

<u>Take-aways from the 58th Meeting of UNFCCC Subsidiary Bodies</u> 5 - 15 June 2023 — Bonn, Germany

(1) The third and last Technical Dialogue of the Global Stocktake

Introduction and mandate \rightarrow The Global Stocktake (GST) is a process under the UNFCCC, which aims to assess the world's collective progress towards achieving the long-term goals of the Paris Agreement. It is organised around 3 phases: (1) Collection and preparation of information; (2) Technical Assessment (which consists of 3 Technical Dialogues) and (3) Consideration of outputs.

The Third Technical Dialogue at SB 58 \rightarrow We are now at a turning point in the process, since the second phase (i.e., Technical Assessment) came to an end a few weeks ago at SB 58, with the completion of the third and last Technical Dialogue. Its objective was twofold. First, it aimed to consider the conclusions of the first two Technical Dialogues and emerging key messages, both prepared by the GST co-facilitators (Harald Winkler and Farhan Akhtar). Second, it was intended to look at "what is next?" and identify opportunities for enhanced action and support.

The ocean in the GST \rightarrow While the ocean has received growing attention in climate discussions over the last few years, it is still largely missing from the Global Stocktake. Ocean-related issues are clearly under-represented in the summary reports of the two first Technical Dialogues, with only 31 mentions of ocean-based climate solutions in about 200 pages. If we remove presentations from experts, the number drops to 27. Even more worrisome, at this stage, the ocean does not appear in any of the 16 emerging messages of the Global Stocktake - nor do nature, biodiversity or ecosystems.

Ocean outcomes of the Third Technical Dialogue \rightarrow While we couldn't attend all discussions held during the third Technical Dialogue. It is clear that the ocean was once again under-represented. For instance, ocean-related topics only came up once in the opening, and twice in the closing sessions. In Roundtable 4, on Integrated and holistic approaches, ocean-related topics were slightly more present, with 6 statements from Parties mentioning such topics. As an example, 4 statements from Parties mentioned the cryosphere (i.e., AILAC, Chile, EIG, Georgia), 1 the ocean (i.e., EIG), 1 the shipping industry (i.e., Canada), and 1 fisheries and aquaculture (i.e., Australia). OCP was the only non-Party stakeholder to specifically mention the ocean. It suggested to include two additional elements in the key messages: (1) ensuring the integrity of all ecosystems, including the ocean; and (2) adopting a whole-of- society approach to effectively tackle climate change. As a result, the ocean and cryosphere were included as one of the four main messages for COP28 on the live illustration - which hopefully will be translated into the final summary report. Last but not least, the ocean was also discussed during the world cafés, since one breakout discussion focused on adaptation of coastal cities.

Next steps \rightarrow A synthesis report will come out at the end of summer (early September), sharing the conclusions of all three Technical Dialogues, as well as updated emerging messages. Parties will then meet again in October to discuss its outcomes and in preparation for UNFCCC COP 28 in Dubai. With this, we will be entering the political phase (i.e. the consideration of outputs), and summarising key political messages, including recommendations for strengthening action and enhancing support. Much remains to be defined and decided but these messages will likely be referenced in a CMA decision and/or a declaration. No matter the form, we need to ensure that the ocean is not left out. Instead, it is important that we capitalise on this first Global Stocktake to successfully raise ambition for ocean-based climate action.

 $Recommendations \rightarrow$ To do so, OCP suggested some options during the third Technical Dialogue to better integrate the ocean moving forward, including the following:

- (1) Ensure the revised emerging messages of the GST include a mention of the ocean and coastal zones, in particular in the section around holistic and integrated messages,
- (2) Ensure the GST provides recommendations and guidance to countries on how to effectively include more scientifically-proven ocean-based climate measures in their NDCs and NAPs,
- (3) Ensure the conclusions of the 2023 Ocean and Climate Change Dialogue are effectively considered and reflected in the outcomes of the Global Stocktake.

(2) The 2023 Ocean and Climate Change Dialogue

 $Mandate \rightarrow As$ an outcome of COP 25 - also known as the "Blue COP" - an Ocean and Climate Change Dialogue was established under the aegis of the Subsidiary Body for Scientific and Technological Advice (SBSTA). The first Dialogue was held online, in December 2020, providing a space for Parties and non-Party stakeholders to discuss ocean-based climate action. Parties at COP26 decided one year later to make the Ocean and Climate Change Dialogue an annual meeting, thereby anchoring the ocean in international climate negotiations. The first annual and in-person Dialogue ultimately took place in June 2022.

The 2023 edition \rightarrow Building on the outcomes of COP27, which further clarified the modalities and process of the Dialogue, the SBSTA Chair appointed Mr. Julio Cordano (Chile) and Mr. Niall O'Dea (Canada) for the biennium 2023-2024. A consultation of Parties and non-party stakeholders was conducted to identify two focal areas for the 2023 Dialogue. This led to the selection of (1) Coastal ecosystem restoration, including blue carbon ecosystems, and (2) Fisheries and food security, as focus areas for 2023. The Dialogue was convened on 13 and 14 June 2023, in Bonn, and the agenda was divided between breakout discussions and presentations of good practices.

Coastal ecosystems restoration

- Participants discussed how to improve processes to protect coastal ecosystems:
 - Raise awareness of the many services coastal ecosystems can provide,
 - Strengthen knowledge and fill data gaps for their coastal ecosystems (e.g., accounting, mapping, and monitoring) and by developing national wetlands inventories,
 - o Include coastal ecosystems in their NDCs and NAPs for mitigation and adaptation,
 - Support partnerships among all relevant stakeholders,
- Participants discussed how to include blue carbon ecosystems in their mitigation strategy:
 - Blue carbon ecosystems mapping and accounting to close the data gap,
 - Increase collaboration across agencies and ministries,
 - o Include blue carbon ecosystems in National GHG Inventories,
- Participants considered how to <u>better engage with coastal communities</u>:
 - Involve these communities from the design to the implementation stage,
 - Build the capacity of these communities and adopt bottom-up approaches,
 - Place Indigenous and traditional knowledge at the heart of restoration and protection,
- Participants reflected on how to <u>create an enabling environment</u> and attract investments:
 - Increase finance and tools for decision makers (e.g., de risk mechanisms),
 - Undertake sustainable ocean planning

Fisheries and food security

- Participants discussed how to develop <u>sustainable and equitable aquatic food production</u> that is also inclusive, nature-positive and resilient:
 - Adopt a systems approach, looking into the entire value chain (net to plate),

- Recognise the diversity within aquatic food systems to tailor climate solutions,
- Strengthen governance guided by science and data,
- Adopt adaptive management practices, ecosystem-based approaches,
- Participants looked at <u>decarbonisation along the value chains</u> of aquatic food systems:
 - Identify, quantify and act on mitigation opportunities along the value chain (e.g., decarbonising fishing vessels, adopting renewable energy sources for refrigeration, reducing food loss and waste, and promoting low-carbon aquaculture practices),
 - Strengthening knowledge sharing and capacity-building
 - Reducing harmful fisheries subsidies and redirecting them towards decarbonisation,
- Participants considered how to <u>better engage with coastal communities</u>:
 - Promote shared governance and community empowerment,
 - Integrate indigenous, local and traditional knowledge into decision-making,
 - Adopt a human rights-based approach and support vulnerable communities,
 - Ensure access to finance for small-scale producers,
- Participants reflected on how to <u>create an enabling environment</u> and attract investments:
 - Adopt an integrated approach to management,
 - Integrate aquatic food climate solutions within the UNFCCC and other relevant bodies,
 - Strengthen regulatory frameworks,
 - Foster partnerships and capacity-building,

Next steps → Co-facilitators of the Dialogue will publish a more comprehensive report in the upcoming months, with the support of the UNFCCC Secretariat. This document will help Parties to prepare for COP28, and give them an opportunity to consider how to best take forward the conclusions of this year's Dialogue. To do so, these conclusions must be effectively reflected at COP28, including in the outcomes of the Global Stocktake. In that regard, Monaco has placed a request to the GST co-facilitators to consider how this can be achieved.

(3) The MP-GCA Ocean & Coastal Zones launched its work on the Ocean Breakthrough

 $Context \rightarrow$ Under the Marrakech Partnership and the leadership of the High-level Climate Champions, the Ocean and Coastal Zones groups is working on delivering an overarching "Ocean Breakthrough" focusing on 5 key sectors: marine conservation, ocean-based transport, ocean renewable energy, aquatic food, and sustainable coastal tourism. These sectors reflect the portfolio of ocean-based climate solutions that have been discussed under the UNFCCC in the past and over the last couple of days to build on and amplify existing work (e.g., the Mangrove Breakthrough or the Shipping Breakthrough which set very good examples).

 $Objective \rightarrow$ The Ocean Breakthrough can be understood as sectoral objectives to guide the delivery of nature-positive and net-zero actions, and in turn raise the ambition of governments. It aims at defining a set of ocean pathways to drive the transition towards a net-zero world - inspiring ocean-climate action for the coming years - and position the ocean in critical climate negotiations, such as the Ocean and Climate Change Dialogue and the Global Stocktake.

Ocean Breakthrough \rightarrow At this stage, our collective effort is very much a <u>work in progress</u>. Draft headline: [By 2030, deliver sustainable, equitable and effective solutions for a resilient and regenerated ocean].

As we work towards refining this ocean breakthrough for COP28, it must include some concrete and quantified objectives, as well as enablers to achieve them, such as policy and finance based on a scientific and inclusive approach.

