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**Views on the consideration of outputs of the Global Stocktake**

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## Introduction

AILAC welcomes the opportunity to provide views on the final phase of the Global Stocktake.

The first Global Stocktake (GST) represents a critical, and final opportunity provided by the international climate regime to avoid a global climate disaster, as there is a narrowing window to raise ambition and implement existing commitments to limit warming to 1.5°C above pre-industrial levels. The quality of the outcomes of the GST and its enforcement will reverberate for decades, centuries, and even millennia, profoundly shaping the future of our ecosystems, biodiversity, livelihoods, health, and well-being of current and future generations.

Scientific consensus is unequivocal in its assessment that we are falling short of reaching the long-term goals of the Paris Agreement and that climate change's severe consequences are well-documented. The latest IPCC report (AR6) which represents the most robust and comprehensive assessment to date, underscores that global warming exceeds earlier estimates, accompanied by more severe associated impacts.

AILAC believes that the primary value of the GST won't be in explaining our level of progress towards the Paris Agreement's long-term objectives; in fact, the world already possesses extensive data to understand it. The genuine potential of the GST lies in its capacity to guide through its forward-looking component the collective objective by framing the actual global situation and addressing the challenges for enhancing climate actions based on the lessons learned from the implementation of the Paris Agreement, providing insights on what needs to be improved depending on the good practices that have been implemented.

We expect the GST to frame the current global situation by addressing the challenges for enhancing climate actions based on the lessons learned from the implementation of the Paris Agreement, providing insights on what needs to be improved depending on the good practices that have been implemented.

We must collectively establish a comprehensive set of outcomes through the GST, which should include clear recommendations to engage in systemic transformations across all aspects of our economy and society. A cornerstone of this transformation should include, among others, the phase-out of fossil fuels without nuances; making financial flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development to meet the long-term goals of the Paris Agreement, while ensuring the well-being of all people, especially those particularly vulnerable; and a call to address loss and damage for developing countries who are particularly vulnerable to climate change impacts and least able to recover from disasters.

The GST must acknowledge the huge financial efforts that developing countries, especially those with low emissions, are making to mitigate and adapt to climate change, and to cover the increasing costs of

loss and damage. The insufficiency of technology transfer and capacity building, coupled with the absence of substantial, adequate, and concessional climate financing, is further putting a strain on the macroeconomic stability of developing countries resulting in the increase of poverty, food insecurity and inequality.

The consideration of outputs of the GST should make it clear that we cannot expect the current climate-wrecking development model to change on its own. AILAC believes that promoting a narrative that confronts poverty alleviation goals against compliance with the Paris Agreement is detrimental to both issues. Therefore, the importance to contemplate and address the implementation of the LT-LEDS, considering the context of sustainable development and contexts to achieve the goal of peaking greenhouse gas emissions.

Equity and justice are also about present generations protecting the rights and well-being of future generations worldwide. AILAC expects that the co-benefits of climate action, such as job creation, improved public health, better air quality, enhanced energy security, preservation of biodiversity, women empowerment, food safety, and multi-sector economic diversification, are thoroughly considered within all components and outputs of the GST.

### *Expected outputs of the GST*

With the objective of having an operational GST, broad in terms of scope and with sufficient detail to guide the necessary transformations, AILAC proposes that the following GST outputs:

#### *A CMA decision*

To catalyze meaningful action on climate change, we need a decisive CMA decision containing clear and strong political messages. This decision should offer high-level solutions and recommendations not only for Parties but also for non-party stakeholders. Crucially, it should pave the way for the establishment of a robust follow-up mechanism, ensuring rigorous scrutiny of the findings of the Global Stocktake (GST). Parties should be strongly urged to incorporate the technical insights garnered from the GST into their NDC preparations, thus infusing these commitments with real-world efficacy.

Furthermore, it should endorse pertinent initiatives and enabling processes, propelling climate action forward. To operationalize the outcomes of GST, we must recommend bolstering existing UNFCCC mechanisms, including financial and transparency mechanisms. This entails establishing follow-up processes to meticulously assess the progress made on the findings of GST, while concurrently initiating a process to glean valuable lessons for future Global Stocktakes, securing a sustainable trajectory for climate action.

### *Political Declaration and/or Cover Decision*

To properly engage high-level stakeholders and underscore the importance of this commitment, we propose the inclusion of a political declaration and/or a Cover Decision, in addition to a CMA decision, as part of the GST outcomes. Such a multi-faceted approach will serve as a comprehensive demonstration of our unwavering dedication to addressing climate change at its core.

### *Technical Annex*

Technical annexes should serve as a mean to meticulously outline the challenges and opportunities within key sectors, systems in terms of mitigation, adaptation and means of implementation. They should also extend their scope to meticulously map the existing landscape of enablers not only within the UNFCCC but also beyond its scope; effectively identifying gaps and emerging opportunities.

### *Context and crosscutting considerations*

#### *About the effectiveness of the Paris Agreement implementation process:*

#### *The Paris Agreement has contributed to climate action, but implementation falls short of what is needed*

AILAC recognizes that the Paris Agreement has contributed to the integration of climate change into decision making; has increased climate awareness and has enhanced climate mitigation and adaptation efforts. However, these contributions fall short of what is needed to achieve the long-term Paris Agreement Goals.

At COP 26, new and updated NDCs were presented, which included increased ambition to partially close the emissions gap between 15%-33% towards the Paris Agreement target. In total 142 NDCs were updated and of these 74% sharpened their commitments to reduce or limit emissions by 2025 and/or 2030. According to the NDC synthesis report (2022), the emissions gap for not exceeding 1.5°C is between 23.9 and 20.3 Gt CO<sub>2</sub> eq.

The window to limit warming to 1.5°C is closing rapidly, and current emissions are not aligned with global goals. Climate change impacts are escalating, adaptation efforts are insufficient, and losses and damages are already occurring.

Financial flows are far from being consistent with a pathway to achieve the long-term goals of the Paris Agreement. Climate-induced expenditure has contributed, along with other external factors, to developing countries being at historic levels of indebtedness, putting their credit ratings at risk; increasing the cost of capital for investments, and affecting their capacity to implement climate action in a vicious circle. To counter this trend, it is essential to enhance both the quantity and quality of access to finance, with a particular emphasis on climate finance in the form of grants and concessional financing.

The Paris Agreement has facilitated greater global action and awareness compared to the Kyoto Protocol. While the expected global impact of the Protocol did not materialize, and specific Parties bear responsibility in this regard, we believe that insisting in the so called “pre-2020” discussions has only served to delay current deliberations and hinder humanity from achieving results, making it difficult to achieve the main goal of limiting global warming. AILAC acknowledges that the historical emissions gap is narrowing between developed countries and developing countries that have substantially increased their emissions. It is crucial for all Parties to be actively involved in climate action. Developed nations must exhibit stronger global leadership to effectively achieve the Agreement's long-term objectives.

The international climate regime is also facing challenges in terms of transparency and inclusion of civil society and the private sector in decision-making processes. Even though the UNFCCC is a Party driven process, the coercion of corporate interests remains a significant threat; as it undermines the achievement of agreements and commitments to close implementation and ambition gaps, while pushing for the adoption of unproven solutions.

#### *Mistrust is the main barrier to meet the Paris Agreement*

Climate discussions often revolve around assigning blame and responsibility, stemming mainly from distrust and self-interest among Parties to the detriment of humanity. Equity should be based on international and intergenerational solidarity. All countries have the moral imperative to do their maximum and unconditional effort to drive a systemic transformation that allows the long-term objectives of the Paris Agreement to become a reality.

Low and middle-income countries are among those particularly vulnerable to climate change and together contribute to a significant portion of the global emissions. These nations won't fully achieve their potential in terms of climate action without enhanced international collaboration within the climate framework. The Global Stocktake should lead the way in drastically reshaping future climate discussions. Equity should enable greater ambition and increase the likelihood of meeting the goals of the Paris Agreement. Prioritizing the interest of the most affected by climate impacts, rather than the global elite, is crucial for a just and swift transition.

- *It is imperative to peak before 2025 to stay under 1.5°C:* Global greenhouse gas (GHG) emissions are expected to peak no later than 2025 in scenarios that aim to limit global warming to 1.5°C below preindustrial levels. These scenarios involve rapid and substantial reductions in GHG emissions continuing through 2030, 2040, and 2050, with high confidence in their effectiveness. However, if policies are not strengthened beyond those in place by the end of 2020, GHG emissions are likely to increase after 2025, resulting in a median global warming of 3.2°C by 2100.
- *The world needs to avoid overshooting:* Overshoot implies adverse impacts, some of which are irreversible, and additional risks to human and natural systems, all of which increase with the magnitude and duration of the Overshoot. Adverse impacts occurring during the Overshoot period cause further warming through feedback mechanisms, such as increased wildfires,

massive tree mortality, peatland desiccation, biodiversity loss, permafrost thawing, weakening of natural terrestrial carbon sinks, and increased emissions. Overshooting 1.5°C will result in irreversible adverse impacts on certain low-resilience ecosystems, such as glacier, mountainous, and coastal ecosystems, affected by ice sheet melting, glacier retreat, or accelerated and higher sea-level rise.

- *On the need to stop breaching the Planetary Boundaries:* Since 2009, the concept of planetary boundaries has undergone three revisions, highlighting an alarming trend of increasing pressure on the natural system. In 2009, three boundaries were identified as breached: climate change, biosphere integrity, and biogeochemical cycles. By 2015, four out of nine boundaries were breached, including climate change, biosphere integrity, biogeochemical cycles, and Earth system changes. The latest 2023 study reveals that six out of nine proposed planetary boundaries are currently being transgressed, encompassing climate change, biosphere integrity, Earth system changes, biogeochemical flows, chemical pollution, and aerosol loading. Ocean acidification is nearing a breach. This progressive trend and the diminishing planetary resilience suggest that we are approaching a tipping point, with the window to maintain the 1.5°C planetary climate limit rapidly closing.
- *Recognizing climate change as the main threat to human rights:* The IPCC confirms that incorporating human rights principles into climate action improves its effectiveness. Including the right to a clean, healthy, and sustainable environment for all. This includes inclusive planning, decision-making, and involvement of local and Indigenous knowledge. It also includes meaningful, active, safe, and informed participation and access to information from diverse stakeholders. Existing guidance from the UN human rights institutions should be included in the Global Stocktake. The GST presents an opportunity to integrate human rights in the implementation of the Paris Agreement, particularly in updated NDCs. The protection of environmental human rights defenders should also be addressed.
- *On the need to strengthen synergies between different processes within and beyond the PA and the Convention:* The UNFCCC and the Paris agreement are the foundations for mobilizing the systemic transformations required to urgently scale up climate ambition and implementation. There are many opportunities to optimize processes within and outside of these instruments, which can be synergistically conversed and articulated and optimized for this purpose, such as the 2030 Agenda for Sustainable Development.
- *On the role and founding principles of multilateral financing institutions and other key non-state actors:* An identification of the international non-state actors that are key determinants of climate action, and what transformation and commitments they should make to steer the world towards compliance with the Paris Agreement. Non-Party stakeholders could be invited to make additional commitments, demonstrate concrete actions, and form partnerships to enhance the actions taken by Parties. This should not undermine the central role of Parties to the Paris Agreement to enhance their actions and support in line with the best science available.

- *On the concept of economic growth and social and economic harm:* A review on how dominating current economic and growth paradigms allow or not the total and rapid deployment of the transformations necessary to decouple human activity from emissions and natural degradation, not only in terms of greenhouse gases but also in terms of impacts on biodiversity and impacts water resources and land.
- *On the need to address biodiversity loss and the role of carbon markets in an integrated manner:* If we fail in protecting biodiversity and ecosystems, climate action will fail. Biodiversity and ecosystems are collapsing. Any climate benefits from protecting and restoring nature cannot be used if there is a delay on fossil fuel phase-out. We must stop looking at forests as not just providers of carbon offsets. We believe that carbon markets, their effectiveness, the environmental integrity of these transactions, additionality, transparency, just deals and equitable benefits-sharing, and their tangible contribution to mitigation should be following the Paris Agreement, ensuring the protection of human rights and minimizing the social and environmental impacts produced by their implementation.
- *On the need to address the cryosphere:* Recent information on ice cover loss is absolutely alarming. Urgent action is needed to cut emissions and address the threats to the cryosphere. Failure to act now could lead to the loss of Arctic summer sea ice, a faster and higher sea-level rise, glacier and snow loss impacting water availability, and permafrost emissions depleting the carbon budget. Low emission pathways can stabilize sea levels and slow down their rise. The effects of climate change on the cryosphere, including on tipping points, should be better understood, and factored into decision-making.
- *On the need to avoid the tipping point in the Amazon:* Urgent action is needed to protect the Amazon, which absorbs around 500 mil millions of tons per year and is indigenous people land. Likewise, there is an urgent need to take strong measures in public policy to tackle deforestation and illegal activities.

### *Climate Change and Society*

- *Opportunities in System Transformations:* Transforming systems presents a unique chance for societal and economic development while reducing the impact on the natural environment.
- *Inclusive and Equitable System Transformations:* System transformations offer numerous opportunities, but their rapid pace can be disruptive. These changes must be inclusive, addressing various dimensions of equity, and consider their local context impacts, involving the entire society.
- *Equity's Role in Climate Action:* Giving more importance to equity can boost ambition in climate action and enhance the chances of achieving the long-term goals of the Paris Agreement. Equity dimensions encompass just transitions pathways, resilience strengthening, sustainable development, environmental protection, poverty reduction, and human rights.
- *Addressing Consequences of Climate Action:* The shift towards low-emission development will have distributional effects, including income and employment changes. Integrating broader



considerations into policy development and implementation, can enhance efforts to promote gender equity and equality.

- *Implementing Just Transition Principles:* Just transition principles can be effectively applied through collective and participatory decision-making processes to mitigate the disruptive consequences of rapid system transformations.
- *Climate action in cities:* Increase the involvement of climate action in cities, addressing urban metabolism and proposing practices that include awareness, education, participation and regulation to move towards more sustainable consumption and markets.
- *Transparent NDCs with equity considerations:* Countries should clarify the fairness and ambition of their NDCs by providing methodologies and clearer information on how equity has been integrated into the objectives and actions outlined in their contributions.

### *Climate Change, Ecosystems and Biodiversity*

- *Ocean's Integral Role in Climate Change:* Science acknowledges the ocean's inseparable connection to climate change, making it essential for both assessing its impacts and as a source of actionable solutions.
- *Ocean Acidification from CO<sub>2</sub> Emissions:* Anthropogenic emissions of carbon dioxide (CO<sub>2</sub>) have led to global acidification of the ocean surface, resulting in a 30 percent increase in acidity.
- *Climate-Induced Ocean Processes of Concern:* A variety of climate-driven processes in the ocean pose significant challenges for adaptation and mitigation policies. These include sea-level rise, stratification, oxygen depletion, marine heatwaves, and the loss of marine biodiversity, among others.
- *Ongoing Ocean Warming:* The ocean has been steadily warming, absorbing approximately 90 percent of the extra heat generated by greenhouse gas emissions, as highlighted in the "Special Report on the Ocean and the Cryosphere in a Changing Climate" (2018).
- *Extreme events and risks:* With each additional increment of global warming, extreme weather changes become more significant, leading to more frequent and severe weather events. The risks and projected adverse impacts of climate change also escalate. This includes the likelihood of reaching adaptation limits for both human and natural systems.
- *The Multifaceted Role of the Ocean in Climate Action:* Recognizing the ocean's multidimensional role in climate action, it serves as a regulator of the climate system, a vital carbon sink for CO<sub>2</sub> and other greenhouse gases, and a source of food security and global connectivity among nations and regions.
- *Combating Land Degradation and Biodiversity Loss:* The GST should include a call to take action to halt and reverse land degradation, as well as the loss of biodiversity and ecosystems, with a particular focus on forest preservation, by 2030.
- *Promoting Nature-Based Solutions for Adaptation:* Encourage the use of nature-based solutions and ecosystem-based approaches as viable options for adapting terrestrial, freshwater, coastal, ocean ecosystems, and urban environments.



- *Synergy between Climate Resilience and Biodiversity Goals:* Foster integration and synergy between the long-term objective of the Paris Agreement, which aims at achieving climate-resilient development (Article 2.1(c)), and the goals outlined in the Kunming-Montreal Global Biodiversity Framework (KMGBF), particularly Goal 14.
- *Biodiversity Threats and Climate Change Impacts:* Climate change has a significant impact on biodiversity, including habitat degradation and the introduction of invasive species, as highlighted by the IPCC (AR6) in 2022. High mountain and maritime ecosystems are particularly vulnerable. The ocean experiences rising temperatures, acidification, and oxygen loss, severely affecting coral ecosystems. High mountain ecosystems, such as paramos and snowy areas, also face challenges like changes in snow cover, ice melting, and sea-level rise. Additionally, increased precipitation leads to more frequent and intense heavy rains, causing landslides, floods, displacement, and biodiversity loss.
- *Deforestation and land degradation:* Take action to halt and reverse land degradation, as well as the loss of biodiversity and ecosystems, with a particular focus on preventing forest loss by the year 2030. Implement measures to halt and reverse deforestation and degradation, taking into consideration local communities and indigenous people who inhabit the forest or whose livelihoods depend on the forest. This includes expanding conservation areas, ensuring land tenure and the respect of territorial rights, promoting sustainable land use practices, developing sustainable land use and management plans, and reducing agricultural sector pressures.
- *Enhancing Integration with Climate Resilience Goals:* Promote integration and complementarity between the long-term objective of the Paris Agreement, which aims to achieve climate-resilient development, and biodiversity preservation.
- *Global Cryosphere Thresholds:* We are facing serious thresholds and risking reaching tipping points in the global cryosphere regions. These thresholds and tipping points processes may be triggered by temperature rise if we do not take seriously the IPCC's warnings that drastic emission cuts must begin today to keep 1.5°C alive.
- *Extreme Sea Level Rise:* Extreme Sea level rise, coming from ice sheets and especially from Antarctica, must now be considered a likely outcome if our emissions do not decrease rapidly in the near term. The first loss of Arctic summer sea ice may occur in 2030, if current high emissions continue, with multiple negative feedbacks on the entire Earth system.
- *Glacier Preservation:* Limiting warming to 1.5°C could help preserve some glacier ice in the mid-latitudes; at 2°C, almost all these glaciers will disappear outside the Himalayas. In our region, Peru, and Chile account for most of the world's tropical glaciers. The retreat of glaciers has affected access to drinking water, biodiversity, and ecosystems. It is also important to give priority to the losses and damages associated with glacial retreat.
- *Permafrost Emissions:* Permafrost emissions equally can greatly decrease our available carbon budget to keep 1.5°C alive; since some of these emissions are methane, they can cause even higher level on increase in temperature. We must consider that emission levels from permafrost will continue for centuries, committing later generations.

- *Endemic species:* The very high extinction risk for endemic species in biodiversity hotspots is projected to increase at least tenfold if warming increases from 1.5°C to 3°C.
- *Cities and Biodiversity:* Cities play a leading role in the stability and flow of biodiversity, as well as in the pressure it exerts on rural and the peripheries areas, which are the main providers of goods and services in cities, including those that confer climate resilience and capture and storage. Carbon.
- *Exotic species and climate change:* The distribution of exotic or invasive species is expected to increase, displacing and/or extinct endemic species from several areas of the region that also present high concentrations of endemism. It is vital to link the interaction between climatic anomalies and the dispersal and colonization of exotic species in impact and vulnerability analyses.

### *Climate Change in the context of Latin America and the Caribbean (LAC)*

- *Biodiversity and Natural Resources in LAC:* LAC encompasses 50% of world's biodiversity and 21% of terrestrial ecoregions. Boasts 22% of global freshwater, 16% of marine water resources, and 23% of forests. Contains a significant 57% of primary forests, dedicating 26% to biodiversity conservation.
- *Population and Urbanization:* LAC is Home to approximately 8% of the world's population, making it one of the most urbanized regions globally.
- *Socio-economic Inequalities:* LAC Grapples with stark inequality exacerbated by unemployment and urban poverty. Its most vulnerable groups are local communities and indigenous people, afro-descendants, women, and immigrants; risking the sustainability of development and well-being of future generations and adversely affecting the social inclusion of local communities.
- *Climate Change Impacts in LAC:* Rising temperatures, torrential rains, melting glaciers, among others, are intensifying in the region and aggravating socio-economic challenges. The agricultural expansion and deforestation result in biodiversity loss and land degradation. There is a pressing need for sustainable economic transformation due to stagnant GDP growth and high external debt.
- *Agricultural and Health Effects in LAC:* Climate change affects cereal harvests in South America and rainfall in Central America and the tropical Andes. It also increases the risk of disease transmission, especially in tropical areas.
- *Economic Impacts and Risks for LAC:* Climate-related disasters lead to significant economic losses in LAC. Losses equate to 1% of regional GDP, with up to 2% in some Central American nations. Economic costs of climate change projected to be 1.5% to 5% of regional GDP by 2050 under a 2.5°C increase scenario.
- *Greenhouse Gas Emissions in LAC:* Emissions slightly declined from 2015 to 2019 but rebounded in 2021. Energy sector accounts for 31% of regional emissions. We need to transition from fossil

fuels to achieve the global goal of 40% GHG reduction by 2030 and limit temperature increase to 1.5°C.

## Climate Change Mitigation

Within this critical context, the GST serves as the ultimate litmus test for the effectiveness of the multilateral climate regime under the Paris Agreement in averting climate catastrophe. AILAC believes that a GST should include a monitoring mechanism and a clear agreement to phase out fossil fuels without nuances, in a possible articulation with the mitigation work program, if the program regains its potential. AILAC would not be willing to endorse a GST that lacks those features, as this would represent a major failure for the international community.

### *Context*

The latest findings of AR6 paint a sobering picture of our current global situation:

- *Insufficiency of current efforts:* Despite increased global efforts under the Paris Agreement, climate change mitigation remains largely insufficient. Existing policies without additional action are projected to result in a 2.8°C global warming over the twenty-first century. Implementing Nationally Determined Contributions (NDCs) and net-zero commitments may lead to a 1.8°C increase, but this scenario lacks credibility due to discrepancies between emissions, NDC targets, and net-zero goals (Emissions Gap Report 2022).
- *Soaring Fossil Fuel Subsidies:* In 2022, global fossil fuel subsidies reached a record high of \$7 trillion USD, equivalent to 7.1 percent of the world's gross domestic product. These subsidies, directed towards oil, coal, and natural gas industries, exceed the annual spending on education (4.3% of global income), despite fossil fuels being responsible for nearly 90% of global CO<sub>2</sub> emissions.
- *Ineffectiveness of Climate Agreements to deliver on fossil fuels:* Commitments made in agreements like the Glasgow Pact have not curbed fossil fuel subsidies effectively. These climate agreements often lack monitoring mechanisms to assess their integration into national policies. NDCs submitted since COP26 represent less than one percent of projected global emissions in 2030, falling short of expectations set by the Mitigation Work Program.
- *Consequences of Climate Inaction:* In 2023, the world experienced the initial consequences of a 1.5°C temperature increase compared to preindustrial levels. These included unprecedented ocean temperature rises in the North Atlantic Ocean and significant reductions in Antarctic ice cover. Such climate abnormalities were highly improbable based on historical data.
- *Role of technological Advances:* Technological innovations in renewable energy, energy efficiency, energy storage, and clean technologies have played a crucial role in reducing greenhouse gas emissions, offering hope for a more sustainable future. While technological progress is important, it cannot be the sole solution. Addressing over-consumption and

unsustainable resource exploitation is essential. Rethinking economic growth and focusing on life quality and equity are necessary for a sustainable society.

- *Incremental Global Warming:* Each increment of global warming brings about intensified and concurrent hazards. This includes the escalation of risks, adverse impacts, and related losses and damages associated with climate change as temperatures rise. Already below 1.5°C, autonomous and evolutionary adaptation responses by terrestrial and aquatic ecosystems will increasingly face hard limits.  
Above 1.5°C, some ecosystem-based adaptation measures will lose their effectiveness in providing benefits to people as these ecosystems will reach hard adaptation limits.
- *Emission Reduction Targets for 1.5°C Goal:* Achieving the 1.5°C global warming target, with a probability of over 50 percent, requires reducing global greenhouse gas (GHG) emissions to levels approximately 43 percent below the 2019 target by 2030, 60 percent by 2035, and 84 percent by 2050.
- *Policy Implementation:* The current policies and actions committed by Parties fall short of achieving the objectives of the Paris Agreement. The current ambition gap in NDCs to limit warming to 1.5°C in 2030 is estimated to be between 20.3 and 23.9 Gt CO<sub>2</sub> equivalent.
- *Current Warming Trends:* The world has already experienced a temperature increase of 1.1°C above the pre-industrial levels of 1850-1900. This increase has been more rapid since 1970 than in any other 50-year period over the past 2,000 years.
- *Urgency of Peaking Global Emissions:* According to the IPCC AR6, global GHG emissions must reach their peak between 2020 and 2025 to stay within the temperature target of the Paris Agreement. While emissions have peaked in some developed and developing countries, global emissions have not yet reached their maximum.
- *Impacts are worse than previously thought:* In comparison to previous assessments (AR5), many climate-related risks are now considered higher, and projected long-term impacts are significantly greater than what is currently observed.
- *Insufficient Mitigation:* Current mitigation efforts are insufficient. Existing policies, without additional action and financing, could result in global warming of 2.8°C by the end of the century. To limit global warming to 1.5°C, annual greenhouse gas emissions must be reduced by 45% compared to current projections within eight years, with continued rapid declines after 2030.
- *Continued Greenhouse Gas Emissions:* Greenhouse gas emissions continue to rise, and the best estimate suggests that we are off track to reach the 1.5°C limit in the near term if current emissions trends continue, which is considered a critical limit.
- *Inequality in Emissions:* Historical and ongoing greenhouse gas emissions are distributed unfairly across regions, countries, and individuals, with the largest share attributed to CO<sub>2</sub> emissions from fossil fuels and industrial processes.
  - G20 countries are failing to reduce greenhouse gas emissions to the necessary levels, with projections indicating a 10.6% increase by 2030, far from the required 45% decrease to limit global temperature rise to 1.5°C.

- Per capita emissions in G20 nations are expected to remain nearly double the required levels in 2030, and wealth inequality plays a significant role, with billionaires emitting millions of times more CO<sub>2</sub> than poor citizens.
- High-income G20 countries, have the largest shortfalls in planned emissions reductions, highlighting the urgent need for ambitious climate action and increased support for lower-income nations to achieve the goals of the Paris Agreement.

*Opportunities for and challenges in enhancing action and support for collective progress towards 2.1 (a) and 4.1.*

*Mitigation actions to ensure the compliance of the Paris Agreement:*

- *1.5°C Pathway:* To limit global warming to 1.5°C, countries must intensify efforts, increasing annual GHG emissions reduction by 45% in the coming years, with continued rapid reductions after 2030 to safeguard the remaining atmospheric carbon budget as per the Emissions Gap Report 2022.
- *Shared Responsibility:* Acknowledging responsibility for historical and current GHG emissions is crucial. Achieving the long-term goals of the Paris Agreement hinges on the commitment of all nations, especially developed countries and developing countries that have substantially increased their emissions. Encouraging knowledge sharing about mitigation actions and offering support is essential.
- *Accelerated Sustainable Transition:* Countries need to expedite their transition toward genuine sustainable development. This entails creating climate-resilient territories and value chains that contribute to the systemic changes necessary to enhance the health of the planet, ecosystems, and humanity.
- *Cross-Sectoral Approach:* Recognizing cross-sectoral responsibility in GHG mitigation is fundamental. This involves establishing public-private institutional arrangements, quantifying the required resources, and raising awareness among decision-makers regarding the co-benefits of decarbonization.
- *Stopping Deforestation and Land Degradation:* Implement measures to stop and reverse deforestation and degradation, including strategies such as expanding conservation areas, securing land tenure, and protecting indigenous territories, promoting sustainable land use practices, developing sustainable land use plans, and reducing pressure from agriculture.
- *Technology Advancement:* Over the next decade, there is an urgent need to accelerate the implementation of existing technology while fostering disruptive technological solutions across all key economic sectors. Digitalization plays a pivotal role, with the potential to directly enable approximately one-third of the required emissions cuts by 2030 (Exponential Roadmap, 2019).

- *Scaling Key Technologies*: While some GHG reduction technologies like solar PV and wind have matured rapidly, others such as building heating and cooling technologies, smart grids, and geothermal energy require faster scaling (Exponential Roadmap, 2019).
- *Transformation Challenges*: Although transformations offer significant benefits, they are not without challenges. Accelerating just transitions demands more comprehensive and inclusive efforts, increased financial resources, and careful evaluations of their societal impacts as changes unfold (State of Climate Action 2022, WRI).
- *Low-Carbon Investments*: Moving forward, it is imperative that public, private, and individual investment decisions align with the goal of building an inclusive low-carbon economy. Any other approach would impede the transformative decarbonization required to meet the objectives of the Paris Agreement.
- *Phasing Out Fossil Fuels*: AILAC advocates for collaborative efforts among Parties and non-Parties to expedite the phasing out of fossil fuel infrastructure. This includes exploration, production, export, and usage of fossil fuels. It necessitates coordinated strategies and actions at various levels, involving multiple stakeholders and sectors. This process requires diversifying energy sources, developing new raw materials, investing in research and development and innovation (R&D&i), facilitating a just workforce transition towards green jobs, adjusting economic models, and bolstering the penetration of non-conventional renewable energy sources.
- *Reducing Fossil Fuel Dependency*: Ending investments in new fossil fuel-based power generation capacity and accelerating the reduction of the relative share of existing fossil fuel-based power generation capacity are critical. A rapid global reduction in dependence on fossil fuels towards clean energy is essential for achieving zero net global CO<sub>2</sub> and GHG emissions. This acknowledges that developing countries must address this issue sooner, given their significant contribution to global emissions.
- *Removal of Fossil Fuel Subsidies*: Promoting the removal of fossil fuel subsidies is a strategic move to overcome structural economic barriers that perpetuate inertia to change. It prevents cost-effective low-carbon alternatives from being adopted at scale.
- *Clean Power Sector*: Establishing a clean, affordable, and reliable power sector is a prerequisite for the decarbonization of the transport, industry, and buildings sectors. This necessitates addressing both existing capacity and the new generation required to accommodate the electrification of major portions of the economy (C2ES).
- *Renewable Energy Expansion*: Efforts to triple renewable energy capacity by 2030 are essential. Increasing the share of renewables in global electricity generation to at least 55-90% by 2030 is crucial for achieving carbon neutrality by 2050. It also requires accelerating the phase-out of fossil fuels and enhancing the resilience of electricity generation systems. Achieving this goal involves improving the development and implementation of energy storage technologies to ensure grid stability and flexibility, facilitating the deployment of high levels of renewable energy (C2ES; Emissions Gap Report 2022).

- *Cement and Steel Potential:* Cement and steel are highly sought-after building materials, but their production consumes significant energy, posing a substantial challenge in limiting global warming to 1.5°C. For instance, the carbon intensity of global cement production, although decreasing compared to historical averages, must be reduced ten times faster to meet the Paris Agreement target (State of Climate Action 2022, WRI).
- *Food Systems Transformation:* Countries must commit to transforming food systems, agriculture, forestry, and land use to enhance food security, resilience, and equitable emissions reduction. This entails analyzing, assessing, and scaling up efforts to halt deforestation and degradation. Failing to accelerate this system-wide transformation in the face of intensifying climate impacts jeopardizes global efforts to eradicate food insecurity, hunger, and poverty. Scaling up climate-smart agriculture can boost yields while reducing greenhouse gas emissions from agricultural production by up to 25% by 2030 (WRI, 2023; Synthesis Report 2023; C2ES).
- *Ecosystems Protection:* Prioritizing the protection of biodiversity, forests, the cryosphere, and other ecosystems is a pivotal aspect of climate action. These efforts should be globally recognized, beyond their role as sources for carbon certificates. The valuation of ecosystem services must encompass their critical function in regulating climate drivers and supporting communities and territories.
- *Methane Emissions Reduction:* Supporting initiatives to reduce methane emissions and emissions intensity in agriculture and food systems is essential. This should align with national targets, involve public-private partnerships, attract private investment, and promote innovative solutions. Initiating a process to regularly assess progress towards the Global Methane Commitment is crucial. Additionally, requiring all countries to include non-carbon dioxide greenhouse gas emissions, including methane, in their updated NDCs and sectoral mitigation plans where feasible is imperative.
- *Promotion of Clean Mobility:* Incentivizing the transition to electric vehicles and other zero-emission technologies through subsidies, rebates, and emissions regulations reflecting the negative impacts of burning fossil fuels is a key strategy. This approach aligns with the COP26 Declaration on accelerating the shift to 100% zero-emission vehicles. We must see major fixed capital infrastructures radically transformed, even devalued, such as those of the private car or suburban urban planning, to be replaced by those that enable the development of a clean energy economy, such as bike infrastructures and major public transport rail networks.
- Reduce the carbon intensity of building operations, minimize embodied emissions, and increase the rate of building retrofits to 3.5 percent by 2040, aiming for all new and existing assets to be net zero across their life cycles by 2050.

*Considerations on the impacts of climate change mitigation:*

- *Transitional Challenges and Solutions:* Understanding the effects of climate mitigation measures is crucial. While transitioning away from fossil fuels and integrating new technologies may pose



some initial challenges, like job adjustments in certain sectors, these can be anticipated and navigated through strategic foresight and planning.

- *Multifaceted Benefits of Climate Mitigation:* The benefits of climate mitigation are wide-ranging:
  - *Economic Boost:* By aligning with the Paris Agreement's long-term goals, economies can harness a competitive edge in the global market. This alignment also uncovers opportunities in the thriving green sector, including renewable energy, sustainable agriculture, and green infrastructure investments.
  - *Health Advancements:* As we transition towards cleaner energy, we can expect a reduction in respiratory diseases, thus alleviating the healthcare system's burden.
  - *Community Unity:* Joint efforts to address climate change can galvanize communities, fostering unity and a shared sense of purpose.
  - *Biodiversity Conservation:* These mitigation measures are vital for conserving diverse ecosystems, ensuring the survival of various species, and maintaining the planet's balance.
  - *Enhanced Living Standards:* Climate action can lead to sustainable cities, efficient transportation, and cleaner environments, elevating the overall quality of life.

AILAC stresses the need to not only recognize but also to highlight the numerous benefits of climate mitigation during the considerations of outputs of the GST. Leveraging the GST insights, it's essential to emphasize the extensive positive outcomes of these measures. This perspective promotes a more comprehensive, engaging, and proactive global approach to addressing climate issues.

Considerations to address response measures:

- *Recognition of Diverse Economic Contexts:* It's essential that the GST reflects the varied economic situations and the bets to diversify the economies by the Parties in a balanced manner. These should cover how the impacts of the implementation of response measures are identified, measured, monitored, assessed, and addressed across different sectors, going beyond just energy transition considerations.
- *Inclusive Considerations:* Countries emphasizing forestry, biodiversity-based economies, or those facing land use-related decarbonization challenges often feel sidelined in the global discussion of the impact produced by the implementation of response measures. For instance, in the LAC region, there have been unexpected consequences from initiatives such as deforestation control measures and low-carbon agricultural systems. These have significant implications for public policies, regulatory frameworks, financial strategies, achieving goals, and human rights protection.
- These impacts are not being included in the discussions on addressing actions to minimize the social, economic and environmental effects generated by the implementation of response measures.

- Therefore, the global and local discussions should go through the broadening of the assessment, analysis, addressing, and reporting of all *"the environmental, social, and economic impacts arising from the implementation of mitigation policies, programs and actions"* according to the specific needs and concerns of Parties, taking as reference the framework established initially for the response measures in the Convention, the Kyoto Protocol, and the Paris Agreement decisions.
- *Cross-Cutting Issues*: It's pivotal to integrate concerns like gender equality, climate justice, human rights, and insights from the local communities and indigenous people into the discourse and actions. Moreover, integrating findings from reputable sources like the IPCC ensures that the measures undertaken are rooted in the latest scientific knowledge and global best practices. Likewise, might be reflected in the efforts of Parties to address and arise the impacts of implementation of response measures.

## Climate Change Adaptation

Climate change adaptation is a multifaceted challenge that demands comprehensive strategies. The AR6 SYR warns of the dangers of focusing too narrowly on short-term gains and sector-specific solutions, which can lead to entrenched vulnerabilities and risks. The IPCC accentuates the limited adaptive capacity of our planet's biodiversity, especially as we approach a 1.5°C warming threshold.

While some adaptive challenges can be addressed by mitigating financial, governance, and policy constraints, ecosystems like warm-water coral reefs and rainforests are already hitting their hard adaptation limits. Despite the increase in global climate finance, resources for adaptation, especially in developing countries, are lacking. As global warming intensifies, even robust Ecosystem-based Adaptation measures risk becoming ineffective. Thus, the AR6 SYR and IPCC advocate for holistic, long-term planning to circumvent maladaptation, emphasizing the urgent need for unified, comprehensive strategies.

### *Context*

- *Fragmented Adaptation*: Most adaptation efforts observed are fragmented, focusing on specific sectors and primarily centered on planning rather than concrete implementation. They tend to address current or short-term risks and are unequally distributed across regions. Moreover, these measures progress slowly. (AR6 WGII SPM & AR6 SYR SPM)
- *Risks of Isolated Actions*: Actions centered on specific sectors or aimed at achieving short-term gains can lead to long-term maladaptation. This approach can lock in vulnerabilities and risks, with particularly negative implications for marginalized and vulnerable groups. Maladaptation evidence has grown across many sectors since the AR5 report. (AR6 SYR SPM B.4.3, AR6 WGII SPM & AR6 SYR SPM A.3.4)

- *Barriers to Adaptation:* Key obstacles include limited resources, insufficient engagement of the private sector and civil society, inadequate financing, a deficit in climate literacy, lack of political will, limited uptake of scientific findings related to adaptation, and a subdued sense of urgency. (AR6 SYR SPM A.3.6)
- *Adaptation Finance Gap:* A disparity is growing between the estimated costs of adaptation and the actual financing dedicated to it. Current global financial flows, both public and private, for adaptation are lacking, particularly for developing countries. (AR6 SYR SPM A.3.6)
- *Challenges in Adaptation Assessment:* Assessing the effectiveness and adequacy of adaptation is problematic, largely due to limited monitoring and evaluation systems. Furthermore, there's an issue with generating and accessing adequate climate data, especially in developing nations. (AR6 WGII)
- *Adaptation Limits:* There's evidence that we've already reached "soft" limits to some human adaptation efforts, but these can potentially be surmounted by addressing foundational constraints. In contrast, "hard" limits have been reached in certain ecosystems. (IPCC AR6 WGII SPM & AR6 SYR SPM A.3.5)
- *Finance Deficit for Adaptation:* Adaptation finance provided to developing countries is drastically below the estimated needs, with a widening gap. By 2050, the estimated annual needs could reach up to USD 565 billion. (UNEP 2022 Adaptation gap report)
- *Distinguishing Adaptation and Loss/Damage:* A significant barrier is the challenge in distinguishing between actions and financing for adaptation versus those for loss and damage, mainly due to overlaps in risk management strategies.
- *Progress in Adaptation:* Evidence indicates that strides are being made in adaptation planning and implementation across all sectors and regions, yielding multiple benefits. At least 170 countries are integrating adaptation into their climate policies. (AR6 WGII, AR6 SYR A.3.1)
- *Risk Reduction:* There is evidence pointing to reduced risks in specific places and for certain hazards, notably regarding flood and heat vulnerability. Furthermore, there are indicators of a decrease in global vulnerability, especially concerning flood risk and extreme heat. (AR6 WGII)
- *Benefits of Holistic Approaches:* Integrated solutions, such as land use management and nature conservation, not only reduce emissions but also offer social benefits like improved health. Proper adaptation can mitigate impacts and losses, exemplified by the effectiveness of early warning systems.

***Opportunities for and challenges in enhancing action and support for collective progress towards 2.1 (b) and 7.1.***

- **High-Level Political Signals:** For the Global Stocktake, political signals must resonate with all actors vital to its execution, such as governments, civil society, the private sector, and other UN conventions. In the context of a CMA decision, distinguishing relevant actors for each signal can

be intricate. Hence, it's suggested that a possible technical annex or document elaborating on each "signal" or "solution" should map key initiatives, forums, and even expected roles by sector.

- Sector-Specific Signals (from C2ES Project):
  - By 2027: Achieve universal coverage of early warning systems tied to long-term risk management systems, complemented by effective risk communication and public discourse to instigate informed actions.
  - By 2030: Provide universal climate service coverage for priority climate-sensitive sectors like agriculture, food security, health, disaster risk reduction, energy, and water.
  - Also, by 2030: (i) Cultivate climate-resilient, sustainable agriculture that boosts yields by 17% and lowers farm-level greenhouse gas emissions by 21% without expanding agricultural boundaries. (ii) Halve, compared to 2019, the share of food lost in production and per capita food waste, while transitioning to healthier and plant-based diets.
- Complementary Signals: These signals should be enhanced with crucial messages to bolster planning and adaptation processes, and other relevant sectors, such as water, health, migration, and desertification.
- Guidance & Recommendations:
  - Guide parties to prevent maladaptation by engaging in flexible, inclusive, long-term planning and execution of adaptation actions, with benefits spanning various sectors. (IPCC AR6 SYR SPM)
  - Encourage nations to clarify in their climate documentation their contributions to any collective targets set at COP28.
  - Incorporate political signals related to specific sectors/systems in the Global Stocktake decision.
- Measuring Effectiveness: There's an urgent need to shift from plan-based reporting to gauging effectiveness. Criteria for this should include comprehensiveness, inclusivity, implementability, multiple levels of integration, and monitoring. The Adaptation Gap Reports of 2022 and 2023 emphasize this.
- Capacity Strengthening & Private Investment: Enhance capabilities to embed adaptation across different levels, sectors, and stakeholders. The benefits of adaptation for medium and long-term investments are not evident enough to attract private investments, necessitating measures to entice private investment in adaptation.
- Systemic Transformations: Promote systemic changes rooted in territories and landscapes. Although adaptation is viewed mainly as a national or local issue, gaps exist regarding the requirements, efficacy, and limitations of adapting to inter-regional climate threats.
- Social Equity & Ecological Vulnerabilities: Adaptation strategies should address social disparities, ecological vulnerabilities, and promote justice, with an emphasis on gender, Indigenous people, and local knowledge.

- Global Adaptation Progress & Climate Finance: Strengthen international endeavors to assess global advancement in adaptation and resilience. Develop better tools and methods to evaluate and track climate finance for adaptation actions through grants and concessional instruments.
- Financial Architecture & Anticipatory Action: Globally, it's imperative to review the financial architecture and emphasize proactive over reactive adaptation. It's also crucial to expedite global funds and ensure they effectively reach communities rather than being retained by implementing agencies.
- Recognition of Adaptation Gaps: Despite some progress, gaps in adaptation persist. Most observed adaptation efforts are fragmented, slow, and more geared toward planning than actual implementation.
- Synergies & Earth Observation Systems: Promote synergy between mitigation and adaptation while harmonizing with the Paris Agreement's financial goals and KMGBF target 14. Furthermore, establish robust Earth observation systems to enhance understanding of the climate system, adaptation needs, and mechanisms to address climate-induced losses and damages.
- Early Warning Systems:
  - Reinforce the call for support in executing the UNSG's initiative for Early Warning Systems across all regions.
  - Highlight the urgency in addressing gaps in the Global Climate Observing System and the absence of universal access to early warning systems. This especially affects developing nations.
  - Propose a global observation objective to actively promote and gauge progress by 2028 in the climate observing system, focusing on developing countries.
- Sustainable Agriculture and Healthy Diets:
  - Acknowledge the current and foreseeable climate-induced threats and impacts on agriculture and food systems. This hampers transformative possibilities, especially in regions at lower latitudes.
  - Encourage all Parties to support small-scale farmers in expanding regenerative land and agricultural methods like agro-ecology and agroforestry. This includes ensuring land rights, and improving access to technology, credit, and markets. Moreover, developed nations should amplify their support.
  - Advocate for all Parties to bolster consumer consciousness regarding sustainable dietary choices and minimizing food wastage.
- Aiming to halt and reverse the loss and degradation of biodiversity and ecosystems, targeting nature's recovery by 2030.
- Addressing cross-regional threats that traverse borders or through teleconnections. Examples include cross-border water utilization, global supply chains, and international food markets.
- Founding and enhancing climate-resilient universal healthcare systems.

## Loss and Damage

The AR6 SYR has highlighted the irreversible losses and damage that climate change is currently causing, as well as the cascading and compounding risks of exceeding the 1.5°C warming level, with the most vulnerable people and ecosystems being the most affected. Loss and damage are a lived reality for many vulnerable people, communities, and countries around the world, that's why the IPCC highlight that "With increasing global warming, losses and damages will increase and additional human and natural systems will reach adaptation limits" and that the risk for further loss and damage is thus very high taking into consideration that approximately 3.3 to 3.6 billion people live in contexts that are particularly vulnerable to climate change.

The AR6 promptly recognizes:

- Economic impacts attributable to climate change are increasingly affecting people's livelihoods and are causing economic and societal impacts across national boundaries.
- Losses and damages are unequally distributed across systems, regions, and sectors.
- Cultural losses, related to tangible and intangible heritage, threaten adaptive capacity, and may result in irrevocable losses of sense of belonging, valued cultural practices, identity and home, particularly for Indigenous Peoples and those more directly reliant on the environment for subsistence.
- Without effective mitigation and adaptation, losses and damages will continue to disproportionately affect the poorest and most vulnerable populations.
- Many developing countries lack comprehensive data at the scale needed for addressing learning and development (L&D).
- Near-term actions that limit global warming to close to 1.5°C would substantially reduce projected losses and damages related to climate change in human systems and ecosystems, compared to higher warming levels, but cannot eliminate them all.
- Continuing with current unsustainable development patterns would increase exposure and vulnerability of ecosystems and people to climate hazards and in that sense, it will increase the L&D.
- Through displacement and involuntary migration from extreme weather and climate events, climate change vulnerability has generated and perpetuated.

Adaptation does not prevent all losses and damages, even with effective adaptation and before reaching soft and hard limits.

Averting, minimizing, and addressing loss and damage requires urgent action across climate and development policies to manage risks comprehensively and provide support to impacted communities.

## ***Loss and Damage - Backward Looking Component***

Adaptation and Loss & Damage Clarification: A significant barrier in addressing climate change is the existing ambiguity between what qualifies as "adaptation action and finance" and "loss and damage action and finance". This confusion arises from overlaps in terminologies such as "averting and minimizing" loss and damage with adaptation. It's crucial to delineate these terms and achieve a consensus on their precise definitions and implications.

The link between Losses, Damages, and Anthropogenic Climate Change: It hasn't been evidently clear to show that losses and damages are a direct result of failures in mitigation and adaptation efforts. This lack of clarity has made it challenging for nations to recognize and accept the obligation to contribute. However, recent reports, notably from IPCC in 2022 and 2023, have begun to document the connection between anthropogenic climate change and these losses and damages.

Despite this, since the convention the conversations have been grounded with an intention that seeks to integrate the increase in knowledge, the implementation of actions and the financial resources.

COP19 (2013) establishes the Warsaw International Mechanism for climate change loss and damages and sets out approaches to address loss and damage in a comprehensive manner "*including related effects both, with gradual phenomena and with extreme weather phenomena.*" Likewise, "*requests developed country Parties to provide developing country Parties with financial, technological and capacity-building support, in accordance with decision 1/CP.16 and other decisions of the Conference of the Parties on the matter.*" (Dec 3/CP.18)

Later in the COP26 (2021) the Glasgow Pact emerges in response to the imperative need for financing to assess and address loss and damage associated with climate change, especially in developing countries. Likewise, it is motivated to streamline the missing institutional arrangements for the complete functioning of the Santiago Network. Likewise, the financing for its functionality.

Then, one of the most important results of COP27 (2022), was the agreement to increase financial support to manage loss and damage, for developing countries especially the those particularly vulnerable to the effects of climate change. (Dec 2/CP.27)

## ***Loss and Damage - Forward Looking Component***

- **Comprehensive Risk Management:** To effectively tackle the consequences of climate change, there's an imperative need for swift interventions in climate and development guidelines. These strategies will holistically address the challenges and extend necessary aid to communities that bear the brunt of these impacts. Technical guidelines for valuing I&d in intangibles (non-economic) such as cultural, spiritual and biodiversity values especially for long-term or cumulative events are required.



- The official available information on impacts and vulnerability is presented on very large spatial scales, which homogenize and make invisible variables that aggravate the expressions of climate anomalies that end in losses and damages. It is necessary to lower the scale and effectively link the affected population in those studies, to have more effective prevention and care in accordance with the contexts.
- The level of information and its comparability between countries must be taken into high consideration when developing criteria for access to fund resources. The I&d fund must be open to all developing countries and the criteria to be proposed cannot exclude any developing country.
- Climate justice should be the guiding principle for understanding and managing I&d and this must consider effective involvement and the capacity for global political impact, which is not the same for all countries.
- Paris Agreement & Warming Impacts: Adhering to the temperature limits outlined in the Paris Agreement will considerably curtail the detrimental effects of climate change. Yet, with every incremental rise in global temperatures, the repercussions intensify. Some adverse outcomes will become irreversible if temperatures increase beyond 1.5°C. Therefore, deepened understanding and proactive measures are essential, especially in discerning and counteracting tipping points.
- Implementation: Accelerated implementation of adaptation will improve well-being by reducing losses and damages, especially for vulnerable populations.
- High-Level Political Signals in the Global Stocktake: The GST high-level political signals should address all relevant stakeholders involved in its implementation, including government, civil society, the private sector, and other UN conventions. Due to the complexities associated with differentiating among all relevant actors for each signal within the context of a CMA decision, a suggested solution is to reserve such intricate details for a potential technical annex or a document that outlines each "signal" or "solution". This document would be responsible for mapping relevant initiatives, forums, and even expected roles per sector.
- GST Messaging Imperatives: It's essential for the GST messages not to overlook the already existing losses and damages occurring worldwide, especially the devastating effects on vulnerable populations. These messages shouldn't merely prioritize certain regions or countries over others. Instead, they need to send strong directives about the urgency to make all efforts to minimize and address these losses and damages, rather than just recognizing them. The communications should not be limited to discussing the new fund for Loss and Damage or strengthening the existing institutions. It is paramount to commit decisively to operationalizing the existing agreements and addressing identified gaps.
- Difference between loss and damage for slow onset events and fast onset events: It is important to recognize the difference between loss and damage for slow onset events and fast onset events as well as their financial instruments for each of them. Financial instruments relies on the urge to access from developing countries

- **Loss and Damage Nuances and Documentation:** The Global Stocktake messages should also capture non-economic losses and damages resulting from climate change impacts. It's imperative to continuously document human life losses, health effects, internal and transnational mobility, loss of local community territories, loss of indigenous knowledge, and loss of biodiversity and ecosystem services. Reiterative documentation of these aspects underscores the urgency to address these issues and establish a connection with anthropogenic climate change. Improving the collection of data on non-economic losses and slow-onset events through cooperative mechanisms in this area is necessary.
- Invite developing country Parties to establish national inventories and registries of L&D due to climate change and to provide information on ongoing and experienced L&D in national communications and biennial transparency reports that distinguish between economic and non-economic losses and damages associated with the adverse effects of climate change and whether they relate to extreme weather events or slow onset events.
- Increasing the capacity and resources of developing countries to make use of communication and reporting mechanisms under the Convention and the Paris Agreement to give visibility to their needs and priorities for addressing ongoing and projected loss and damage, as well as to report on ongoing and experienced loss and damage
- Strengthening international cooperation and support, including finance, capacity-building, and technology, for closing the gap in addressing loss and damage in a way that does not increase indebtedness or income loss of developing countries.
- Integrating national adaptation planning processes with climate risk management and processes for assessing and addressing limits to adaptation and loss and damage needs.
- **Monitoring:** There is still much to review and propose in relation to the long-term monitoring of I&d, especially non-economic ones. The existing risk management with climate change risk indicators should be reconcile.
- **Economic Model's Consequences and Corporate Responsibility:** Loss and damage are outcomes of an extractive, unjust, and inequitable economic model. There should be clear signals for carbon-intensive multinational corporations to contribute to financing efforts to prevent, minimize, and address the losses and damages.
- **Multilateral Fund Recognition and Objective:** The international community must recognize the pressing need for a new multilateral fund, taking into account lessons learnt from existing environmental and climate funds with a special focus on procedures and timeline. This fund would provide financial resources to address the losses and damages associated with the adverse effects of climate change in developing countries. The call is for collective action to enhance the relevant arrangements on loss and damage. The ultimate success would see the Fund recognized as the primary channel for new multilateral finance to address the repercussions of climate change. This would further align the coherence of new and existing financing measures in the broader international financial, climate, humanitarian, disaster risk reduction, and developmental context.

## Means of implementation and support

Our planet is on the brink of irreversible climate change. It necessitates collaborative global efforts. However, developing countries, though less responsible for the ongoing climate crisis, face the harshest consequences. Their pursuit of sustainable growth and resilience faces monumental hurdles, including a lack of equitable resources and capacities. The 2022 Global Landscape of Climate Finance report throws into sharp relief the skewed geographical distribution of climate finance. The dominance of regions like North America, Western Europe, and East Asia & Pacific is unmistakable. Beyond just volume, the nature and quality of this finance, too, are of paramount concern. The current scenario underscores a pressing need to revisit and reformulate financial flows, technology transfers, and capacity-building mechanisms.

Achieving the lofty yet imperative objectives of the Paris Agreement requires a synchronized, holistic approach. More than mere numbers, it's about directing resources where they're most needed, empowering nations with the technological arsenal to combat climate change and building robust capacities to withstand climate adversities. It's a journey where every step, be it financial reforms, tech transfers, or capacity building, inches the world closer to a future marked by climate resilience, equity, and sustainability. The vision isn't just to level the playing field but to raise it, ensuring every nation, irrespective of its economic standing, has the resources, know-how, and capacity to navigate the turbulent waters of the climate crisis.

### *Means of Implementation - Backward Looking Component*

#### *Fulfilment of the commitments*

- *Unfulfilled promise:* We recognize that global climate financial flows increased significantly during the past decade, although the goal of developed countries to mobilize jointly USD 100 billion per year by 2020 in the context of meaningful mitigation action and transparency on implementation was not met. Against this backdrop deliberations on the NCOG are taking place.

#### *Geographical Balance in Financial Flows*

- *Highlighting the Imbalance:* There exists an evident geographical disproportion in climate financing. The scales are tipped heavily in favour of economically prosperous regions, leaving developing areas, like Latin America, grappling with resource scarcity despite facing the brunt of climate impacts.
- *Equalizing Efforts:* It is pivotal to calibrate financial flows to reflect the actual needs of regions, especially those that are most severely impacted by climate change. A priority must be to counterbalance this and prevent regions like Latin America be excluded from concessional flows.

#### *Quality of Climate Finance*

- *Beyond Numbers*: While the volume of finance is crucial, quality is also of utmost importance. The present loan-centric approach leaves developing nations grappling with debt in a context of limited fiscal space, debt sustainability risks and developmental challenges including poverty eradication. A transformative shift towards grants and non-debt instruments would ensure more sustainable financial support.
- By acknowledging that a mix of financial sources and instruments is necessary to leverage public finance, we would like to emphasize that loans cannot continue to be the one and main source of mobilized finance (over 70% as of the latest information) due to its effect in increasing levels of indebtedness and worsening the fiscal burden of developing countries, where the cost of debt has already being raised due to climate vulnerability.

### *Means of Implementation - Forward Looking Component*

- Scale-up affordable, long-term financing: Shifting from loans to grant-based financial flows, improving concessional and lending terms of developing countries, including debt treatment alternatives and innovative financial instruments would play a pivotal role in supporting developing nations. Such a move would bolster ambitious National Determined Contributions (NDC) implementations, facilitating nations to reach their climate action targets and the fulfilment of the Paris Agreement without the looming shadow of debt.
- Addressing the underfunding of adaptation and loss and damage response; and, increasing accessibility by enhancing and harmonizing access procedures among bilateral, regional, and multilateral sources of climate funding.
- Doubling Down on Commitments: Developed nations made a landmark promise to double adaptation finance by 2025. This commitment needs to move from paper to practice.
- Additional public, grant-based finance for adaptation is needed to reduce vulnerabilities to the adverse effects of climate change and enhance resilience to minimize future impacts.
- Resources should be channelled towards actions that make more impact including portfolios with tangible outputs in line with developing countries needs and priorities and ensures long-term resilience against climate-induced challenges.

### *The Role of the New Collective Quantified Goal (NCQG)*

The NCQG is more than just a concept; it is the embodiment of solidarity and collaboration within the Paris Agreement.

- Core Objectives of NCQG: The NCQG, as a means of implementation goal, has at its very core the support to developing countries considering their needs and priorities, so that they can fulfil their commitments under the Paris Agreement and address the undue burdens of tackling the adverse effects of climate change and to expedite the objectives of Article 2 of the Paris Agreement, ensuring seamless alignment with Article 9. The GST provides an opportunity to nurture ongoing deliberations to set the goal so that it not only reflects the obligations under the Paris Agreement and the tenets of Articles 4 and 11 of the Convention but also paves the way for

enhancing trust amongst parties to strengthen the global response to the threat of climate change.

#### *Finance for Loss and Damage*

- Substantially increase concessional funding for loss and damage, while also rallying more resources.
- Transform and secure the Fund's role as the primary avenue for new multilateral financing to tackle loss and damage. Simultaneously, attract external funding to bolster initiatives aimed at reducing, preventing, and addressing loss and damage, all while assisting in the attainment of global development objectives, particularly those related to sustainability.

#### *Technology Transfer: Propelling Climate Action through Innovation*

- Inclusivity in Technological Endeavours: The creation of global forums where developed countries share their technological prowess with developing nations is pivotal. Such platforms should prioritize technologies fostering decarbonization, resilience, and addressing adaptation and mitigation challenges concurrently.
- Minimizing Tech-Transfer Barriers: Eliminating tariffs and other impediments to green technology transfer is crucial. Moreover, standardizing protocols and systems ensures that technology is compatible across varied regions and sectors.
- Harnessing Global Collaborations: Aligning with the Paris Agreement, fostering global cooperation on tech development, transfer, and innovation is crucial. This global synergy can expedite systemic transformations, making the Paris Agreement's objectives more attainable.
- Cost and Accessibility: Making key technologies more affordable and accessible, especially for developing countries, can drive widespread adoption. Simultaneously, collaborative research and capacity-building are imperative for scaling mature climate technologies and catalysing emerging tech developments.

#### *Capacity Building: Crafting Robust Climate Defences*

- Fortifying Institutional Mechanisms: Building and bolstering climate-centric institutions in developing nations is imperative. These entities will be the bedrock for effective policy formulation, diligent project implementation, and rigorous monitoring.
- Education as the Catalyst: Comprehensive educational initiatives, tailored for varied audiences, ranging from policymakers to grassroots communities, are essential. Knowledge propagation can be the difference between reactive measures and proactive climate strategies.
- Sustained Knowledge Transfer: Strengthening bilateral and multilateral partnerships, with a laser focus on capacity-building, can ensure that knowledge transfer isn't sporadic but continuous.

- **Tackling Systemic Hurdles:** Overcoming inherent capacity challenges in various facets of climate policy is paramount. These can range from financial constraints to limited technical know-how. Furthermore, nurturing a culture of continued capacity enhancement, both in human resources and institutional mechanisms, will be pivotal.

## Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate

### *Backward Looking Component*

We are critically behind in terms of climate action, and in particular, with regards to the systemic transformations that must take place at the global and national levels to enable a new economic model that allows for decarbonized and resilient development required to the very transition to 1.5°C, as well as in the support to developing countries, which are very much needed for making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development as set out in Art 2.1c of the Paris Agreement. A range of technical reports and analyses from numerous organizations, including IPCC AR6 Chapter 15, show that the availability of finance of the necessary scale and quality with the right instruments is a necessary enabler for the unprecedented transformations we seek, particularly in the developing world. Thus, new models of development and reforms to revamp the financial system to be fit for purpose to tackle the climate crisis are urgent, with an underlying strategy that ensures the availability of the necessary finance, technology, and capacity building.

- *Flows to high-emission activities remain high:* the Fifth Biennial Assessment and Overview of Climate Finance Flow portrays an intriguing scenario. While climate finance flows between 2019 and 2020 stood at USD 803 billion and the economic losses from weather-related catastrophes hovered around USD 168 billion, investments in fossil fuels to USD 892 billion.
- Limited understanding of the article 2.1c and challenges for its operationalization.

### *Forward Looking Component*

- Accentuate the significance of financial support and systematic transformations to meet the 1.5 °C target and foster climate consistency in a manner that acknowledges national circumstances and concrete challenges, particularly in developing countries.
- Make finance compatible with climate goal is crucial to redirect financial resources from high-emission to low-emission, climate-resilient activities, and towards developing countries in the context of sustainable development and efforts to eradicate poverty. This realignment will ensure that financial flows are consistent with a trajectory towards low greenhouse gas emissions and climate-resilient development, as embodied in Article 2.1c of the Paris Agreement.
- **Engaging Various Stakeholders:** A collaborative approach involving Multilateral Development Banks (MDBs), International Financial Institutions (IFIs), and Non-Public Stakeholders (NPS) is vital. These entities must ramp up their investments in climate-centric portfolios. Concurrently,



there's a pressing need to revisit fossil fuel subsidies, ensuring they don't contradict climate goals. Additionally, understanding, disclosing, and managing climate-related financial risks should be an integral part of the process without penalizing developing countries that are vulnerable to climate change.

## Way-forward

The Paris Agreement, through its GST, provides the basis for informing further ambition in enhancing action and support to respond to the climate crisis.

The best available science has made clear that the window of opportunity for acting is closing rapidly. The first GST comes at a critical moment for accelerating collective progress.

This submission aims to provide the findings to accelerate much more action now, on all fronts and by all actors, if the long-term goals of the Paris Agreement are to be met.

### *Guidance for the new NDC's communication cycle*

The NDCs must be seen as building blocks towards the achievement of the long-term resilience and decarbonization goals. Together we need to reach net zero by 2050 but developed country Parties are called to reach this goal well before 2050. The pathway to do so might be reflected in the next round of NDCs and must serve as the way to improve the

It should provide consistency with Article 4, paragraph 2, of the Paris Agreement that requires each Party to prepare, communicate and maintain successive nationally determined contributions (NDCs) that it intends to achieve. The GST shall pursue those efforts to enhance domestic mitigation and adaptation measures, with the aim of achieving the objectives of such contributions.

As we look forward, we should recognize the universal commitment to the NDCs. Taken together, 193 Parties to the Paris Agreement translates in 94.9% coverage of total global greenhouse gas emissions in 2019. (NDC Synthesis Report 2022)

Providing guidance to NDCs matters because they reinforce the global goals agreed under the Paris Agreement and show exactly what each Party is committed to reach these goals. They represent plans for investing in crucial areas that have the potential not only to meet climate goals but also to power sustainable development.

In line with what was said above, the results of the GST should be seen as a guide to strengthen implementation and increase ambition at the individual and collective levels needed to address the climate crisis. To this end, countries should address and include GST recommendations within NDCs and long-term strategies with reference to:



- The need to ensure that targets under the NDCs are based on the best available science, considering equity, just transition and climate justice.
- The opportunities and solutions with respect to mitigation and adaptation, based on lessons learned not only from good practices but also from what keeps us away from a more resilient world.
- The integrated approach between mitigation and adaptation that allows, where appropriate, to have a greater impact in terms of climate action.
- The efforts made to integrate climate commitments with development policies.
- The NDC should also be the vehicle to make visible efforts complementary to the national goals, reflecting the efforts of subnational governments and other non-state actors within the country. Monitoring of these targets would be done through the NAZCA platform by these actors.
- The low-carbon strategies referred to in Article 4, paragraph 19 of the Paris Agreement should be aligned with the aspirational goal of Article 2, paragraph (a) and Article 4, paragraph 1 of the PA (net zero).

### *On the importance of establishing a follow-up process*

The decision to be taken in Dubai on the outcome of the Global Stocktake should not be seen as the end of a process but as the beginning of a process in which we are continuously assessing the climate regime and collective efforts to address the impacts of climate change to propose solutions to effectively address the climate emergency.

Thus, there is a need to establish a follow-up process for the outcomes of the Global Stocktake to assess how Parties, as well as other stakeholders outside UNFCCC, are taking these outcomes into account to communicate new commitments that are fair, ambitious and in light with what is required by science, as well as to strengthen the implementation of action and support along the same lines.

This follow-up process could include the following components:

- Reporting through the BTRs: a recommendation could come out of the GST for Parties to report in their biennial transparency reports on how their implementation was strengthened by the GST recommendations.
- Open spaces during the sessions of the subsidiary bodies as well as the CMAs for non-state actors to report on how they have incorporated GST recommendations in the communication and implementation of their commitments.
- A report to the CMA on progress in the implementation of GST recommendations in general terms. This report should be guided by the following technical and synthesis reports mandated to the Convention Secretariat:
- Create an open dialogue space to promote the flow of information between implementing sectors that can contribute to the achievement of the established goals in the current NDCs.



- A synthesis report on how the Parties have considered the recommendations from the GST in their national NDCs and LTS implementation processes (information reported in BTRs).
- A technical report on how the process of enhancing synergies with other conventions has progressed.
- A mandate for constituted bodies to consider in their analysis and country support activities the recommendations derived from the GST.