



# Views on the Elements for the Consideration of Outputs Component of the First Global Stocktake

*Submission to the UNFCCC*

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The International Institute of Sustainable Development (IISD) is pleased to submit the following views on the elements for the consideration of outputs (CO) component of the first Global Stocktake (GST-1), taking into account the informal note by the co-chairs on the indicative draft structure for GST-1 CMA 5 decision,<sup>1</sup> as well as the guiding questions prepared by the Chairs of the subsidiary bodies for the Consideration of Outputs component of the first global stocktake.<sup>2</sup>

This submission is submitted to the UNFCCC Submission Portal in response to the mandate issued by the Subsidiary Bodies contained in FCCC/SB/2023/L.3, paragraph 8(a).<sup>3</sup>

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<sup>1</sup> <https://unfccc.int/documents/630104>

<sup>2</sup> [https://unfccc.int/sites/default/files/resource/SB\\_Chairs\\_GST\\_Guiding\\_questions\\_CoO\\_July23.pdf](https://unfccc.int/sites/default/files/resource/SB_Chairs_GST_Guiding_questions_CoO_July23.pdf)

<sup>3</sup> [https://unfccc.int/sites/default/files/resource/sb2023\\_L03E.pdf](https://unfccc.int/sites/default/files/resource/sb2023_L03E.pdf)

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No liability is assumed for the accuracy or uses of the information provided. Please note that this submission neither aims to reinterpret any existing decision under the United Nations Framework Convention on Climate Change nor does it intend to pre-empt any potential future decisions under the Convention. As a technical submission, the exact language used should not be understood to change or reinterpret anything contained in relevant decisions under the United Nations Framework Convention on Climate Change and other relevant international treaties and laws.

IISD is pleased to submit the below-suggested elements for inclusion in the GST1 CMA5 decision. Bullet points below represent suggested decision language from IISD experts, based on the *Synthesis Report by the Co-Facilitators on the Technical Dialogue*,<sup>4</sup> to provide ideas and way forward for Parties during the October intersessional workshop and the negotiations at SB59.

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Suggested elements for section B

## Context and cross-cutting considerations

Parties and non-Party stakeholders alike have shared during the Technical Dialogue (TD) process that human rights – namely respecting, promoting, and considering **human rights obligations** – should be a cross-cutting theme guiding Parties’ efforts to address climate change. IISD believes that by accentuating this cross-cutting consideration in the preamble, Parties could send a strong signal on the importance of safeguarding human rights and preventing abuse.

- *Acknowledges* that climate change is a common concern of humankind, and *urges* Parties to respect, promote, and consider their respective obligations on human rights when taking action to address climate change, including, inter alia, the right to health, the rights of the indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations, and the right to development, as well as gender equality, the empowerment of women, and intergenerational equity.

Non-Party stakeholders have contributed tremendously to the first GST. From expert participation in the roundtables to the numerous submissions made by think tanks, environmental organizations, and academia alike, these crucial contributions to the GST process were made possible by the inclusive nature of the TDs. The CMA decision should **recognize the contribution of non-Party stakeholders**, as well as their important role in global climate action.

- *Recalls* that the global stocktake is a Party-driven process conducted in a transparent manner and with the participation of non-Party stakeholders.<sup>5</sup>
- *Notes* with appreciation the contributions and participation by non-Party stakeholders in the first global stocktake, and recognizes the efforts of facilitators, rapporteurs, and participating experts during the technical dialogue.
- *Recognizes* the pivotal role of non-Party stakeholders in climate action, especially indigenous peoples, local communities, cities and civil society– including youth and children, people of all genders, and marginalized groups – in addressing and responding to climate change.
- *Affirms* that the subsequent global stocktake will continue supporting effective and equitable participation by non-Party stakeholders.

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<sup>4</sup> FCCC/SB/2023/9

<sup>5</sup> Decision 19/CMA.1, paragraph 10.

## Adaptation

### Key political messages for strengthening action and enhancing support

From the discussions heard at the TDs, IISD recommends Parties to emphasize the importance of achieving a balance between adaptation and mitigation with a view to closing the adaptation gap within the UNFCCC process, as well as highlighting the critical need for closing the finance and capacity gap faced by developing countries. Participants at the TDs, as well as written submissions submitted prior to the TDs, have noted in particular the importance of: 1) integrating gender equality and social inclusion considerations in adaptation planning and implementation ; 2) developing functional monitoring, evaluation and learning systems for adaptation; 3) ensuring vertical integration;<sup>6</sup> and 4) harnessing the power of nature through nature-based solutions and/or ecosystem-based adaptation to enhance adaptive capacity, strengthen resilience and reduce vulnerabilities.

#### *Suggested language on the adaptation gap and finance and capacity gap*

- *Notes with serious concern* the widening gap between current levels of adaptation and levels needed to respond to the adverse effects of climate change in line with findings from the contribution of Working Group II to the Intergovernmental Panel on Climate Change Sixth Assessment Report and other contributions from Parties and non-Party stakeholders during the technical assessment phase of the global stocktake.
- *Stresses* the urgency to close adaptation gaps and *urges* Parties to accelerate the implementation of adaptation actions, particularly in the next decade.
- *Recognizes* the process to formulate and implement national adaptation plans is an important strategic process to enable countries to identify and address their medium- and long-term priorities for adapting to climate change, and *encourages* developing country Parties that have not done so to initiate the process to formulate and implement national adaptation plans as soon as possible.
- *Recognizes* the importance of mainstreaming adaptation and resilience in decision-making and into existing development priorities and processes, in order to enable a whole-of-society approach to climate-resilient development, and *urges* Parties to continue strengthening their efforts in mainstreaming the adaptation cycle, including risk assessment, planning, implementation, monitoring, evaluation and learning, and iterations, in national and subnational governance and policy-making for the effective use of limited resources for adaptation.

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<sup>6</sup> Vertical integration is the process of creating intentional and strategic linkages between national to sub national and local levels, as well as from the national to international, and global levels for climate change adaptation, during the planning, implementation, and the monitoring, evaluation, and learning for adaptation.

- *Emphasizes* the urgent need for immediate, rapid, and sustained provision of means of implementation for developing country Parties to transition from adaptation planning to implementation, particularly for the least developed countries and small island developing States.
- *Notes* the urgent need for the doubling of adaptation finance, in line with paragraph 18 of decision 1/CMA.3, to bridge the adaptation gap identified by the first global stocktake
- *Takes note* of the support available to developing country Parties for formulating and implementing national adaptation plans and *recognizes* the importance of scaling up this support.
- *Urges* developed country Parties and *invites* other Parties that provide resources on a voluntary basis to urgently and significantly scale up their provision of climate finance, technology transfer and capacity-building for adaptation so as to respond to the needs of developing country Parties, including for the formulation and implementation of national adaptation plans.

*Suggested language on monitoring, evaluation and learning for adaptation*

- *Recognizes* national monitoring, evaluation and learning systems for adaptation are critical to directing action to areas where climate change risks and gaps in implementation and support exist, and to enabling adaptive management of action and support on adaptation; and *urges* Parties to invest and strengthen national and sub-national monitoring, evaluation and learning systems to improve mutual accountability, reporting and transparency on the effectiveness and impacts of adaptation actions and strategies.
- *Notes* that monitoring, evaluation and learning systems are key to building a more robust evidence base under the subsequent global stocktake, in the ongoing processes under the enhanced transparency framework referred to in Article 13, paragraph 1, of the Paris Agreement, and other external assessments.

*Suggested language on vertical integration*

- *Recognizes* that when adaptation is informed and driven by local contexts and priorities, both the adequacy and the effectiveness of adaptation action and support can be enhanced and can strengthen resilience and reduce vulnerabilities to climate change.
- *Emphasizes* the importance of engaging with all levels of governments and all relevant actors, or vertical integration, in all dimensions of the adaptation cycle: impacts, vulnerability assessments and risk assessments; adaptation planning; implementation; and monitoring, evaluation and learning, to create an inclusive and participatory stakeholder engagement process that facilitate ongoing exchanges between actors across governance scales, and support the localization of information on climate risks, adaptation needs, and financial, technical and capacity gaps, and *encourages* Parties to establish vertically integrated governance structures across the adaptation cycle.

### *Suggested language on gender equality and social inclusion*

- *Reiterates* that adaptation action should follow a gender-responsive approach that recognizes gender differences in adaptation needs and capacities, ensures gender-equitable participation and influence in adaptation decision-making, and achieves gender-equitable distribution of benefits resulting from adaptation investments, including finance; and *urges* Parties to integrate gender equality considerations, in an intersectional approach, in their adaptation planning and implementation, as well as in their monitoring, evaluation and learning systems for adaptation.
- *Emphasizes* that adaptation action should follow a participatory and fully transparent approach, taking into consideration vulnerable groups and communities, and *urges* Parties to facilitate meaningful participation by people of all genders, indigenous peoples, local communities, migrants, children, persons with disabilities, and people in vulnerable situations, in alignment with human rights obligations.

### *Suggested language on nature and ecosystem-based adaptation*

- *Emphasizes* the importance of protecting, conserving and restoring terrestrial, water, and water-related ecosystems, as well as addressing the interwoven challenges of climate change and biodiversity degradation.
- *Acknowledges* the need to address, in a comprehensive and synergistic manner, the interlinked global crises of climate change and biodiversity loss in the broader context of achieving the Sustainable Development Goals and the other Rio Conventions, as well as the vital importance of protecting, conserving, restoring and sustainably using nature and ecosystems for effective and sustainable climate action.
- *Recognizes* that sustainable economies and people's wellbeing are embedded in and rely on healthy ecosystems, and the process to formulate and implement national adaptation plans should be leveraged to advance the protection of biodiversity with climate adaptation outcomes.

### **Collective progress to date**

At the discussions during the TDs, participants agreed that while there has been a tremendous amount of progress in adaptation planning, implementation, and monitoring, evaluation and learning, gaps remain. IISD believes that recognizing the current progress in adaptation requires a holistic view of progress made in key thematic areas, namely: 1) developing countries' progress in the process to formulate and implement national adaptation plans; 2) progress in the deployment of monitoring, evaluation and learning systems for adaptation; 3) progress in vertical integration of adaptation; 4) progress on integrating gender equality and social inclusion considerations in adaptation; and 5) progress on integrating ecosystems and ecosystem-based adaptation in adaptation planning and implementation.

### *Suggested language on overall adaptation progress*

- *Commends* the progress made by developing country Parties, particularly the least developed countries and small island developing States, in the formulation and implementation of national adaptation plans.
- *Takes note* that a total number of 46 national adaptation plans have been submitted to NAP Central, and *acknowledges* the efforts by other Parties currently undertaking a process to formulate and implement national adaptation plans.
- *Also takes note* that a total number of 57 adaptation communications have been submitted by Parties.
- *Commends* the progress made by Parties in mainstreaming adaptation and climate-resilient development in decision-making, and *acknowledges* that sustained and enhanced action is needed to fully implement national adaptation policies, plans, and strategies over time to integrate long-term changes that reduce risks equitably.
- *Acknowledges* the contributions of Parties and non-Party stakeholders in the provision of support towards developing country Parties' processes to formulate and implement national adaptation plans.
- *Notes* with serious concern the implementation gap of adaptation policies, plans, and strategies, and *recognizes* the need for sustained and enhanced provision of support to avoid the inadequate, uneven and incremental implementation of adaptation actions.
- *Acknowledges* that high-level political support towards adaptation, adequate provision of means of implementation, synergistic institutional arrangements for mainstreaming and policy coherence, multilevel governance and vertical integration, and participatory approaches and inclusion underpin adaptation actions that enhance adaptive capacity, strengthen resilience, and reduce vulnerabilities to climate change.

### *Suggested language on monitoring, evaluation and learning for adaptation*

- *Acknowledges* the progress made by Parties in the design of national monitoring, evaluation and learning systems for adaptation, and *commends* the increasing awareness of the importance of an iterative and inclusive approach to monitoring, evaluation and learning for adaptation.
- *Notes* the gap in implementing national monitoring, evaluation and learning systems after the design phase.
- *Encourages* Parties to continue strengthening their national efforts on monitoring, evaluation and learning for adaptation that are grounded in contexts.
  - *Urges* developed country Parties and *invites* other Parties that provide resources on a voluntary basis to provide finance, technology transfer, and capacity-building on monitoring, evaluation and learning for adaptation so as to respond to the needs of developing countries, including for the monitoring, evaluation and learning for the process to formulate and implement national adaptation plan.

### *Suggested language on vertical integration*

- *Acknowledges* the progress made by Parties in establishing coordination mechanisms between different levels of governance that incorporate subnational actors in the process to formulate and implement adaptation policies, plans, strategies and actions.
  - *Encourages* Parties to further strengthen their efforts to engage with all levels of governance and various actors in the adaptation policy cycle.

### *Suggested language on gender equality and social inclusion*

- *Acknowledges* the steady progress made by Parties in integrating gender considerations in adaptation planning and *takes note* of the increasing reference to gender equality and gender-responsive approaches in adaptation policies, plans, strategies and actions, and the greater emphasis on women as agents of change in adaptation.

### *Suggested language on nature and ecosystem-based adaptation*

- *Acknowledges* the progress made by Parties in integrating nature and biodiversity considerations into vulnerability and risk assessment, adaptation planning, implementation, and monitoring, evaluation and learning, and *takes note* of the efforts by Parties to create linkages, through the use of ecosystem-based adaptation, between their adaptation and biodiversity policies, plans, strategies and actions.

## **Opportunities, challenges, possible measures and good practices**

Participants shared many opportunities, challenges, possible measures and good practices during the TDs. IISD believes that highlighting key overarching points in the CMA decision with reference to the Factual Synthesis Report would be an appropriate modality for accentuating the CMA decision as a vehicle for high-level political messaging and instructions on the way forward.

### *Suggested language on adaptation planning to implementation*

- *Acknowledges* the challenges faced by developing country Parties, particularly the least developed countries and small island developing States, in transitioning from planning to implementation of adaptation policies, plans, strategies, and actions, especially in accessing long-term, predictable and sustained adaptation finance, and accessing and utilizing climate services in order to enable informed adaptation.
- *Recognizes* that accelerating progress in the process to formulate and implement national adaptation plans requires a greater volume of flexible, long-term support to mainstream adaptation in development decision-making.
- *Also recognizes* that the current level of provision of means of implementation and support towards adaptation is not aligned with the level of impacts experienced by developing countries that are particularly vulnerable to the effects of climate change.

- *Further recognizes* that maladaptation can be avoided through flexible, multisectoral, inclusive, and long-term planning and implementation of adaptation actions that benefit many sectors and systems.

*Suggested language on monitoring, evaluation and learning for adaptation*

- *Takes note* of the challenges faced by Parties in developing and implementing an iterative monitoring, evaluation and learning system for adaptation identified in the global stocktake, including, inter alia, a lack of financial and technical support and human resources to develop and sustain a monitoring, evaluation and learning framework, reporting overload and misalignment, difficulties in securing high-level support and commitment from relevant stakeholders, and methodological complexities.
- *Encourages* Parties to continue investing in implementing impact, risk and vulnerability assessments and in the design and implementation of iterative and inclusive monitoring, evaluation and learning systems for adaptation that fits their national contexts and circumstances, in order to direct adaptation efforts and resources and enable adaptive management.
- *Recognizes* the global goal on adaptation will contribute to Parties' efforts to strengthen their monitoring, evaluation and learning systems for adaptation.
- *Welcomes* the outcome of the Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation, and *recognizes* that subsequent global stocktake will take into account the global goal on adaptation in reviewing the overall progress made in adaptation, referred to in article 7, paragraph 14, of the Paris Agreement.

*Suggested language on vertical integration*

- *Notes* that the human and institutional capacities at subnational levels are limited, and *encourages* Parties to support capacity-building activities, as appropriate, for subnational governments and local actors to support risk and vulnerability assessment, adaptation planning, implementation, and monitoring, evaluation and learning.
- *Also recognizes* the efforts of Parties to develop subnational level adaptation strategies that complement national level adaptation planning and support local implementation.

*Suggested language on gender equality and social inclusion*

- *Recognizes* that resource and capacity gaps constrain Parties' efforts to ensure adaptation actions are gender-responsive and inclusive, to facilitate meaningful participation by a diversity of actors, including those who are typically excluded, and to collect and analyze gender data to inform adaptation action and track progress.
- *Notes* that more Parties are undertaking targeted gender analyses that have proven useful in informing adaptation planning, as well as establishing suitable coordination mechanisms to enable gender-responsive adaptation action, and *encourages* Parties and relevant



stakeholders to engage gender experts in the process to formulate and implement national adaptation plans on an ongoing basis, in order to promote a systematic approach to integrating gender considerations.

- *Also notes* that dialogues among adaptation decision-makers and people on the frontlines of climate change are essential, and can be facilitated through creative means such as visual storytelling.

*Suggested language on nature and ecosystem-based adaptation*

- *Notes* the debate around the planning and implementation of nature-based solutions, including concerns over human rights implications, ecosystem integrity and the commodification of nature, and *takes note* of the work by Parties and relevant non-Party stakeholders on creating guidance and guidelines for safeguarding human rights and ecosystem integrity during the planning and implementation of nature-based solutions.
- *Notes* that the planning and implementation of ecosystem-based adaptation can be further enhanced by, inter alia, applying effectiveness criteria, developing measurable and time-bound targets to ensure they deliver the intended outcome, promoting gender equality and the empowerment of the most vulnerable communities, ensuring good governance and equity, including the use of rights-based approaches to protect human rights and the rights of indigenous peoples, and recognizing the implementation of ecosystem-based adaptation should enhance biodiversity and ecosystem resilience.
- *Urges* Parties to apply the relevant safeguards and guidelines when planning and implementing nature-based solutions, and *notes* that the best available science, as well as traditional, indigenous and local knowledge, as appropriate, should be taken into account.
- *Recognizes* the potential of ecosystem-based adaptation in delivering adaptation outcomes and socioeconomic benefits for people, while protecting ecosystems and biodiversity that are impacted by climate change, and *urges* Parties to further integrate ecosystem-based adaptation into adaptation efforts, taking into consideration United Nations Environment Assembly resolution 5/5, ensuring relevant social and environmental safeguards during their design and implementation.

Suggested elements for section C.3 (Alt. 4)<sup>7</sup>

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

### Key political messages for strengthening action and enhancing support

IISD believes that countries need to demonstrate their commitment to implement the Paris Agreement by making all financial flows consistent with low GHG emissions and climate resilient development. Further, public financial flows should be the first to move, because: (1) they are directly under government control and can be used to leverage private financial flows; and, (2) public institutions risk becoming “lenders of last resort” to fossil fuel interests, which could in turn compromise governments’ ability to deliver on broader social and economic responsibilities, if they disproportionately bear financial risks such as asset stranding. The discussions at the TDs brought forward recommendations on setting firm deadlines and establishing concrete plans to redirect all public financial flows from fossil to more productive purposes such as renewable energy, healthcare, and social protection.

As noted during the TDs, many public investments still support infrastructure that locks-in high emissions. Therefore public financial flows need to extend beyond fossil fuel subsidies—highlighted for elimination at COP26 and COP27—to include other major forms of support including investments by state-owned enterprises (SOEs), and public financing. Furthermore, participants at the TDs noted that broader environmental fiscal reform including carbon pricing, can support the energy transition by setting appropriate price signals and generating government revenue.

#### *Suggested language on shifting public financial support for fossil fuels*

- *Reaffirms* the urgent need to make financial flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development.
- *Calls upon* Parties to set a deadline to shift all public financial flows, including subsidies, investments by state-owned enterprises, and public finance, from fossil fuels to clean energy and targeted social support; supported by a framework on how this will be accomplished, and appropriately staggered, to account for common by differentiated responsibilities.
- *Urges* Parties to remove all fossil fuel subsidies, in lieu of current language on “inefficient fossil fuel subsidies”, and instead identify specific exceptional cases when subsidies could be considered justifiable (e.g., if subsidies are essential to promote energy access), alongside specific reforms that could be used to address their negative impacts on climate (such as improving the targeting of energy access subsidies, to focus only on groups that really need them, while providing support to incubate a next generation of fossil-free alternatives).
- *Calls upon* Parties to include, in their updated nationally determined contributions referred to in Article 4, paragraph 2, of the Paris Agreement, information on efforts to shift all public

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<sup>7</sup> This submission does not prejudice the negotiation outcome for the GST CMA5 structure, including the arrangements of section C.3.

financial flows, including, inter alia, fossil fuel subsidies, investments by SOEs, and lending by public finance institutions; and commitments, with implementation actions and timelines, to phase down all production and consumption of fossil fuels consistent with limiting global average temperature increases to 1.5C.

- *Calls upon* Parties to implement policies and programs that require state-owned energy enterprises to implement ambitious net-zero roadmaps and clean energy targets, including evidence-based diversification strategies that identify new clean energy and other climate-target-consistent business opportunities.
- *Urges* Parties to set a deadline to end new international and domestic direct and indirect public financing for the fossil fuel sector, including for, inter alia, gas and liquefied natural gas infrastructure; and to implement policies and programs that require international and domestic state-owned financial institutions to implement ambitious net-zero roadmaps to govern lending targets and strategies.
- *Emphasizes* the importance of a coordinated approach to carbon pricing and avoiding trade distortions and shifting carbon emissions internationally; and *urges Parties* to coordinate a coherent approach to carbon pricing to raise ambitions.
- *Urges Parties* to increase government revenues from fossil fuels (such as from taxes on consumption and production) and use them strategically to support social welfare, clean energy, and just transitions.
- *Urges* developed country Parties and *invites* other Parties that provide resources on a voluntary basis to support, through flows of technology transfer, capacity-building and finance, developing country Parties, particularly the least developed countries and small island developing States, in their efforts to make public financial flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development, with a view to deliver a globally just transition.

### Collective progress to date

IISD highlights that governments and public institutions continue to commit high levels of financial support to fossil fuels. Fossil fuel subsidies alone in 2022 were over USD 1.3 trillion, a record high.<sup>8</sup> As noted in the TDs, a large proportion of these funds act as a massive downpayment on future fossil fuel production, inconsistent with the goals of the Paris Agreement to limit global warming to well below 2°C above pre-industrial levels, and striving for a limit of 1.5°C. Participants during the TDs highlighted the phase out of fossil fuel subsidies as a critical measure, noting the need to ensure proper tracking of this process.

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<sup>8</sup> Black, S., Liu, A, Parry, I., and Vernon, N. (2023). *IMF Fossil Fuel Subsidies Data: 2023 Update*. International Monetary Fund. <https://www.imf.org/en/Publications/WP/Issues/2023/08/22/IMF-Fossil-Fuel-Subsidies-Data-2023-Update-537281>

- *Notes with grave concern* the failure of Parties, as a whole, to reduce fossil fuel subsidies and make financial flows consistent with low GHG emissions and climate resilient development.
- *Urges* all governments to report their fossil fuel subsidies annually as agreed under SDG 12.c.1.

### Opportunities, challenges, possible measures and good practices

IISD believes that realigning public financial flows with low carbon development provides significant opportunities to individual Parties to reduce emissions while improving social and environmental outcomes. As discussed in the TDs, removal of fossil fuel subsidies is a key strategy to shift capital flows to low-carbon technologies but, without complementary policy support, reform could result in challenges to the livelihood of populations vulnerable to higher energy prices. IISD highlights that removing subsidies and raising taxes on fossil fuels can generate significant revenue that can be used to ameliorate social welfare impacts, create employment, drive economic growth, and leverage private sector investment in clean energy.

Participants in the TDs were of the view that country-specific reform pathways are needed to align financial flows with low carbon outcomes. Fundamental features include setting clear timelines, reforming incentives and prices (including through phasing out of fossil fuel subsidies, fiscal reform, carbon pricing) and deploying public finance for strategic investment in clean energy infrastructure and technologies. Several solutions and good practices for climate-related finance flows were outlined during the TDs, including for fossil fuel subsidy reform.

- *Notes* the significant opportunities to reduce GHG emissions while reducing poverty and inequality by shifting public financial flows from fossil fuels to clean energy and targeted social protection.
- *Recognizes* that eliminating fossil fuel subsidies poses challenges, and *notes* that these can be overcome by putting in place country-specific reform strategies.
- *Notes with appreciation* the contributions from non-Party stakeholders, including, inter alia, best practices and guidelines, on fossil fuel subsidy reform, and *calls upon* Parties to update their nationally determined contributions referred to in Article 4, paragraph 2, of the Paris Agreement in line with these recommendations.
- *Encourages* Parties to map potential social and economic impacts and allocate savings from subsidy reforms and revenue from carbon taxation to social protection and assistance for businesses to ensure a just and equitable energy transition.
- *Acknowledges* the need to build support for shifting public financial flows through meaningful stakeholder consultations on how to adjust prices and manage impacts, and robust evidence-based communications before, during, and after implementation.

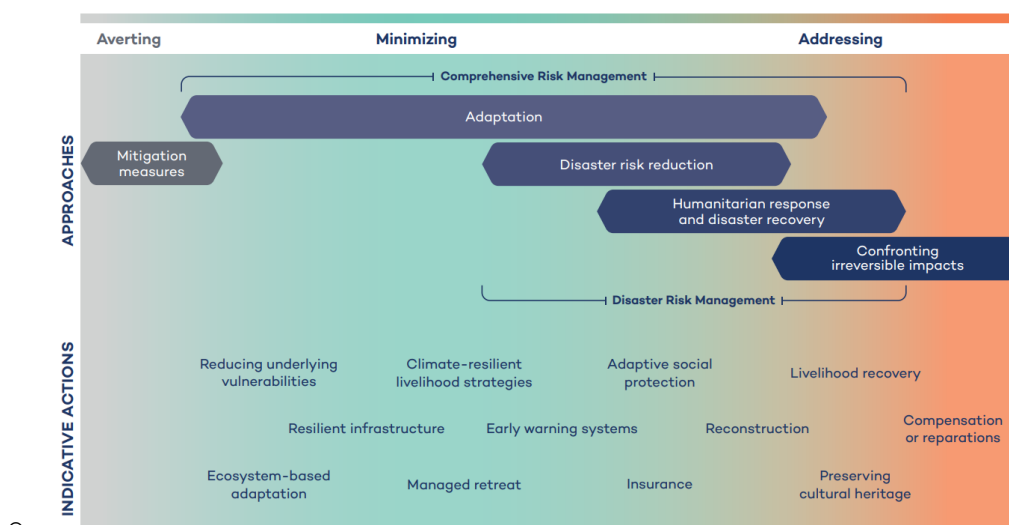
## Suggested elements for section C.4

### Efforts related to loss and damage

The NAP Global Network, whose secretariat is hosted by IISD, has published a report prior to the third TD (TD1.3) on *Addressing Loss and Damage: What can we learn from countries' National Adaptation Plans*, which was endorsed by the Executive Committee of the Warsaw International Mechanism for Loss and Damage as a contribution to the plan of action of its Technical Expert Group on Comprehensive Risk Management. The report was mentioned by multiple Parties and non-Party stakeholders during TD1.3. IISD is pleased to submit the following suggested language on efforts related to loss and damage for Parties' consideration.

#### Collective progress to date

- *Notes* with grave concern that limits to adaptation have been reached in some ecosystems and losses and damages associated with climate change impacts represent an existential threat, particularly for small island developing States.
- *Acknowledges* that averting, minimizing and addressing loss and damage associated with the adverse effects of climate change protect and strengthen the resilience of communities, livelihoods and ecosystems and ensure they are safeguarded for future generations, and are closely relevant to climate justice for the most vulnerable and marginalized countries and communities that are disproportionately affected by climate change.
- *Notes* that actions to avert, minimize and address loss and damage exist along a spectrum as a layering of approaches to manage the risks of climate change impacts.



- *Takes note* of the existing information on efforts to avert, minimize and address loss and damage associated with the adverse effects of climate change included in national adaptation plans, including information on, inter alia, risks and vulnerabilities, slow-onset events, economic and non-economic losses, and disaster risk management, disaster preparedness, response and recovery.

- *Acknowledges* the progress of Parties and non-Party stakeholders in the formulation and implementation of adaptation policies, plans, strategies and actions that minimize loss and damage.

### Opportunities, challenges, possible measures and good practices

- *Notes* that the process to formulate and implement national adaptation plans contributes to efforts to minimize loss and damage through adaptation actions.
- *Encourages* Parties to build on the existing work on assessing risks and vulnerabilities for the assessment of loss and damage associated with the adverse effects of climate change.
- *Urges* developed country Parties and *invites* other Parties that provide support to mobilize financial and technical support to developing country Parties, particularly the least developed countries and small developing States, to undertake assessments on existential threats associated with climate change as a basis for identifying appropriate actions to avert, minimize and address loss and damage.
- *Encourages* Parties and non-Party stakeholders to prioritize efforts to address loss and damage from the adverse effect of climate change that go beyond the limits to adaptation, without replicating or diverting resources from adaptation.
- *Encourages* Parties to collaborate and coordinate with the humanitarian system to avoid parallel systems and duplication of efforts when designing and implementing policies, programmes, plans and strategies that aim at averting, minimizing and addressing loss and damage associated with the adverse effect of climate change.

## Suggested elements for section E

### Guidance and way forward

We believe that **ensuring accountability on the follow-up of GST outputs** would enable the operationalization of the Paris Agreement's ratcheting mechanism, through the voluntary inclusion of information on how GST-1 has contributed or informed the updating and enhancing of Parties' NDCs and other national climate policy instruments (NAPs, NAS or LT-LEDS) – or through voluntary submissions by Parties ahead of GST-2.

- *Recalls* that, as referred to in Article 4, paragraph 9, of the Paris Agreement, each Party shall communicate a nationally determined contribution every five years in accordance with decision 1/CP.21 and any relevant decisions of the Conference of the Parties serving as the meeting of the Parties to this Agreement and be informed by the outcomes of the global stocktake referred to in Article 14 of the Paris Agreement.
- *Also recalls* the modalities of the global stocktake contained in decision 19/CMA.1 that the outputs of the global stocktake should include non-policy prescriptive considerations of collective progress that Parties can use to inform the updating and enhancing, in a nationally determined manner, of their actions and support in accordance with relevant provisions of the Paris Agreement as well as in enhancing international cooperation for climate action.
- *Recognizes* the importance of follow up measures undertaken by Parties and non-Party stakeholders, and relevant constituted bodies and forums and other institutional arrangements under or serving the Paris Agreement and/or the Convention, following the conclusion of the first global stocktake, taking into consideration the outputs of the technical assessment phase, including the factual synthesis report and its technical annex referred to in paragraph [X] [above] [below].
- [*Urges*] [*Invites*] Parties to include in their updated nationally determined contribution referred to in Article 4, paragraph 2, of the Paris Agreement, and other relevant plans, strategies, reports, and instruments, as determined by Parties, including, inter alia, national adaptation plan referred to Article 7, paragraph 9, of the Paris Agreement, adaptation communications referred to in Article 7, paragraph 10, of the Paris Agreement, and long-term low greenhouse gas emission development strategies referred to in Article 4, paragraph 19, of the Paris Agreement, information on the contribution of the outputs of the global stocktake in their efforts to update and enhance, in a nationally determined manner, their actions and support in accordance with relevant provisions of the Paris Agreement as well as in enhancing international cooperation for climate action.
- *Invites* Parties to communicate to the secretariat, by [1 February 2027], on information on the contribution of the outputs of the global stocktake in their efforts to update and enhance, in a nationally determined manner, their actions and support in accordance with relevant provisions of the Paris Agreement as well as in enhancing international cooperation for climate action.

It is also within the Joint Contact Group's mandate to **issue requests or invitations to relevant constituted bodies and mechanisms serving under the Paris Agreement**, as well as Parties and non-Party stakeholders, to strengthen their support to Parties taking into consideration the outputs of the GST.

- *Requests* relevant constituted bodies and forums and other institutional arrangements under or serving the Paris Agreement and/or the Convention, in line with their mandates, to enhance their work in addressing the priority gaps and needs, obstacles and challenges [referred to in paragraph [x] [above]] [identified in the factual synthesis report and its technical annex referred to in paragraph [X] [above] [below]].
- *Invites* the Adaptation Committee and the Least Developed Countries Expert Group, in line with their mandates, to continue formulating recommendations on ways to facilitate the formulation and implementation of national adaptation plans, taking into consideration the opportunities and challenges for enhancing adaptation action and support in the light of equity and the best available science, as well as lessons learned and good practices, as contained in the factual synthesis report and its technical annex referred to in paragraph [X] [above] [below].
- *Invites* [developed country] Parties to mobilize financial and technical support and capacity-building so that the least developed countries, small island developing States and other developing countries can effectively take up relevant global stocktake information.
- *Invites* non-Party stakeholders and relevant organizations to further strengthen financial and technical support and capacity-building, taking into consideration the outputs of the global stocktake, as contained in the factual synthesis report and its technical annex referred to in paragraph [X] [above] [below].
- *Also invites* non-Party stakeholders and relevant organizations to communicate to the secretariat, by [1 February 2026],<sup>9</sup> on their follow-up actions and efforts to enhance actions and support, as well as international cooperation for climate action, taking into consideration the outputs of the global stocktake, as contained in the factual synthesis report and its technical annex referred to in paragraph [X] [above] [below].
- *Further invites* Parties and non-Party stakeholders to hold events, at the local, national, regional and international level, as appropriate, in support of the uptake and follow up of the global stocktake.

We also believe the Joint Contact Group should take this opportunity to issue an **invitation for reflections** on the organization of GST-1, with a view to improving and informing the organization of GST-2.

- *Invites* Parties and non-Party stakeholders to submit to the secretariat, by [1 February 2026], views on:



- The organization of the first global stocktake, including the organization of the components referred to in decision 19/CMA.1, paragraph 3, especially the organization of the consideration of output phase referred to in decision 19/CMA.1, paragraph 33, with a view to improving the organization of the second global stocktake (November 2028);
- The experiences with participating in the technical dialogues referred to in decision 19/CMA.1, paragraph 6, including good practices, challenges and barriers, and recommendations on improvements and adjustments to the organization of prospective technical dialogues.