

## **Climate conference ends amidst major North-South differences**

Madrid, 17 Dec 2019 (TWN) - The UN climate talks ended almost two days later than scheduled on Sunday, Dec 15, where some key decisions were unable to be adopted, mainly because of clashes of opinion between developed and developing countries.

Some of the draft decisions were put forward by the COP 25 Presidency to the delegates at the closing plenary, but since these drafts did not enjoy the consensus of all Parties, these controversial agenda items were forwarded to the next COP next year for further work.

Also, a few draft decisions that were tabled and put forward to plenary for adoption could not be adopted due to disagreements on what actually had been agreed to during the negotiations the day before.

The final plenary saw the closing of COP 25, the 15<sup>th</sup> session of the Kyoto Protocol Parties (CMP 15) and the 2<sup>nd</sup> session of the Conference of Parties to the Paris Agreement (CMA 2).

Earlier on Monday, 9 Dec, the UNFCCC's Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice finished their work, and forwarded draft conclusions to be adopted by the respective bodies of the COP/CMP and CMA, leaving the controversial sticky issues to be dealt with by the Chilean COP Presidency.

Several decisions on finance such as that on long-term finance, were dealt with under the COP, through a contact group in the first week, which went into 'informal-informal' consultations directly among Parties in the second week of the talks and then to Presidency-led consultations.

Among the three main agenda items that revealed the North-South divide among developed and developing countries were on long-term finance, the review of the Warsaw International Mechanism on Loss and Damage and Article 6 of the Paris Agreement dealing with market and non-market approaches and mechanisms.

The main divide between developed and developing countries was over the push by most developed countries on all countries, for the raising of the ambition level on emission reductions (or mitigation) only.

While the North talked about ambition, (by which they mean ambition in mitigation), the South stressed that their frustration that the finances they require were not forthcoming – to do mitigation or adaptation, but developing countries were also being pushed to report more mainly on their mitigation obligations under the term 'transparency', with no corresponding ambition on funds to be provided to developing countries.

Some developing countries made the observation that there appeared to be on the part of developed countries ambition in rhetoric but not on implementation in practice, as the most important implementation was on the means of implementation viz. of finance. Many saw the North as being hypocritical, by mouthing ambition to appease their public but they do not mean it, as they are not willing to provide the means of implementation for developing countries.

Developing countries also countered by stating that the principle of 'common-but-differentiated responsibilities' (CBDR) must be adhered to, and that the UNFCCC and the Paris Agreement should not be just mitigation-centric and that what

is most important for developing countries is the required means of implementation, including finance, technology transfer and capacity-building, so that they can fulfil their mitigation and adaptation needs. They also wanted an effective loss and damage mechanism to avert, minimise and address the impacts of climate change.

The developing countries and their various sub-groups criticised developed countries for not fulfilling their obligations in relation to their own mitigation commitments and especially in trying to escape from their obligations to the developing countries under the Convention. They felt that developed countries were trying instead to shift more of their obligations to the developing countries through strict reporting obligations and assessment or stocktaking of their mitigation actions. In the meanwhile, the much needed financial resources were not forthcoming, including on technology transfer, which has been downgraded.

The most dramatic of confrontation in the final closing plenary came during the discussion on long-term finance which was an agenda item under the COP.

### Long-term finance

When the COP 25 Presidency tabled the draft decision on long-term finance for the consideration of Parties for adoption, a critical paragraph of the draft decision only noted “the importance of continued discussions on long-term climate finance” and that Parties will decide “to consider the matter (of long-term finance) ...” at COP 26 next year, making it clear that there was no certainty that the long-term finance agenda item would be a standing item on the COP agenda after 2020.

The African Group raised objections, and was supported by other developing countries including from the Arab Group, and the Like-minded Developing Countries, who maintained that in negotiations the previous night (on Saturday, 14 Dec) on this item, there was agreement to “affirm the importance of climate finance, and that the matter would continue to be discussed under the COP”.

Meanwhile, some developed countries, led by the United States, the European Union, Japan, Canada and the European Union countered that there was no such agreement reached in the negotiations and several of them said that the draft decision tabled by the COP 25 Presidency was consistent with

their understanding of what prevailed in the negotiations.

Many developing countries were visibly upset with efforts by developed countries to drop the consideration of long-term finance under the COP agenda. Their strong feeling was that whilst developed countries used the rhetoric of wanting high ambition, this was only for mitigation targeted at developing countries and with them not even wanting to discuss where the financing would come from, to help developing countries in their implementation of both mitigation and adaptation efforts.

Given the divergence of views on the matter, the COP President had no option but to invoke Rule 16 of the UNFCCC’s Rules of Procedure which provides that “any item of the agenda.., consideration of which has not been completed at the session, shall be included automatically in the agenda of the next ordinary session...” .

**Egypt** speaking for the **Africa Group** expressed that it was “unfortunate and disappointing” that there could be no decision to continue the long-term finance discussions under the COP post 2020 and said that it was “really surprised that we are not even agreeing to affirm the importance of climate finance”, adding that that this was indeed “becoming worrisome for a lot of countries”.

It stressed further that when developed countries asked developing countries “to raise their ambition, and to take more actions, be more transparent (in their reporting of actions), to pay more from their own pockets for adaptation,” this was a “very unfortunate message that was being sent to the COP that is calling for ambition” when “we are not even able to affirm or even decide to continue discussions on climate finance.”

Egypt said further that when “we ratified the Paris Agreement, we did not walk out of it and are committed to it and the Convention”, adding that “we are not backsliding or rolling back on the commitments but it seems this is not the same for all Parties”. In response to developed countries who were calling “for more ambition” and “for addressing the climate emergency”, the Africa Group said that “we are not here for nice statements applauding nice words” but “we are here to work and make sure that we deliver the right package to enhance the ambition and have things move forward,” adding that it was very obvious that when it came to issues of finance, technology transfer or capacity-building, there was

“very limited space to even discuss them or even affirm them”.

The Africa Group said emphatically that it wanted “to put on record that it will engage on this agenda item again (on long-term finance), but not with a very benign language just calling to affirm or simply request for discussions to continue” but wanted “strong language” that will make clear that “climate finance is a core component for any ambition particularly in Africa”.

The Africa Group sentiments were echoed and shared by other developing countries including the Arab Group and the Like-minded Developing Countries.

### **Warsaw International Mechanism on Loss and Damage**

Another important issue that occupied much attention of the Madrid talks was the decision on the review of the Warsaw International Mechanism on Loss and Damage (WIM), which saw a positive decision adopted of importance to developing countries, mainly through the hard work and united efforts of developing countries under the umbrella of the G77 and China.

In the decision adopted, among other things, there is text that “urges the scaling-up of action and support, as appropriate, including finance, technology and capacity-building, for developing countries that are particularly vulnerable to the adverse effects of climate change for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change”.

The G77 and China had tabled a much stronger proposal requesting developed countries for “adequate, easily accessible, scaled up, new and additional, predictable finance, technology and capacity building... (for) addressing loss and damage” but due to opposition by developed countries especially from the United States, the final decision is a much watered down version of the original proposal. The United States did not want any “bifurcation” of responsibilities to be attributed to only developed countries.

The decision adopted, among other matters, agreed to the establishment of as part of the WIM “the Santiago network for averting, minimizing and addressing loss and damage...to catalyse the technical assistance of relevant organizations, bodies, networks and experts, for the implementation of relevant approaches at the

local, national and regional level, in developing countries that are particularly vulnerable to the adverse effects of climate change”.

However, an issue that could not be resolved in Madrid was the governance of the WIM. Developed countries wanted the WIM to be under the governance of the CMA only (Parties under the Paris Agreement), while developing countries wanted the WIM to also be under the COP governance.

In the decision adopted, it was noted that “considerations related to the governance of the WIM will continue ... (in Nov 2020).” Hence, this issue remains to be decided next year.

The G77 and China, in response to the governance decision of the WIM noted that “discussions on this issue here at COP25 and CMA2 did not produce any outcome and that such discussions do not prejudice any further consideration of this matter under the COP and the CMA”.

Tuvalu, in a strong response to the governance issue, said that the decision “does not suggest that COP does not have ongoing role” as it is “the COP that established the WIM”. It also made the observation that “during the consultations, a Party (referring to the United States) who has been insisting that the WIM operates solely under the Paris Agreement, ironically or strategically will not be a Party to the Paris Agreement,” adding that “if they get their way, they will wash their hands in assisting countries who would be impacted by climate change”. It emphasised further that “this is a tragedy and adversity to the millions of people who are already suffering the impacts of climate change. Denying this fact could be interpreted as a crime against humanity,” drawing applause from those present in the plenary hall.

### **Article 6**

One of the most contentious and complex negotiations at the talks was that on Article 6 of the Paris Agreement, dealing with market and non-market mechanisms, which had many sub-issues including that related to among other matters, financing for adaptation; accounting, delivering on the overall mitigation in global emissions, transition of activities under the Kyoto Protocol from the Clean Development Mechanism etc. which were mainly technical.

Despite the intense negotiations over the two weeks, Parties could not find agreement on the

many issues and managed to only adopt a procedural decision under the CMA, that requested the Subsidiary Body for Scientific and Technological Advice to continue the consideration and adoption by the CMA of decisions next year, “on the basis of draft decision texts” which were prepared by the Presidency in Madrid, while “recognizing that these draft texts do not represent a consensus among Parties”.

Hence, the can has now been kicked down the road to next year on the Article 6 issues.

The COP, CMP and the CMA also considered and adopted several other decisions.

Further details on many of these decisions will be provided in forthcoming articles.