



Bonn Seminar 2022



La Redoute, Bad Godesberg, Bonn
12 June 2022

ecbi

European Capacity Building Initiative
www.ecbi.org

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INTRODUCTION

The Bonn Seminars are an annual event hosted by ecbi held alongside the UNFCCC Subsidiary Body meetings, which take place around June every year in Bonn. Since 2005, the Bonn Seminars have provided an opportunity for invited delegates from developing and developed countries to share ideas on topical issues in an informal setting and build mutual understanding and trust. The meetings operate under Chatham House rules, meaning participants can speak off-the-record outside the formal negotiations.

The 2022 Bonn Seminar took place on 12 June at La Redoute in Bad Godesberg, Bonn, Germany. Over 30 invited participants from over 20 delegations, who were also participating in the UNFCCC Subsidiary Body meetings, attended the event.

Participants departed the meeting reflecting on discussions they characterized as “open”, “honest”, and “helpful”, having tackled three thorny topics: a new global collective goal on financing; loss and damage; and the Global Goal on Adaptation (GGA). While the discussions highlighted some areas of divergence, such as whether a new facility is needed for loss and damage, participants saw eye-to-eye on many issues, such as the need to increase overall funding, act with a sense of urgency in negotiations over the next two years, avoid falling into repetitive arguments, and create opportunities to build greater trust and mutual understanding.

OPENING OF THE MEETING

Welcoming delegates, ecbi Director Benito Müller explained that the aim of the event was trust building. He encouraged participants to view it as a safe space where they could ask questions and be curious about the opinions of others. Since the event was not part of the formal negotiations and was held under Chatham House rules where no one except introductory speakers would be identified in the meeting report, he invited participants to be open to ideas beyond their current country positions and to focus on building mutual understanding, confidence, and trust.



TOPIC ONE: A NEW, COLLECTIVE, QUANTIFIED GOAL ON CLIMATE FINANCE

At the Glasgow Climate Change Conference in 2021, delegates agreed to begin deliberations aimed at setting a “new collective quantified goal” on climate finance from a floor of US\$100 billion (Decision 9/CMA.3). An *ad hoc* work programme was subsequently launched in 2022, along with planned high-level ministerial dialogues aimed at setting the new goal in 2024. This Bonn Seminar aimed to support this process with an informal exchange of views. Key issues to emerge during the discussion included questions over funding definitions, transparency, and the role of both public and private financing.

The session was facilitated by Kishan Kumarsingh, Head of Multilateral Environmental Agreements, Ministry of Planning and Development, Trinidad and Tobago, who introduced the introductory speakers. Kumarsingh also noted his new role co-chairing, with Federica Fricano (Italy), the *ad hoc* work programme on the New Collective Quantified Goal on Climate Finance for 2022.

ecbi Director Benito Müller highlighted the existing agreement on a minimum US\$100 billion in financing annually. He noted former UK Prime Minister Gordon Brown originally proposed this in 2009 as a public funding goal only, rather than as both a public and private goal. The public-private mix was proposed later that year at the Copenhagen Climate Change Conference by then US Secretary of State Hilary Clinton and subsequently became a part of the Copenhagen Accord.

Professor Müller suggested that adopting a quantified goal without agreeing on how to count contributions had resulted in “mutually assured unhappiness”. Noting some questions regarding how to define climate funding, he suggested that focusing on public funding might help us agree on what to count and make it easier to ascertain whether or not the quantified goal has been achieved.

New Collective Quantified Public-Sector Goal on Adaptation Grant Finance (NCQPSGAGF)



Oxford Climate Policy Blog
 Publishing analyses on international climate policy

2022 11/01/2022

The New Collective Quantified Goal on Climate Finance

<http://blog.oxfordclimatepolicy.org>

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Submission to CMA 4*

VIEWS ON THE NEW COLLECTIVE QUANTIFIED GOAL AS SPECIFIED IN PARAS. 15 AND 1A OF DECISION 9/CMA.3

28 January 2022

OCP and ecbi welcome the opportunity to submit their views on the new collective quantified goal on climate finance in line with Decision 9/CMA.3 paragraph 15 and on the elements referred to in paragraph 15 c) that decision via the submission portal.

A new collective quantified public-sector goal on adaptation grant finance

OCP and ecbi believe progress on a new goal is most likely if we hold discussions on each of the finance-related elements of the Paris Agreement. One stream of these discussions should also be setting a new, collective, and quantified public-sector goal on adaptation grant finance.

<https://www4.unfccc.int/sites/Submissions/engaging/Documents/202201281520---OCP%20&ecbi%20%202022%20CMA4%20Gad%20for%20the%20new%20goal.pdf>

Professor Müller also observed that, more recently, the Glasgow Climate Pact included a goal of doubling collective financing for adaptation and drew attention to a recent submission to the governing body of the Paris Agreement by ecbi and Oxford Climate Policy on a new, collective quantified public sector goal on adaptation grant finance.

He suggested progress on a new overall goal is more likely if discussions begin by focussing on goals for different finance-related elements of the Paris Agreement, and that one stream of these discussions should aim to secure a new public goal on adaptation grant finance. Finally, he argued we should “agree what we’re counting and how to measure it”.

Gard Lindseth, Senior Adviser in Norway’s Ministry of Climate and Environment, opened the discussion by recalling that Glasgow had provided a way forward with agreement on an *ad hoc* work programme and ministerial meetings, followed by a stock taking by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA). He noted a first technical expert dialogue had already convened in Cape Town, South Africa, with a second one scheduled in Bonn just days after this seminar. Rather than being repetitive or circular, he hoped the process could provide a useful path forward and help resolve such issues as: how limited public finance can catalyse more support; the role of the private sector; and how can we maximise and broaden our efforts?

Outi Honkatukia, Chief Negotiator for Climate Change, Ministry of the Environment, Finland, observed that Glasgow had provided a decision framework and process that includes a technical phase leading back into ministerial discussions. She suggested one challenge was to ensure the discussions distinguish between the technical and political phases.

Kumarsingh asked participants to identify what elements of a new collective goal are the most important to them, and why? In response, participants raised issues of both public and private funding, the need for clear definitions of what should be counted as climate funding, and the importance of transparency and clear information.

On **public funding**, a developing country participant said significant current public sector support comes as loans rather than grants and that, while climate finance is increasing, overall ODA is declining. He urged greater support for locally-led adaptation. Another participant said we should not lose sight of Paris Agreement Article 9, which states that developed countries must continue to lead on financing and provide transparent information. He highlighted the needs of least developed countries (LDCs) with large populations, given the number of lives at risk.

With respect to **private funding**, one delegate highlighted the need to understand how to account for private sector funding and the role of Paris Agreement Article 6 (market and non-market mechanisms for international cooperation), as well as the need to look at mitigation, adaptation, and funding for loss and damage. Another participant advocated for a pragmatic approach that is not overly prescriptive but instead focused on how to mobilise as much funding as possible from various sources.

On **definitions**, a developing country speaker said clear definitions were needed with respect to what we are measuring and what has been mobilised. Another said we need to resolve issues of funding quantity and quality, and build trust so we know the numbers are accurate. One developed country speaker said the amount of any quantified goal is a means to an end, not an end in itself. He suggested a goal that focuses only on what we can reasonably track means we are missing a big opportunity. He viewed climate finance as a means to an end with impact on the ground that will help us limit temperature rise.

On **transparency**, two developing country participants highlighted this as critical, while another suggested creating a clearinghouse for all shared information.

Closing the session, Kishan Kumarsingh thanked participants for helping build mutual understanding. Benito Müller welcomed innovative ideas that went beyond traditional public sector support.

TOPIC TWO: LOSS AND DAMAGE

This session focused on how to advance discussions on loss and damage associated with the adverse impacts of climate change. With the establishment in recent years of the Santiago Network (to catalyse technical assistance) and the Warsaw International Mechanism (to enhance knowledge, dialogue, and action), some parties had called for a funding facility to be agreed in Glasgow in 2021. Although this did not happen, delegates agreed to establish the “Glasgow Dialogue”: a process that will continue until 2024 (see Decision 1/ CMA3 – Glasgow Climate Pact – section 6, paragraph 73).

Discussions at the Bonn Seminar focused on: what the Glasgow Dialogue should deliver in terms of outcomes; whether a financing facility should be established and, if so, when; whether other funding approaches might be appropriate; and what sorts of loss and damage should be covered?

Saleemul Huq, Director of the International Centre for Climate Change and Development (ICCCAD), facilitated the session. Highlighting the Intergovernmental Panel on Climate Change (IPCC) and its reports showing growing climate impacts, he welcomed the Warsaw International Mechanism and Santiago Network, while noting they have not actually provided direct funding support for those suffering from climate change. He said the Glasgow Dialogue will need to help advance this work and deliver actual financing, so it does not become, in Greta Thunberg’s words, “blah, blah, blah.” He also said we need to figure out how to address both rapid-onset events like hurricanes and floods, as well as slow-onset events like sea-level rise. Finally, he drew attention to developing countries’ demands for a funding facility on loss and damage.



Outi Honkatukia, Saleemul Huq, Xolisa Ngwadla, and Benito Müller

Frode Neergaard, Chief Adviser, Danish Ministry of Foreign Affairs, expressed his appreciation for ecbi's work and welcomed the renewal of his country's partnership with ecbi, which was signed in 2021. On loss and damage, he viewed it as part of a "solidarity agenda" within the framework of international development cooperation. He observed a "step change" in loss and damage discussions and a growing focus on the issue in the negotiations.

Madeleine Diouf Sarr, Head of the Climate Change Division in Senegal's Ministry of Environment and Sustainable Development, called for urgency in light of the IPCC's work, said loss and damage support was a matter of solidarity and critical for LDCs, SIDS and all vulnerable countries, and supported establishing a funding facility.

Participants continued the discussion under Chatham House rules. One developed country speaker welcomed the "frank and broad" conversation on this topic, including discussions on non-economic losses, such as cultural and health damage, and slow-onset impacts.

Several participants addressed the question of a new and separate **funding facility**, with developing countries generally favouring the creation of one and developed countries preferring further in-depth exploration and an assessment of existing financing institutions before committing to a new structure. A developed country speaker questioned whether calls for a separate facility were as important as ensuring funding in some shape or form, and urged going beyond a "binary" discussion on whether or not to create a new funding facility. Another developed country participant said she was not convinced a facility was the best way forward and preferred first embarking on a "listening phase", discussing what is currently working, and figuring out how to scale-up support. Several developed country speakers noted their governments were already funding some work to address loss and damage, although such funding was not typically referred to in this way. They asked that the Glasgow Dialogue help examine what is already working, existing gaps, and current funding arrangements.

However, developing country participants generally supported more urgent action, calling for the establishment of a facility to give traction to the issue and to ensure dedicated funding. One underscored the importance of insurance and the diversification of funding sources. He urged steps to ensure the Glasgow Dialogue delivers concrete outcomes and should not be just a "glorified side event", observing that loss and damage is already a reality, not just a future threat.

While the issue of whether to create a new facility was not resolved, participants from both developed and developing countries agreed the Glasgow Dialogue should deliver a clear outcome. One developed country speaker noted general agreement that funding must increase, whatever mechanism or process to achieve this is called and wherever it is housed institutionally. Another participant highlighted the growing number of legal cases around loss and damage, and supported "transitional justice" as a key concept. A third speaker called for discussions that go beyond just compensation.

On **future work of the Glasgow Dialogue**, a developing country participant noted overlapping mandates with other bodies and groups under the UNFCCC and said these should be addressed. He also said the discussion on the definition of climate funding is relevant, and the issue of loss and damage has become more relevant given limits to adaptation. Another speaker noted the "CNN effect" where we focus on the latest humanitarian crisis instead of adopting a more holistic approach. He welcomed the Bonn Seminar's spirit of honesty and frankness. A third speaker agreed, saying we need to keep delving deeper into this complex issue to ensure our actions are "right and fit for purpose".

In his closing remarks, Saleemul Huq urged participants not to focus too much on a “facility” but on “finance” for loss and damage. Noting no party has yet delivered funding for this, he welcomed the Scottish Government’s pledge of support in Glasgow, as well as the support of other regional governments, such as the Province of Wallonia in Belgium. Finally, noting people are “dying now,” he said the process should advance with a sense of urgency.

TOPIC THREE: GLOBAL GOAL ON ADAPTATION

The Glasgow–Sharm el-Sheikh work programme on the Global Goal on Adaptation (GGA) was established at COP 26 (Decision 7/ CMA.3). The work programme is set to run for two years, with the aim of enhancing action and support to achieve the GGA, including through improving national planning, communications, and monitoring, building on the work of the Adaptation Committee. Four workshops will be held annually, with the goal of developing a draft decision for adoption at CMA 5 in November 2023.

Xolisa Ngwadla, African Group lead negotiator for the Paris Agreement, presented preliminary work on proposals and ideas to support efforts to operationalise the GGA. He said these proposals would form the basis for a discussion note for ecbi’s Oxford Seminar and Fellows’ Colloquium in September 2022, and were designed to help achieve “convergence” on understanding the GGA, enhancing implementation, and assessing progress.



Xolisa Ngwadla during his presentation

First, he proposed that two “levers” help keep climate impacts and risks at an acceptable level: mitigation and adaptation. Exploring the issue of risk and “risk profiles”, he observed that adaptation investment reduces risk, just as greater mitigation ambition does. He said adaptation needs are directly linked to climate change risk profiles, which are dependent on different temperature scenarios.

Second, he highlighted previously agreed outcomes and decisions under the UNFCCC process, suggesting elements of the GGA against which targets and progress can be discerned have already been agreed. For instance, he pointed to the Paris Agreement rulebook (Decisions 9/CMA.1 and 18/CMA.1), which identifies minimum elements, including adaptation planning, risk and vulnerability, implementation of actions, and adaptation finance. While he noted a few caveats relating to metrics, he pointed out that some metrics are common across countries and that “lots of the answers” are already agreed under the Paris Agreement.

Finally, Xolisa Ngwadla highlighted some metrics that support both the domestic and collective ability to set targets and track progress, including: adaptation planning goals (binary targets of countries with plans); risk goals (climate hazard-based goals, such as reducing flooding vulnerability in populations); implementation goals (placing a number and value on adaptation projects funded by donors); and various finance goals (such as addressing the gap between needs and investments, and financial transfers by funding instruments). Finally, he suggested that COP27/CMA 4 in Sharm-el Sheikh, Egypt, presents an excellent opportunity to make further progress in this area.

ecbi Director Benito Müller endorsed risk scenarios as worthy of further exploration. Noting mitigation and adaptation are two tools to reduce impacts, he suggested that, if we go beyond a 1.5°C temperature rise, adaptation might be used to get us back to a “1.5°C risk profile”.

Manfred Kohlbach, Senior Expert Climate Change, Austrian Environment Ministry, also welcomed this discussion and expressed interest in further exploring Xolisa Ngwadla’s ideas and framing. He appreciated the notion of treating the GGA as a collective goal, recognizing adaptation is a global challenge. He supported exploring the linkages between mitigation and adaptation, noting we cannot achieve successful adaptation without strong mitigation ambition. He also advocated for an iterative process to help better examine this issue.

In the ensuing discussion, many speakers welcomed Xolisa Ngwadla’s presentation and its attempt to set out some thoughtful proposals and ideas for making progress. Speakers also raised various issues, such as building a common understanding of adaptation, the use of data and other information, locally-led adaptation, using existing decisions and agreements, and addressing funding needs.

On the need for a **common understanding of adaptation**, a developing country speaker said mitigation and adaptation are two sides of the same coin, but the problem is adaptation means different things to different people. He supported conversations to get us to a common understanding of global adaptation, how risk can be reduced, and how activities might be strengthened. This, he said, can help us achieve efficiency in resource allocation.

On the **use of data** and other information, one developed country participant raised issues of data and barriers to empirical knowledge, suggesting that good data can be hard to find. He argued that measuring specific symptoms may mean we miss the bigger picture, and that we need to measure progress in a way that supports, and measures, transformative change. Xolisa Ngwadla responded that some initiatives are already helping to obtain this type of climate data. However, he added a caveat that while a GGA will not “solve” all our adaptation issues, it will help guide us in the right direction and provide a setting for periodic assessment and redirection.

A developing country participant said developing countries must be able to gather information on adaptation on the ground. He also urged more support to strengthen capacity for national reporting. While he agreed with the earlier point about mitigation and adaptation being linked, he said if we focus on mitigation alone, we could end up with a scenario where “the stronger can protect themselves because they have the money”, while others cannot. Another developing country speaker said National Adaptation Plans under the UNFCCC were useful and suggested we now have all the elements in place to get a good outcome on the GGA.

A developed country participant said setting up indicators in this area is difficult and a work programme should help. She also suggested the GGA should include assessments of the social context and vulnerability issues, including gender data and data for other marginalized groups, and use local and Indigenous knowledge. Another developed country speaker noted data challenges in mitigation and even more in adaptation because the latter tends to be more local. She also noted difficulties with data in a rapidly changing world, although the World Meteorological Organization does provide some adaptation data.

On **locally-led adaptation**, one developing country speaker highlighted its critical importance, along with South-South collaboration and information sharing. He urged ensuring the voices of the most vulnerable are heard in the UNFCCC negotiations. He also supported a measurable goal on enhancing the adaptive capacity of the most vulnerable.

With respect to **existing decisions and agreements**, one participant agreed with Xolisa Ngwadla’s point that we have a range of decisions already, meaning “we don’t need to reinvent the wheel.” She reminded participants that we are not trying to develop a new framework on adaptation—since we already have many elements—but that we need to deliver them with a sense of urgency, including the commitment made in Glasgow to double adaptation funding. She further argued that a GGA could help give overall coherence to all existing decisions. Additionally, she suggested a GGA can provide clarity to the world beyond the UNFCCC with respect to our ambitions.

On **funding needs**, a developing country speaker said adaptation is critical for some countries, but important to all. She expressed frustration that, after spending so long negotiating and creating the Adaptation Fund, Least Developed Countries’ Fund, and Special Climate Change Fund, we are still looking for ways and means to fully address the adaptation challenge. A developing country speaker said we should frame adaptation as a global public good.

CLOSE OF THE MEETING

ecbi Director Benito Müller thanked participants for their thoughtful contributions and candour, which contributed to the meeting’s aim of building trust and openness.

