person Ocean and Climate Change Dialogue was convened under the aegis of SBSTA, on 15 June 2022. It brought together Parties and non-Party stakeholders to identify the next priorities for the ocean-climate nexus at COP27 and beyond. The present report provides a brief overview of the presentations and discussions that took place during the Dialogue, in anticipation of the more detailed summary report prepared by the UNFCCC Secretariat and SBSTA Chair.

COP26 also invited Parties and non-Party stakeholders to submit inputs on the topics to be addressed during the Dialogue via a submission portal by 25 March 2022. The UNFCCC Secretariat provided a summary of the 45 submissions prior to the dialogue: 14 submissions received from Parties or groups of Parties; 3 from UN organisations; 23 from admitted NGOs; 2 from admitted IGOs; and 3 from non-admitted entities. The conclusions of the <u>summary</u> were taken into consideration in the preparation of the Dialogue, and were reflected in the discussions.



➤ HIGH-LEVEL OPENING

It was **Lord Zac Goldsmith**, UK's Minister for Pacific and the Environment, who set the scene for this Dialogue, stating that "the damage we are doing to our ocean is immense" and that "the projected impacts on ocean ecosystems is catastrophic". Supplementing his remarks, **Patricia Espinosa**, UNFCCC Executive Secretary, noted that the ocean has undergone unprecedented changes due to human-induced climate change (i.e., ocean acidification, ocean warming, ocean deoxygenation, sea level rise), and that this has been affecting millions of people around the world.

Faced with this situation, Lord Goldsmith noted, the ocean community advocated for the ocean to be better integrated into the UNFCCC. Building on the progress of the "Blue COP" (UNFCCC COP25, 2-13 December 2019, Madrid) and on the leadership of ocean champions like Fiji and Chile, the UK COP Presidency was able to bring ocean-climate issues as well as a broader nature-based solution agenda from the margin into the heart of our collective response to climate change (UNFCCC COP26, 1-13 November 2021, Glasgow). With COP26 acceding to the call to establish a formal forum for discussion and a mandate to integrate the ocean into existing work programs and constituted bodies, it is now time to make good on our words and facilitate ocean-based climate solutions' full contribution to the global effort to combat the climate crisis.

Ocean-climate action can be strengthened and enhanced through the inclusion of ocean-based measures for climate action, especially in countries' Nationally Determined Contributions (NDCs), to advance mitigation and adaptation objectives. In addition to the crucial "deep cuts in emissions across all sectors" mentioned by **Lord Goldsmith**, the protection, restoration and conservation of coastal and marine ecosystems also have the potential to significantly contribute to the achievement of emission reduction plans, while building resilience for coastal communities in line with actions needed to meet the goals of the Paris Agreement.

In that regard, **Peter Thomson**, UN Special Envoy for the Ocean, put a great emphasis on the capacity of blue carbon ecosystems (i.e., mangrove, seagrass and saltmarsh) to sequester and store carbon, encouraging parties to responsibly leverage their full potential in their climate measures. **Dr. Vladimir Ryabinin**, IOC-UNESCO Executive Secretary, went further and called for a greater inclusion of these ecosystems in national GHG inventories. In the context of the UN Decade of Ocean Science, **Dr. Ryabinin** also stressed the need to mainstream ocean science in NDCs.

In addition to science and its role in informing decision-making, financial resources were identified as a prerequisite to follow zero-carbon pathways for our economies by 2050. This will require strengthening interactions between the different entities and actors working on the various aspects of the ocean and climate connection, including the private and finance sector. A "whole-of-society" approach needs to be adopted to make sure all voices are heard and taken into consideration.

YOUNGO's Ocean Voice Group, the UNFCCC Youth Constituency which gathers more than 300 young people from all around the world working together for the ocean, called for the inclusion and equitable representation of young people in the decision-making process.

Ocean change is climate change, and ocean action is climate action. Only an "all hands on deck" approach will allow us to jointly tackle climate change and the decline in ocean health. The Dialogue provides a timely opportunity to do so. As stated by **Ambassador Thomson**, the best of the ideas developed during this Dialogue will contribute to the innovative solutions that are sought at the UN Ocean Conference in Lisbon at the end of June 2022, ahead of UNFCCC's COP27 in Sharm El-Sheik in November 2022 and the UN Convention on Biological Diversity (CBD) in Montreal, Canada in December 2022.

PANELS:

(1) Strengthening and integrating national ocean-climate action under the Paris Agreement

Moderator: Kilaparti Ramakrishna, Senior Advisor to the President on Ocean and Climate Policy, Woods

Hole Oceanographic Institution

Rapporteur: Loreley Picourt, Executive Director, Ocean & Climate Platform

Guiding questions:

- 1. What are the good practices by both Parties and Non-Party stakeholders for strengthening oceanclimate action at national level, including in NDCs? What are the challenges?
- 2. How could Parties' overcome challenges and strengthen ocean and climate action at country level to enable sustainable livelihoods, including through NDCs and NAPs?
- 3. What further information is needed in your country to implement ocean-climate action?
- 4. What can be accomplished next at national and international level to enable stronger ocean-climate

- Panellists: Kushaal Raaj, Fiji on NDC-based implementation strategies
 - **Sue Biniaz**, USA on Near-term opportunities to decarbonize the shipping sector
 - Ambrosio Yobanolo del Real, TEC on Integrating Technology and Nature-based Solutions
 - Tarub Bahri, FAO on Climate-resilient fisheries and aquaculture
 - Thomas Hickey, Pew Charitable Trusts on The contribution of coastal and marine conservation to supporting the goals of the UNFCCC
 - Simon Benmarraze, IRENA on Global offshore renewable energy

The first panel covered opportunities to strengthen and integrate ocean-based action in national climate strategies and policies to achieve the goals of the Paris Agreement. Six panellists (respectively from Fiji, USA, TEC, FAO, the Pew Charitable Trusts and IRENA) opened the discussion on good practices and challenges to enhance ocean-climate action at the national level.

The greatest contribution to ocean health would be the rapid, deep decarbonization of global economies needed to meet the temperature goals of the Paris Agreement. This alone is not enough to protect the ocean ecosystems and communities that rely on, and we must also rapidly implement ocean-based climate solutions for both mitigation and adaptation purposes. Parties have already been showing growing interest in these measures, with a number of them having included such measures in their NDCs and NAPs.

The protection, restoration and conservation of

coastal and marine ecosystems have the potential to achieve both climate mitigation and adaptation objectives. Within the growing application of coastal and marine Nature-based Solutions in national climate strategies, three "blue carbon ecosystems", which act as carbon sinks and reservoirs, are at the forefront namely mangroves, seagrasses and saltmarshes. To scale up the adaptation and mitigation benefits they provide, there is a need for enhanced monitoring, reporting, and verification as well as financial capacity, partnerships, technical skills, and political leadership.

The establishment of effectively and equitably managed Marine Protected Areas (MPAs) is instrumental in protecting, restoring and conserving these ecosystems. In that regard, it is crucial to ensure recognition and protection of IPLCs' and traditional resource users' title, tenure, access and resource rights to land and ocean - prioritising locally-led or collaborative governance.

To achieve mitigation objectives, there are key opportunities to develop and scale-up Marine Renewable Energies (MREs) that generate power from waves, offshore wind, tides, and thermal and salinity gradients. A massive increase in MREs will be critical to facilitate the transition away from fossil fuels to sustainable energy production and electrification, and also for the deployment of low-carbon solutions in marine transportation and other industrial sectors. Offshore wind is the most scalable MRE in the near term, however there are still few projects in development phase in emerging economies or in SIDS. To reach our 2050 mitigation targets, policies that enable development and deployment of offshore wind and other MREs will need to gain political traction and barriers related to available environmental data, technical skills and capacities, and financing will need to be addressed. As a valuable contributor to the blue economy, MREs have a vast potential for green job creation, as well as positive socio-economic effects.

In addition, opportunities exist within and outside the scope of the Paris Agreement to reduce GHG emissions from the shipping sector (e.g., produce zero-emission fuels, develop zero-emission bunkering, deploy zero-emission vessels, create specific green shipping corridors, or provide financial or technical support for green shipping corridors). Furthermore, IMO's 2023 Revised Strategy offers a possibility to adopt a goal of zero emission from the sector no later than 2050.

For adaptation objectives, innovative approaches to build coastal resilience that integrate both technological and Nature-based Solutions exist, and offer the potential to be more robust, comprehensive, and cost-effective than either solution alone. Considering there is no one-size-fits-all solution, it is essential to undertake the co-production of localised adaptation solutions that combine scientific, local and indigenous knowledge, engage diverse stakeholders through cross-sectoral partnerships, and distribute benefits equitably across and within communities. Policy and regulatory frameworks, combined with targeted investments, can also act as a lever to effectively support the uptake and implementation of integrated adaptation solutions.

Additionally, adaptation solutions to climate impacts on fisheries are crucial. On the ground, adaptation is already happening at the community level, with fishers, fish farmers and fish workers modifying their practices or trying to do so with the means they have. However, it is more than urgent to scale-up ecosystem-based adaptation of fisheries, including through better management, and expanded application of sustainable aquaculture practices, while improving efficiency, viability and inclusiveness of fish value chains in collaboration with the private sector. Considering that sustainable fisheries rely on healthy ecosystems, it is key to implement Nature-based Solutions to protect coastal and marine ecosystems to ensure they continue to provide food and employment.



(2) Enabling ocean-climate solutions and optimising institutional connections

Moderator: Angelique Pouponneau, Deputy Fellowship Director and Policy Adviser, AOSIS

Rapporteur: Jill Hamilton, Director, Blue Climate Strategy, Conservation International

Guiding questions:

- 1. What are current and innovative options for ocean climate solutions and how can they be improved, including funding and financing, technology, capacity building and science?
- 2. How can UN and international processes support Parties' ocean climate action and invoke synergies across processes?
- 3. What can be accomplished next at national and international level to enable stronger ocean-climate action?

- <u>Panellists:</u> Carlos Fuller, Belize on Blue financing and institutionalising ocean-climate action
 - Tshewang Dorji, GEF on Strengthening funding opportunities for ocean-climate action
 - Lisa Schindler Murray, NWP Expert Group on oceans on Entry points and financial instruments for enhancing access to the GCF for implementing coastal and marine Nature-based Solutions
 - Mohammed Nasr, Standing Committee on Finance on Strengthening ocean-climate finance under the UNFCCC
 - Alice Hicuburundi, UN-Oceans on Linking the Paris Agreement and other UN agendas to synergise ocean-climate action
 - Markus Müller, Deutsche Bank on Innovative opportunities for private sector finance

The second panel covered how to **enable and enhance** ocean-based climate solutions. Six panellists (respectively from Belize, the GEF, the NWP Expert Group on Oceans, the Standing Committee on Finance, UN-Oceans and the Deutsche Bank) opened the discussion on opportunities to improve financing, capacity-building, science technology, and partnerships for ocean-climate action.

Many participants highlighted the need to overcome gaps, considering that information and data are essential to inform mitigation and adaptation action and measure progress. The Nairobi Work Programme (NWP) Expert Group on Oceans under the UNFCCC is mandated to address knowledge gaps for Parties to develop and implement national adaptation strategies. As an example, it produced, in collaboration with the GCF and the LDC Expert Group (LEG), the NAP Technical Supplement on considerations for coastal nature-based solution GCF proposals, with the intent to facilitate access to funding. **UN-Oceans**, the UN ocean-centred interagency mechanism, launched several new programmes (e.g., Ocean Observation, Acidification, Blue carbon, Deoxygenation)

in line with the <u>UN Decade of Ocean Science</u>. It was further noted that research and modelling that can feed into or be applied in decision making processes related to resource management are opportunities to unlock and better access financial resources.

Participants agreed on the lack of funding and financing for ocean-based climate action, and discussed priority areas for financial support, including adaptation projects. In addition, developing countries, in particular SIDS, and vulnerable communities and groups were identified as priority recipients of this support. Panellists reflected on how to address the funding gap, including through enhanced collaboration. On the ground, public-private partnerships can bring perspective and improve project development. As an example, Norway expressed its intention to decarbonise the shipping sector by 2050, with 2030 goals, using public-private intermediate partnerships as a lever for increased action. The High level Panel for a Sustainable Economy is also building on collaborative partnerships to build momentum for a sustainable ocean economy.

The GEF has been giving priority to ocean-climate action, investing over one billion US dollars. The multilateral trust fund supported, for instance, sovereign blue bonds with the World Bank in Seychelles and a resilience investment program with the World Bank in West Africa. In the next-4-year-cycle, the GEF's ambition is to continue enhancing support for ocean-based climate action through international climate investment, accelerate joint action to support sustainable blue economy, identify private and public investments, and manage coastal ecosystems.

Overcoming the lack of financing requires **creative thinking and innovative solutions**. There are opportunities to make investments more appealing, mixing initial funding or creating nature-based market mechanisms. It was indicated that for nature to be seen as an important source of capital, increased nature literacy for investors is necessary. Nature compliant finance must become a real alternative to current finance and activities, scaling-up investment to reverse the trend. As a matter of example, some parties shared their innovative financial mechanisms, including Belize which supports debt management as well as marine

management and conservation through a Blue Bond Initiative.

A "all hands on deck" approach across sectors has the potential to optimise ocean-climate action, not only mainstreaming ocean-related issues under the UNFCCC (e.g., NWP, Climate Technology Centre and Network, Warsaw Mechanism for Loss & Damage) but also strengthening inter-institutional cooperation. Identifying synergies within the UN system to effectively address ocean-climate issues, in line with bodies' existing mandates and core principles, remains a priority. There are win-win scenarios, as shown by the example of Nature-based Solutions, which can help pursue synergies across sectors.

A regular process for updates from other relevant bodies (e.g., CBD and IMO) could for instance be established to complement the work of UN-Oceans — which already contributes to leveraging collaborative action. Other umbrella mechanisms exist to enhance inter-agency collaboration, such as <u>GESAMP</u>, the <u>UN Decade</u> of Ocean Science.



Ways forward for the Dialogue

Participants welcomed the establishment of an annual Dialogue on the Ocean and Climate Change, as well as the space it provides to share relevant experience and knowledge. The Dialogue is an opportunity to elevate case studies and lessons learnt from national, subnational and local efforts. It has the potential to inform funding and implementation plans to effectively support the inclusion of ocean-related objectives

and commitments within NDCs and NAPs.

Building on presentations and discussions, several next steps were identified for future dialogues, and ensure that discussions and recommendations are effectively incorporated into existing work programmes and constituted bodies across the UNFCCC. Among these:

- Report back of the informal summary report of the 2022 Ocean and Climate Change Dialogue at the COP27 in plenary session;
- Address a specific set of solutions and challenges to address the climate-ocean nexus where relevant across the
 UNFCCC agenda. As such, the Ocean and Climate Dialogue series could be informed by a 3-year roadmap that
 identifies a set of topics for each annual dialogue to progressively cover a range of solutions, allowing for more
 in-depth discussions on topics. The "world café" format (i.e., an informal setting for participants to explore
 topics across the scope of the Global Stocktake, in a larger room with several small tables) could facilitate
 interactive exchanges and in-depth discussions.

- Reflect one ongoing assessments of the ocean's capacity to sustain climate benefits currently provided, and
 forward looking assessments, research and data needs to verify the mitigation potential of carbon-rich
 habitats and species beyond those already recognized in the IPCC Wetlands supplement. These efforts would
 be complementary rather than duplicative of the <u>Research and Systematic Observation</u> workstreams and
 discussions;
- Exchange updates across international policy processes relating to ocean-climate action, including the Convention on Biological Diversity (CBD) and related post-2020 Global Biodiversity Framework and the International Maritime Organisation (IMO).
- Reflect on how to fill the gaps, including in science, technology, finance and capacity building;
- Provide more clarity on financial mechanisms, and briefing on financial flows for ocean-climate action, including an annual determination of finance needs and recommendations for strengthening support across constituted bodies.

Concluding remarks

Julio Cordano, COP 25's High-level Climate Champion, closed the Dialogue on behalf of Tosi Mpanu Mpanu, SBSTA Chair. Three countries were given the floor to make final comments. Fiji, on behalf of AOSIS, stressed the importance of human rights-centred approaches, calling also on all parties to include IPLCs in the discussion. Palau, on behalf of SIDS, insisted on the need to fill the gaps in science, knowledge, capacity building, finance and actions to realise the full potential of ocean solutions. Monaco specifically highlighted the potential of marine and coastal Nature-based Solutions, especially the protection of blue carbon ecosystems, to tackle climate change.



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