# Submission by the Republic of Zambia on behalf of the African Group of Negotiators (AGN)

on

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

The African Group has the honour of making this submission in response to the invitation by the SBSTA and the SBI for submissions on the elements for the Consideration of Outputs component of the first Global Stocktake (GST) contained in the conclusions from the 58<sup>th</sup> session of the Subsidiary Bodies.

### **AFRICAN GROUP EXPECTATIONS**

- 1. The African Group has the expectation that the GST outcome will operationalize the guiding principles of Convention and Paris Agreement and provide clear guidance on how we can collectively align with just and equitable pathways towards achieving 1.5C without overshoot.
- 2. The overriding priority for African countries is to achieve sustainable development objectives and at the same time meet their climate obligations. Development challenges which include improving the lowest rates of progress towards the SDGs, are already being compounded by climate change. Specifically, these are *inter alia* eradicating the high levels of poverty, improving universal access to energy, clean water, food security and primary health access for millions of Africans, transforming the land sector to sustainable land management and a resilient sector to support the livelihood systems of millions on people, transforming economies impacted by long periods of exploitation, managing the current debt crisis and impacts of geopolitical events, and addressing the unique adverse impacts of climate change on the continent.
- 3. The Africa Group expects that the outcomes of the GST will not deepen the underdevelopment of African countries but enable the unlocking of potentials, lift the adaptation burden and deliver cross cutting positive impacts on economic and social dimensions, by providing sufficient means of support and especially the policy space<sup>1</sup> fiscal space to invest in development, and space to exploit all available energy resources and natural endowments, noting that climate change impacts are not only eroding development gains, but also leading to the loss of many of those gains and future development opportunities.

<sup>&</sup>lt;sup>1</sup> Policy space means the ability, freedom or scope to implement policies for achieving development priorities and objectives.

4. Finally, the GST must present progress and outline the mitigation, adaptation, and finance gaps against the 1.5°C pathways. It must further identify the extent of the implementation gap which is linked to climate finance gaps. In looking backwards, solutions to addressing the pre-2020 ambition and implementation gap must take into account both the lessons learnt from the past, as well as avoiding shifting the mitigation burden to developing countries. The forward-looking component of the outcome should focus on options for achieving the goals of the Paris Agreement in a manner consistent with achieving the SDGs and eradication of poverty so that there is a just transitions.

#### **PREAMBLE**

- 5. The preamble must reaffirm the agreed principles in the Convention and the Paris Agreement, which include the legitimate right of developing countries to development, the pursuit of sustainable development and the eradication of poverty, historical responsibility, and CBDR-RC and equity. The cardinal principle underpinning the Paris Agreement, that actions by Parties to achieve goals and purpose of the PA be "nationally-determined" must also be adhered to in the GST outcome.
- 6. The preamble must note with great concern the ambition and implementation gaps in the climate action and support needed to achieve Paris Goals in a timely manner, in particular the gaps in emission reductions and means of implementation and support. It should also note the lack of parity and balance in the implementation and in particular the support between mitigation and adaptation.
- 7. It must also affirm the understanding that adaptation and loss & damage are a global responsibility because they were caused by global emissions.
- 8. The preamble must also:
  - Underscore recent IPCC findings, particularly on the urgency needed to keep PA goals with reach;
  - Recall the GST related decisions;
  - Re-affirm the agreement in Article 14.3 that the GST outcome will inform the enhancing of climate action and support, and international cooperation; and
  - Further affirm that the GST outcome will inform ongoing work programmes and processes under the PA in relation to addressing the ambition and implementation gaps.

### **CONTEXT AND CROSSCUTTING CONSIDERATIONS**

9. The context in which Parties will undertake their commitments under the Paris Agreement must be described to enhance understanding of the obligations and contributions of parties. This should include the agreed principles in the Convention and the Paris Agreement, in particular:

- Article 3. 4<sup>2</sup> of the Convention on the legitimate right of developing countries to sustainable development:
- Article 2 of Paris Agreement on strengthening global response to climate change "..in the context of Sustainable Development and eradication of poverty", and a just transition;
- Article 2.2 of the Paris Agreement on implementing the Paris Agreement to reflect "...equity and CBDR-RC", which also includes a balance between mitigation and adaptation outcomes of the GST; and
- Article 3.2<sup>3</sup> of the Paris Agreement on progression from previous commitments is also relevant for the new commitments to action and support
- 10. Elements under this section should also set out the:
  - Purpose of the GST including Article 14.3 of the PA;
  - Recent IPCC findings about the state of the climate including the current levels of atmospheric GHGs and emissions, and projected impacts, and the urgency and scale of response that parties must commit to, to achieve the goals of the Paris Agreement and keep the 1.5 C and related objectives within reach;
  - Differentiated responsibilities under the Convention and the Paris Agreement with guidance to all parties, developed parties and developing parties. In addition to guidance specifically directed towards enhancing international cooperation;
  - Pre-2020 ambition and implementation gaps and the implications for pre-2030 climate action;
  - Socio-economic linkages and national and regional circumstances in which parties will be seeking to strengthen the global response in the context of sustainable development and efforts to eradicate poverty, while aligning with equitable and just transition pathways to achieving net zero targets; and
  - Recognition that Parties are undertaking climate action from different contexts and starting points, and this implies that there will be differentiated and equitable pathways to achieve goals of Paris Agreement including net zero

### **ASSESSMENT OF COLLECTIVE PROGRESS - MITIGATION**

Progress, Ambition and Implementation Gaps, Challenges and Barriers

11. As confirmed in great detail by the IPCC's 6<sup>th</sup> Assessment Report, Africa is one of the most vulnerable regions in the world to climate change, and also has the largest number of least developed countries, with the least resources to deal with climate impacts. Climate change is already having a serious effect on the economies of African countries. African countries have contributed the least to the current climate crisis. But without meeting the long-term temperature goal in the Paris Agreement's Article 2.1(a), it will be the most

<sup>&</sup>lt;sup>2</sup> Article 3.4 of Convention: "The Parties have a right to, and should, promote sustainable development. Policies and measures to protect the climate system against human-induced change should be appropriate for the specific conditions of each Party and should be integrated with national development programmes, taking into account that economic development is essential for adopting measures to address climate change.

<sup>&</sup>lt;sup>3</sup> Article 3.2 of PA: "The efforts of all Parties will represent a progression over time, while recognizing the need to support developing country Parties for the effective implementation of this Agreement"

seriously affected region of the world. Africa therefore has a vital interest in pursuing a strong global mitigation outcome to achieve the 1.5 C objective. In Africa's view this will provide some degree of certainty to adaptation planning and implementation, which is the key concern for the continent given its very low contribution to the global emissions. The kind of global outcome which is necessary can only be achieved in the context of equity and by placing sustainable development at the centre of the mitigation challenge.

- 12. It is clear from the Synthesis Report of the GST's Technical Dialogues (SYR) that the world is not on track to limit climate change to 1.5°C degrees. We need to reduce GHG emissions by 45% compared to 2019 emissions, and collectively the world is not on track to achieve this. It is necessary to understand why we have reached this point, and how this can be addressed, in the light of equity and the latest available science.
- 14. Annex I countries mitigation commitments for 2020 under both the Convention and Kyoto Protocol did not meet the required benchmark contained in the IPCC's 4<sup>th</sup> Assessment Report for Annex I countries (in a range from 25-40% reduction in relation to 1990 levels), and a decision in Doha to revisit these levels with the aim of increasing 2020 mitigation ambition, did not result in any change in the aggregate target level. Developed countries did not take the lead and did not mobilize the 100 Billion USD for developing countries to mitigate and adapt, thereby requiring more mitigation by all going forward, resulting in more climate impacts, and inadequate provision of support to developing countries to implement their ambitious climate actions. The world is thus now in a position in which GHG emissions reduction needs to happen more rapidly and at much greater cost than would have been the case if Annex I countries' mitigation targets had been ambitious enough, if these countries had invested at a much greater scale (thus moving the cost of mitigation options down the learning curve), and if developing countries had been provided with the support that was promised more than a decade ago.
- 15. It is therefore crucial that as part of the first stocktake, we take stock of pre-2020 progress. This is consistent with equity dimensions of the collective assessment of the GST, and constitutes a practical step towards equity and enhancement of commitments and international cooperation. We refer to the **2017 Emissions Gap Report** amongst others which quantified performance against the 25-40% imperative for developed countries.
- 16. It is also necessary to critically assess the basis for global climate action, the IPCC's modelled global emissions pathways which are projected to limit climate change to 1.5 degrees. These pathways are essential to guide Parties to the Paris Agreement in our assessment of progress, and on how fast we should be seeking to reduce global GHG emissions. However, critics have pointed out after careful analysis that these scenarios are based on current global inequality trends worsening (Kanitkar, et al, 2022<sup>4</sup>). While this

<sup>&</sup>lt;sup>4</sup> Kanitkar, T., Mythri, A., Jayaraman, T. 2022. Equity Assessment of Global Mitigation Pathways in the IPCC Sixth Assessment Report. <a href="https://tinyurl.com/3zreu3cn">https://tinyurl.com/3zreu3cn</a>

does not affect the relationship between the amount of remaining emissions space and the global goals we are pursuing, it may well impact on the timing and distribution of mitigation effort and the support required by developing countries. It presumably also reveals a vital gap in the scenario design process, which does not meet the criteria laid out in the Paris Agreement's Article 2 ("aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty"). This is a gap which must be clearly documented by the output of the GST, and communicated by the CMA to the IPCC.

17. Sustainable development is vital for African countries. Six hundred (600) million people in Africa are without access to electricity which is central for the provision of basic development services, including primary health, clean water, education, while 900 million people are without access to clean energy for cooking (IPCC, AR6). This is an overriding priority.

- 18. African countries have therefore two key interests in scaled up mitigation action:
  - the first is to avoid climate impacts and provide certainty for effective adaptation planning and implementation; and
  - the second is to urgently address the sustainable development challenges in African countries through measures which will address the energy access challenge, avoid growth in GHG emissions, develop associated economic activity, and implement additional measures to ensure that this energy transition is just.
- 19. These measures will require significantly scaled-up support from developed countries. The GST is clearly mandated to strengthen mitigation actions and enhance support (para. 13, 14, 34(a), 34(b) 19/CMA.1). So far, although African countries have some of the best renewable energy resources in the world, a very small share of global investment in renewable energy is currently taking place in Africa. Investment needs to be dramatically scaled up, in renewable energy, in national, regional and continental electricity grids, and in whatever other resources are required by the electricity system, including emerging storage technologies and natural gas.
- 20. Energy access can be addressed through international cooperation, investing in an energy mix that drives low-carbon development and enhances access; and this requires the policy space to sustainably exploit available natural resources, including solar, wind and natural gas as required, and to raise the required finance to achieve this in a way which does not result in unsustainable levels of debt.
- 21. Energy-intensive primary processing of Africa's raw material must be shifted back to the continent, to serve as an anchor demand for new renewable energy and a means of rapidly reducing global emissions.

- 22. Further, we are of the view that the energy transition must be just. This applies particularly to the production of fossil fuels, and the development of new fossil fuel production capacity. Any agreement concerning the phasing out of fossil fuels, and any moratorium on new investments in fossil fuel production, must be applied equitably. While we are aware of the urgent need to mitigate fossil fuel use, there must be an equitable solution to the problem of phasing out fossil fuel production and consumption globally. A blanket ban on investment in new fossil fuel projects is NOT equitable or just, and cannot be the basis for a just transition. Use of transition fuels such as gas is essential for an ambitious expansion of renewable energy, and avoidance of more carbon-intensive fuels.
- 23. A political signal from CoP 28 should affirm differentiated pathways for countries in the pursuit of net zero and fossil fuel phasedown, where no further exploration of fossil fuels in developed countries is targeted well ahead of 2030, whilst affording developing countries the opportunity to close the global supply gap in the short term.
- 24. In addition to challenges in the energy sector, the African land sector contributes about 4% of global GHGs, and forms part of critical economic and livelihood sectors, particularly agriculture and forestry. Climate action in the AFOLU sector has the potential to deliver a third of the mitigation needed by 2030 to keep us on track towards the goals of the PA, including with adaptation co-benefits and the preservation of biodiversity<sup>5</sup>. Scaled-up integrated support packages such as the Just Energy Transition Partnerships should expand beyond the energy sector, as this excludes half of the emissions reduction potential of African countries. Grant financing of land-based sectors should therefore be encouraged in order to reduce deforestation, maintain and enhance Africa's carbon sink as applicable, recognizing the centrality of this sector in livelihoods and economic and climate resilience, and the critical importance of African forests, in conjunction with the Amazon and the forests of Indonesia, in reducing global emissions to net zero. Climate smart and restorative agricultural practices must be promoted and supported, as well as actions to halt and reverse biodiversity loss, deforestation and desertification, and restoration of degraded land.
- 25. The output of the GST must serve as a basis for scaled-up mitigation in the context of equity, the latest available science and sustainable development, and present a detailed statement of the requirements of developing countries for scaled-up programmes and how this can addressed through enhanced support and international cooperation.

### **ASSESSMENT OF COLLECTIVE PROGRESS - ADAPTATION**

Progress, Ambition and Implementation Gaps, Challenges and Barriers

26. African countries are already facing devastating impacts of climate change, even below 1.5C degree global warming. Currently, the world is at 1.15C degrees of global warming

<sup>&</sup>lt;sup>5</sup> Griscom, B.W., J. Adams, P.W. Ellis, et al. (2017) Natural climate solutions. Proceedings of the National Academy of Sciences, 114(44):11645–11650. DOI: 10.1073/pnas.1710465114

and according to the World Meterological Organisation (WMO), Africa has warmed faster than the global average since pre-industrial times. The IPCC AR6 WGII report, through the Africa Chapter, has provided information on the impacts of climate change to date for example —-Agricultural productivity growth in Africa has reduced by 34% since 1961 due to climate change, more than any other region. IPCC predicts that most African countries will enter unprecedented high temperature climates earlier in this century than generally wealthier, higher latitude countries. This emphasizes the urgency of accelerating the implementation of adaptation in Africa during this decade

- 27. In addition, the IPCC 1.5C degree report and the IPCC WGII report, clearly shows that there are significant differences in impacts between a 2 and 1.5C degree world; for example, in a 1.5C degree world, Africa is projected to have about a 12% decline in marine fisheries catch potential for some parts of Africa, but in a 2C degree world, a 30% or more decline is projected in marine fisheries catch potential, with greater declines at higher levels of warming. It is therefore paramount to recognise that adaptation costs will get higher with low ambition as articulated in Article 7.4.
- 28. While the outcomes of the GGA work programme will not be finalized in time to be considered in this GST 1, Africa sees elements of the framework for the GGA emerging globally and the UNEP Gap report of 2021 can be instructive in highlighting the key messages on the state of affairs in the implementation of adaptation action, namely:
  - On <u>planning</u>, as much as progress has been made on NAPs, when it comes to implementability and comprehensiveness African is behind. The IPCC 6AR WG II report also tells us that the main constraints for adaptation planning and implementation for Africa are information and technology, lack of finance, and institutional constraints.
  - On implementation- the IPCC report points to the fact that there is a decline in the number of projects since 2016; that is, projects are dominated by small scale projects, costing in the range of \$0.5 to 10m, this clearly does not match transformative scale required
  - On finance There are three points to raise- i. on the quantum for finance, ii. The importance of grants for adaptation, and iii. the balance between mitigation and adaptation
    - i. On the quantum- The IPCC 1.5C Special Report (2018) tells us that we need between US\$1.6 trillion to US\$3.8 trillion annually, until 2030 to adequately finance climate change measures. In the SCF 2021 report, the needs from developing countries for mitigation is US\$8.3 trillion, whereas for adaptation it is at US\$12.3 trillion. Both these figures are far higher than the estimated US\$634 billion available in the years 2019/20

(CPI, 2022 and Songwe, Stern and Bhattacharya, 2022<sup>6</sup>). The UNEP Adaptation Gap Report of 2022 estimates the adaptation finance gap in developing countries is likely to be five to 10 times greater than current international adaptation finance flows and continues to widen.

ii. On the importance of grants- The IPCC AR6 Working Group II assessment tells us that public grants and concessional finance will be required for adaptation. Scaled-up public grants for adaptation funding for vulnerable regions would be cost-effective and have high social returns. Many adaptation interventions in the most vulnerable countries provide no adequate financial return on investments and can therefore only be funded with grants and highly concessional public finance.

iii. On the balance- Adequate financing for both climate adaptation and mitigation is critical for achieving the global climate goals. However, adaptation continues to be underfunded, and IPCC tells us that only 4–8% of tracked climate finance has been allocated to adaptation.

As articulated in the IPCC Synthesis Report and the WG II report, accelerated financial support for developing countries from developed countries is critical in enhancing adaptation, and public grants and concessional finance will be required for adaptation.

29. Urgency of adaptation for Africa-Climate change adversely impacts the economy and key economic sectors, resulting in significant GDP loss - IPCC AR6 presents a compelling climate effect on Africa, establishing that Africa is warming faster than the global average. Key development sectors across the continent have been adversely impacted by various climatic hazards resulting in widespread losses and damages attributable to humaninduced climate change impacts on food production, biodiversity, water security, human health, and economic growth. Africa will continue to face many increasing climate-related risks in the future. Current climate change risks and impacts are already costly for the continent. Between 1990-2010, Africa's Gross Domestic Product (GDP) per capita was, on average, 13.6% lower than it would have been if human-induced climate change had not occurred. Even with localised and incremental adaptation, global warming of 1.5-2C will still result in extreme effects such as severely reduced food security, slowing down of economic growth, increased levels of poverty and mortality. Most African countries are projected to experience an 80-89% decrease in GDP per capita in a world of 4°C global warming compared to a scenario without global warming after 2010. Climate change impacts also negatively affect the availability of financial resources by impeding national economic growth and thereby further increase financial constraints for adaptation, particularly for Africa.

<sup>&</sup>lt;sup>6</sup> https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2022/11/IHLEG-Finance-for-Climate-Action-1.pdf

- 30. Africa has the least capacity to adapt- Africa has the least adaptive capacity and is least resilient to climate change (IPCC AR6, UNEP Adaptation Gap Report). This is compounded by the development gap compared to the rest of the world, with climate change eroding the development gains the continent has made. The losses in terms of economic sectors and livelihoods are unfairly borne by African countries. Africa is the least in receiving climate finance, the lowest in the adoption of the climate technologies and therefore, least prepared to adapt and be resilient even under the level of impacts and risks associated with 1.5 C climate change and Africa is at more existential risks at higher levels of climate change (IPCC SR 1.5C (2018)).
- 31. Africa is already investing in adaptation- African governments are already investing significant public resources (between 4-7 percent of annual GDP) towards adaptation instead of using these resources towards achieving its development objectives, which are also crucial to build resilience. The IPCC suggest that climate impacts costs for African countries approach 4% of GDP, which is a cost singularly borne by the continent, yet driven by global emissions, which limits the bandwidth of African countries to further invest on climate action. The cost of achieving SDGs by 2030, which remains Africa's pressing developmental objective is estimated at US\$1.3 trillion a year. Domestic financing mechanisms alone are insufficient to meet the scale of interventions required to attain the 1.5/2°C temperature limit including meeting the rising cost of adaptation and losses and damages.
- 32. Adaptation finance for Africa falls significantly short of the finance needed to address the increasing needs of African countries to adapt to climate change- Finance for adaptation has been well below the level of finance needed. International climate finance flows to Africa remain very little in comparison to flows to and in other regions. There is currently a wide gap between the flows of climate finance into the African continent, amounting U\$\$18 billion annually and the needs amounting to U\$\$2.5 trillion per annum to successfully implement the nationally determined contributions. It is estimated that the adaptation finance gap in developing countries is likely five to 10 times greater than current international adaptation finance flows and continues to widen. African countries NDCs indicate that countries will need USD 579 billion between 2020 and 2030 to implement the adaptation needs identified in these NDCs. This represents nearly a quarter of total climate finance needs for African countries to meet NDC targets. Adaptation costs in Africa will rise rapidly with further global warming, with estimates ranging from US\$ 100–437 billion per year for Africa for 4C global warming.
- 33. Scaled up adaptation finance is needed to address the increasing adaptation needs in Africa- The IPCC Working Group II assessment tells us that public grants and concessional finance will be required for adaptation. Many adaptation interventions in the most vulnerable countries provide no adequate financial return on investments and can therefore only be funded with grants and highly concessional public finance. African governments have expressed that a significant proportion of adaptation finance to the continent should be delivered as grant funding as opposed to debt-based financing

because loans add to already high debt levels that exacerbate fiscal challenges in response to climate impacts for which they have little historic responsibility. The socioeconomic benefits of investment in adaptation and resilience are very high, suggesting more finance needs to flow, in grant form, to African countries. The IPCC AR6 Synthesis Report assessment finds with high confidence that scaled-up public grants for adaptation funding for vulnerable regions, especially in Sub-Saharan Africa, would be cost-effective and have high social returns.

- 34. Context: Africa considers achieving the Paris Agreement objective of 1.5C of paramount importance for giving some degree of certainty to adaptation planning and implementation aiming at building the necessary adaptive capacities and resilience in order to be safe under a 1.5C climate change world.
- 35. The GST should recognize the intrinsic links between adaptation and sustainable development, where climate impacts undermine sustainable development, whilst sustainable development enhances adaptive capacity as such a shield against climate impacts.
- 36. Africa requires a development space and adequate, predictable and accessible means of implementation and support for its adaptation planning and implementation efforts to build needed adaptive capacities and transition its vulnerable sectors and poor communities into a resilient development pathway
- 37. Resource Mobilization: As much as progress has been made in respect of adaptation planning in the continent, the UNEP Adaptation Gap Report has shown that most of these plans are not implementable due to resourcing constraints amongst other, hence the global stocktake should bear as a key message the target of achieving at least 50% allocation of finance for adaptation in the finance mechanism by 2025, and ramping up adaptation finance to \$400bn per annum by 2030, primarily from public grants and budgetary support efficient allocation using pre-existing national initiatives rather than a project-based approach to adaptation.
- 38. Operationalization of the GGA: The GST outcome must support the operationalization of the Global Goal on Adaptation by firstly pronouncing/addressing the increasing adaptation implementation gap in African countries. Secondly, the CoP 28 GST decision should adopt targets for adaptation action under the GGA framework and in accordance with paragraph 23 of decision 3/CMA.4 undertake an assessment of the GGA in accordance with adaptation dimensions in 2024 and conclude its work at CoP 29 using modalities of the global stocktake.
- 39. The adoption of targets for adaptation action under the GGA framework, on (i) risk and vulnerability (ii) adaptation planning (iii) implementation (iv) adaptation finance, under the Glasgow Sharm El Sheikh work at COP28 will send an unprecedented political signal

- of progress towards parity and the recognition of the global nature of adaptation, which to date has been left to African countries alone.
- 40. Recognition of Adaptation Efforts: Africa expects this to be framed as a demonstration of the strong commitment of developing countries towards their vulnerable communities in the face of inadequate international support for adaptation (implementation gap). Recognition of effort does not lead directly to raising ambition in adaptation planning and implementation. However, it provides lessons learned, good practices and information on challenges faced by developing countries in responding to their urgent and immediate adaptation needs. The efforts should be understood in two perspectives:
- 41. Positive investments, e.g. Adaptation is a global responsibility, but African countries are already investing in adaptation, with between 4-7% of annual GDP redirected in meeting urgent and immediate climate costs.
- 42. Eroded development gains, e.g. in Africa, the GDP per capita for 1991–2010 was on average 13.6% lower compared to if climate change had not occurred thus demonstrating the significant impacts climate change has on our economies and eroding development gains.

### ASSESSMENT OF COLLECTIVE PROGRESS - MEANS OF IMPLEMENTATION AND SUPPORT FINANCE

Progress, Ambition and Implementation Gaps, Challenges and Barriers

- 43. Climate finance flows are not commensurate with the needs and priorities of developing countries or aligned with recommended pathways for 1.5C temperature goal. The IPCC AR6 reports that financial flows are 3 to 6 times lower than levels needed by 2030 to limit warming to below 1.5°C or 2°C. Also, according to the African Development Bank (AfDB), climate finance flows into African countries have increased marginally since 2015. Africa's share of global climate finance flows has risen from 23% (between 2010 and 2015), when the Paris Agreement was signed, to 26% (between 2016 and 2019), representing a mere 3% increase. Between 2016 and 2019, African countries received US\$73 billion in climate-related development finance, with an annual average of about US\$18 billion, when the cost of achieving the SDGs by 2030 in Africa is estimated at US\$1.3 trillion a year.
- 44. The finance provided also failed to reach parity between mitigation and adaptation. Out of the US\$83 billion dollars purportedly mobilized between 2009 and 2019 in partial fulfilment of the Cancun finance commitment, mitigation finance accounts for 58%, with adaptation and cross-cutting activities at 34% and 7% respectively, (OECD, 2022). MDBs on the other hand committed for low and middle-income countries US\$33 billion for mitigation and US\$17.6 billion for adaptation (MDB, 2022). The reported flows above are at variance with the reported needs across the developing country world. The biggest quantum of communicated needs is from Asia-Pacific states where their stated needs in

- the report by the Standing Committee on Finance (SCF 2023) amounted to about US\$3.2 trillion, followed by African states at about US\$2.5 trillion, with Latin America and Caribbean states at US\$168 billion.
- 45. Total annual climate finance flows in Africa for 2020 from domestic and international sources were a mere US\$30 billion about 12% of the annual amount needed. Mitigation accounted for the largest share, as reported, at 66% of the total climate finance needs comprising 58% on transport, energy (24%), Industry (7%), Agriculture forestry and other land use (AFOLU) (9%). Adaptation accounted for only 24% of the total climate finance needs identified despite Africa being highly vulnerable to climate change and frequent calls for a better balance of finance between mitigation and adaptation.
- 46. An estimated US\$18 to US\$30 billion will be needed a year over the next two decades for climate action and climate change adaptation with nearly US\$1 trillion worth of investments and project ready to be financed. Domestic financing mechanisms alone are insufficient to meet the scale of interventions required to attain the 1.5/2 degrees Celsius temperature limit including meeting the rising cost of adaptation and losses and damages. The picture projected above reflects a widening gap between the financing needs of the continent's climate budget and the accompanying resources available for it to play an important role in ensuring emission reductions, climate resilient and adaptation pathways are followed.
- 47. Needs-Based Approach: It must be well understood that the support for the pathways towards low emissions and climate-resilient development must be based on the needs and priorities of developing countries anchored by the continent's sustainable development priorities. The context of needs includes the quantity and quality of finance, as well as the necessary ecosystems that support the transitions. As such, the GST should create a clear burden sharing mechanism between developed countries in relation to their commitment to provide financial support towards achieving the low and climate-resilient development. In this context, the operationalisation of Article 2.1c must be based on collective understanding and definition of what it entails and how it is supporting the implementation of Article 9 of the Paris Agreement. It is important that Article 2.1c is operationalized in a way that does not constrain growth, while at the same time supporting the achievement of the goals of the Paris Agreement and economic, social, and sustainable development in developing countries.
- 48. Insufficiency of Domestic Financing: There is no doubt that domestic financing mechanisms alone are insufficient to meet the scale of interventions required to attain the 1.5/2 degrees Celsius temperature limit including meeting the rising cost of adaptation and losses and damages. With public debt having increased from 64.3 to 71.4% of GDP between 2019 and 2021 African governments are projected to allocate

11.5% of their revenues to servicing external debt in 2022, while the cost of public borrowing has increased by 20% since the start of 2022. Financing of the transition risk further debt-default risk which leads to underdevelopment, and ability to respond to the transition imperatives.

- 49. Reform of Global Financial Architecture: As such, the global stocktake should also pronounce itself on issues of debt restructuring, repayment and surcharge systems of the World Bank and IMF respectively, capitalisation and risk appetite for MDBs, non-debt finance instruments and budgetary support amongst others as part of the reform of the global finance system to finance the transitions. At the center of CoP 28 outcomes on climate finance should be political signal on restructuring the global finance system to deliver cheaper loans, and the restructuring of debt, whilst affording African countries a greater say in the running of the global finance system. At the heart of the approach is the recognition of differentiated pathways in global action, and access to equitable finance.
- 50. Africa faces a huge development deficit in various sectors despite its rich natural resources endowment. Coupled by the climate change burden, the demands of cooperative actions to reduce emissions and the low climate finance flows to the continent, Africa has continued facing challenges to finance its climate change needs.
- 51. The Climate Policy Institute (CPI) has estimated that it will cost around US\$2.8 trillion between 2020 and 2030 to implement Africa's NDCs. As a component of domestic budgetary contribution, African governments have committed US\$264 billion of domestic resources, about 10% of the total cost leaving an estimated US\$2.5 trillion coming from international public sources and international private sector investments. Given the high debt levels, and amidst budget constraints, which have been worsened by the COVID-19 crisis, countries may not provide as much domestic public finance as initially estimated. The financial entities under the financial mechanism of the UNFCCC such as the Green Climate Fund (GCF), Global Environment Facility (GEF) and the Adaptation Fund remain small and underfunded to provide adequate, sustainable, predictable and accessible climate finance to developing countries to achieve the goals of the Paris Agreement. The GCF has received US\$12 billion in commitments and has only disbursed US\$3.5 billion between 2015 and 2022. The GEF Project portfolio currently stands at US\$23 billion as at December 2022. The Adaptation Fund portfolio only reached US\$1.2 billion in amounts of resources mobilized and committed to the fund in 2022.
- 52. Furthermore, the current instruments are mainly debt-related, which is leading to an increase in levels of indebtedness for African countries, that in turn is leading to increasing risks and costs of finance. Therefore, it must be clear that finance delivery instruments have to be predominantly grant and maximum highly concessional funding. The Sharm El-Sheikh implementation Plan decision was clear in its call for International Finance Institutions (IFIs) and Multilateral Development Banks (MDBs) that climate finance should be delivered through concessional and grant-based instruments.

- 53. Additionally, the global financial system places a higher risk premium on African borrowing and investment, based on perception, further constraining capital on already small underdeveloped financial markets to invest in climate action, which similar to trade, leads to debt traps for African countries.
- 54. The imbalance between finance for mitigation and adaptation is illustrated by the significant gap between the US\$83 billion dollars (Cancun finance commitment), where mitigation finance accounts for 58%, with adaptation and cross-cutting activities at 34% and 7% respectively, (OECD, 2022) against the needs attributed to mitigation by developing countries at an estimated US\$8.3 trillion and US\$12.3 trillion for adaptation (SCF, 2021).

- The GST outcome should provide a strong impetus for progress towards a needs-based New Collective Quantified Goal (NCQG) on finance building on Article 9.4 of the Paris Agreement and respond to the expert reports, by the CPI, which estimates the needs of African countries to be about \$300bn per annum by 2030 for NDCs and \$400bn for adaptation. Therefore, Africa asserts the importance of the following action points:
  - A burden sharing criteria for contributors of climate finance to allow for transparency and accountability;
  - Clear direction and policies to address the cost of finance, noting the perception premium that lead to African countries borrowing at higher rates than the global average;
  - Clear acknowledgement of the debt challenge, whilst identifying innovative approaches to address it, including addressing systemic drivers of debt, as well as through debt forgiveness and debt swaps;
  - Setting clear targets for the contribution of various instruments such as grant, concessional finance, as well as the international public finance component;
  - In line with African special circumstances, an agreement on criteria for Africa to access a fair share of finance and flows of investments.
- A viable option for closing the gap and directing financial flows to support climate action within the context of sustainable development and the eradication of poverty is in measures to curb the illicit flow of funds from the continent. The United Nations Commission on Trade and Development (UNCTAD), in its 2021 report entitled "Counting the Cost Defining, estimating and disseminating statistics on illicit financial flows in Africa", concluded that US\$88.6 billion, equivalent to 2.7% of Africa's GDP, leaves the continent every year in illicit financial flows. Between 2000 and 2015, the total illicit capital flights from Africa amounted to US\$836 billion compared to Africa's external debt stock of US\$770 billion in 2018 making Africa a net creditor to the world. This requires decisive action on the promotion of inclusive and effective international tax cooperation at the United Nations with the aim to reduce Africa's loss of US\$ 27 billion annual corporate tax revenue loss through profit shifting by at least 50% by 2030 and 75% by

- 2050. Curbing illicit flow of funds through promotion of transparency in the global financial system, automatic exchange of tax (AEI), double tax avoidance agreement (DTAA) and policies to curtail Illicit financial outflows from Africa should be promoted.
- 57. Increased flows of finance from the MDB and Development Finance Institutions (DFIs) systems should be multiplied by three within five years, from US\$60 billion to US\$180 billion, including through increased liquidity backed by Special Drawing Rights.
- 58. Bilateral official development assistance (ODA) for climate should be doubled by 2025 from its 2019 level, from US\$30 billion to US\$60 billion, building on the G7 Carbis Bay commitments and the Bridgetown Initiative. In addressing areas that were deemed priority by developing countries, i.e. adaptation and loss & damage, target increasing adaptation finance to US\$200-250bn by 2030 and loss & damage finance to US\$200-400bn.
- 59. It is also important to avoid addressing the impact of Response Measures on national revenues by unilateral measures like carbon border taxes, disinvesting from existing fossil fuels and not financing new operations in the global South without taking corresponding actions to end fossil fuels in the global North.
- 60. MDB reform focusing on aligning MDB support with borrower priorities, more agile lending operations offering quick access to finance through short processing time, more responsive and targeted advice and expertise to provide technical assistance to facilitate implementation of specific projects and policy advice, and greater accountability towards borrowers and their citizens should be the new mode of operation. This includes ensuring additionality and avoidance of double counting and rebranding of existing funding for development, humanitarian support and ODAs as climate finance.
- 61. It is equally crucial to have an agreed definition on climate finance and Article 2.1.c in order to prevent greenwashing.

### **TECHNOLOGY DEVELOPMENT AND TRANSFER**

Progress, Ambition and Implementation Gaps, Challenges and Barriers

62. Findings from the FSR confirm the reality that global adoption of climate technologies are proceeding at an uneven pace with "....developing countries historically having less access to opportunities to deploy technologies and possessing less capability to develop new technologies." (Key Finding 16). In Africa's case, this continues to remain the case. According to the IPCC AR6 (2022), adoption of low-emission and climate resilience enhancing technologies is slower in most developing countries, particularly the least developed countries, majority of whom are in Africa. The Technology Synthesis Report (2022)<sup>7</sup> prepared as input to GST-1 reports that while there is a significant increase in the reported technology development and transfer activities, the share received by Africa has

<sup>&</sup>lt;sup>7</sup> https://unfccc.int/sites/default/files/resource/GST\_SR\_23d\_MOI.pdf 12/04/2023

been on the decline since 2013/2014 (Compilation and synthesis of second Biennial Reports of Parties included in Annex I of the Convention<sup>8</sup>) from 39% (116) to 23% (90) in 2017/2018 (Compilation and synthesis of fourth Biennial Reports of Parties included in Annex I of the Convention<sup>9</sup>). Reversing this trend and facilitating the rapid diffusion and deployment of clean technologies are essential if African countries are to successfully achieve their objectives of meeting the SDGs by 2030 and eradicating poverty in a low emissions and climate resilient manner.

- 63. Under the Poznan Strategic Programme many African countries have conducted and updated their climate change Technology Needs Assessments (TNAs). Analysis of the TNA of 37 African states show prioritisation of adaptation technologies to mitigation by a ratio of 47:53, while the global Non-Annex I Technology Action Plans) stands at 18:82. For adaptation the priority technologies are in the agriculture and water sectors, while for mitigation, 92% of the finance needed is for energy technologies. This validates the importance of the water, energy and food security nexus in the African context, and the continent's objective of increasing access to energy to support poverty alleviation and industrialisation.
- 64. Implementing the ambitious NDCs that African countries have requires a sound and tailored technology development and transfer programme for key prioritised economic sectors. But the challenges and barriers that African countries continue to encounter range from weak access to finance and high capital costs, lack of awareness of climate technologies, capacity limitations including insufficient human resource, inadequate enabling environment such as lack of supporting policy, lack of incentives, including renewable energy feed-in tariffs, weak collaboration and low investment in R&D (both budget and numbers of researchers), and low support for promotion of in-country technology development processes. In the Technology Executive Committee's (TEC) report "Enabling Environments and Challenges to Technology Development and Transfer Identified in Technology Needs Assessments, Nationally Determined Contributions, and Technical Assistance provided by the Climate Technology Centre and Network", Developing countries reported the majority of challenges they face in meeting their technology needs to be in the economic and financial (84%), technical (61%), legal and regulatory (58%) and information and awareness (58%) categories, along with challenges related to market conditions and network development. For the Africa region, the most frequently identified challenges are economic and financial (85%), technical (58%), legal and regulatory (52%) and information and awareness (52%).
- 65. Also, the effect of Intellectual Property Rights (IPR) within the broader context of a global regime on Trade Related Intellectual Property Rights (TRIPs) while improving the deployment of low-carbon technologies in developed countries (OECD), has been to

<sup>&</sup>lt;sup>8</sup> FCCC/SBI/2016/INF.10, FCCC/SBI/2016/INF.10/Add.1/Corr.1, and FCCC/SBI/2016/INF.10/Add. 1.

<sup>&</sup>lt;sup>9</sup> FCCC/SBI/2020/INF.10 and FCCC/SBI/2020/INF.10/Add.1.

reduce their importation into developing countries (non-OECD),<sup>10</sup> renewable energy technologies in particular. Other barriers to the rapid deployment of low emitting technologies in developing countries include the need for customisation of these technologies to suit the practices, culture and environment of the receiving country/community. This has so far proven to be an insufficient way to provide technological support to developing countries and marginalized communities<sup>11</sup>.

Opportunities and Solutions for Strengthening Action and Enhancing Support

- 66. There are measures that can be taken to address these challenges and barriers and facilitate greater diffusion and deployment of clean technologies in Africa.
- 67. Firstly, there is a strong need for more effective and strategic technological collaboration within and outside the Technology Mechanism of the Convention to increase access to clean technologies by increasing support for innovation, access to finance, drive down costs of key technologies, and deploy key technologies at a large scale to address energy poverty including through the provision of more cleaner forms of cooking, and base-load options for all countries, and in the process help meet sustainable development goals, eradicate poverty and enable a more just transition to low emissions, climate resilient pathway in Africa.
- 68. One way to achieve this is by supporting the great development potential for endogenous technologies in Africa that are relevant and appropriate for the local African environment. However, this has not been harnessed also because of lack finance and technical support. The African Union's calls for the identification of five regional technology centres that would be linked with national designated climate technology entities in order to advance the Agenda 2063 remains a useful solution to promote collaborative research and development of climate technologies for Africa (including industry technologies) and facilitate transfer and absorption of technologies that are already in the market. These centres will need to benefit from identified opportunities such as available climate finance and the technical guidance and assistance from the Technology Mechanism (TEC and CTC-N, respectively). It will also support cooperation and innovation throughout the technology cycle and across all sectors and geographies, building on existing platforms and including enterprises specializing in climate action and technology initiatives as well as accelerators of progress in key climate technology priorities.
- 69. Adequate financial support must be provided for the full implementation of actions for identified technology needs in supporting climate action. The TEC cites the same areas identified as challenges as enablers for Africa. These include the resourcing of multilateral funds supporting technology development and transfer needs including the Green

https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2018/01/Working-Paper-288-Dussaux-et-al.pdf 13/4/2023. Damien Dussaux et al, Intellectual property rights protection and the international transfer of low-carbon technologies, December 2017

<sup>&</sup>lt;sup>11</sup> Negotiator Briefing: A Needs-based Approach to Assessment and Stocktaking, Tom Athanasiou*et. Al*, November 2022

Climate Fund (GCF), the African Climate Technology Centre (ACTC) which focuses on the water sector (adaptation) and energy sector (mitigation) where it supports Sustainable Energy for All (SE4All), and the Africa Climate Fund established by the African Union's Agenda 2063 to support climate action in Africa, technology development in adaptation in particular adaptation.

70. Enhanced support should also be provided to the Technology Mechanism (TM), particularly the Climate Technology Centre and Network (CTCN), to strengthen the needed international cooperation on technology development and transfer that would enable the effective sustainable deployment of climate technologies for climate action in mitigation, adaptation and loss and damage in Africa and other developing countries. Increased and sustainable financing should enable the CTCN and the TM to continue to fulfil their mandate to provide the technical support, capacity-building and the platform for knowledge-sharing that will prove vital in support Africa's green industrialization and transition.

### **CAPACITY-BUILDING**

Progress, Ambition and Implementation Gaps, Challenges and Barriers

- 71. Capacity-building is country-driven and involves learning-by-doing. It also requires adequate financial, technical and technological support from international cooperation. It is essential that all African countries have the relevant technical, institutional and systemic capacities needed to deliver climate adaptation and low-emission, climate-resilient development, together with the ability to apply skills, knowledge and tools to deliver change. This includes:
  - Institutional capacity for governance and coordination;
  - Technical capacity to carry out modelling and evaluation, including sectoral expertise;
  - Relational capacity to build partnerships and invest time in processes; and
  - Strategic capacity for systemic policy design and implementation.
- 72. The personal, institutional and organizational capacity of individual African countries, in particular the Least Developed Countries to prevent and respond to extreme weather events remains weak. The region's capacity for climate action including transformational change to change high-carbon practices and contribute to a zero-carbon, climate-resilient, low-carbon market access also remains low.
- 73. Urgent and scaled-up financial and technical support is needed through international cooperation to ensure technical, institutional and systemic capacities are enhanced and retained over time, at all levels to deliver on climate adaptation and low-emission, climate-resilient development

### ASSESSMENT OF COLLECTIVE PROGRESS - EFFORTS RELATED TO LOSS & DAMAGE

Progress, Ambition and Implementation Gaps, Challenges and Barriers

74. Africa is highly concerned about the level of loss and damage associated with the adverse impacts of climate change that affect the whole continent. Current and projected costs

to address loss and damage are enormous. Even if all cost-effective adaptation is realised, Africa will still suffer large "residual" damages, which are estimated to be double the adaptation costs in the period 2030-2050. These residual damages are already and will continue to undermine Africa's development effort. The State of the Climate in Africa 2022 report shows that the rate of temperature increase in Africa has accelerated in recent decades, with weather- and climate-related hazards becoming more severe. And yet financing for climate adaptation is only a drop in the ocean of what is needed. More than 110 million people on the continent were directly affected by weather, climate and water-related hazards in 2022, causing more than US\$ 8.5 billion in economic damages. There were 5 000 reported fatalities, of which 48 percent were associated with drought and 43 percent were associated with flooding, according to the Emergency Event Database. But the true toll is likely to be much higher because of under-reporting.

- 75. The climate change challenge exceeds the capacity of the continent to respond to projected damages and impacts through domestic resources, even if the base to raise additional funding is broadened. Africa and the international community will need to find ways to cope with these residual damages, under any scenario of global mitigation and local adaptation efforts. Scaled-up international support for African countries is therefore critical.
- 76. Both historical and projected assessment of impacts of climate change in the continent from best available science, provide evidence of the diverse type risks of loss and damage in the African Continent.
- 77. The recent report from the WMO<sup>12</sup> assessing historical impacts of climate change in Africa showed that:
  - Over the past 50 years there were 1695 recorded disasters that caused the loss of 731,747 lives and US\$ 38.5 billion.
  - 35% of deaths reported globally, related to weather, climate and water extremes have occurred in Africa
  - The majority of deaths occurred during 4 severe drought events and resulted in 650 deaths in Ethiopia (total 400 000), Mozambique (100 000) and Sudan (150 000). These drought events account for 89% of total deaths in Africa and 83% of economic losses from climate extremes events in the continent.
  - There has been significant increase in economic losses recorded during the last decade, 2010–2019, with US\$ 12.5 billion in losses compared to the US\$ 6.5 billion average losses per decade from 1970 to 2009.
- 78. The IPCC 6AR showed clearly the following (current) adverse impacts/risks of climate change on the African Continent:

<sup>&</sup>lt;sup>12</sup> Atlas of mortality from weather, climate and extremes (1970-2019))

- Increasing weather and climate extreme events have exposed millions of people to acute food insecurity and reduced water security, with the largest impacts observed in many locations and communities.
- Climate change has caused substantial damages, and increasingly irreversible loss, in terrestrial, freshwater, loss of local species driven by increases in the magnitude of heat extremes with mass mortality events recorded both on land and in the ocean.
- Impacts on some ecosystems are approaching irreversibility such as the impacts of hydrological changes.
- Climate change impacts on health are mediated through natural and human systems, including economic and social conditions and disruptions.
- Climate and weather extremes are increasingly driving displacement and involuntary migration
- 79. The future projected impacts on the continent described in UNECA/Climate Analytics's Loss and Damage in Africa report (2014)<sup>13</sup> are alarming and will likely include:
  - Sea-level rise along Africa's coastlines is projected to be approximately 10% higher than the global mean; many African countries *e.g.*, Egypt, Mozambique, Nigeria, Guinea-Bissau, and The Gambia would be most affected by sea-level rise in terms of number of people at risk of flooding annually. Further, the Nile Delta is an example of the vulnerability of tourism to inundation and saltwater intrusion associated with sea level rise.
  - Larger tropical cyclone-induced storm surges, in conjunction with sea-level rise, would
    place more people at risk of coastal flooding. Tunisia, Tanzania and Mozambique are
    among the most exposed in the developing world overall and in terms of proportion
    of land area, GDP, urban land area, agricultural area and wetlands.
  - Increasing ocean acidification and rising temperatures would have severe consequences for coral reefs and ocean ecosystems generally. Most coral reefs are projected to be extinct above 2°C of warming, resulting in loss of associated marine fisheries, tourism, and coastal protection against sea-level rise and storm surges.
  - Rates of undernourishment in the Sub-Saharan African population are projected to increase by 25-90% compared to the present at a warming of around 1.5°C by 2050.
- 80. The following constitute some of the important gaps:
  - There are no comprehensive approaches for addressing and responding to economic and non-economic loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events, especially in the context of ongoing and ex post (including rehabilitation, recovery and reconstruction) action. Currently, it is developing countries taking the responsibility to face the burden of cost and consequences of addressing loss and damage

<sup>&</sup>lt;sup>13</sup> https://archive.uneca.org/sites/default/files/PublicationFiles/acpc-loss-and-damage-report\_final\_en.pdf

- There are financial, technical and institutional gaps that obstruct the implementation
  of approaches to address loss and damage. These gaps are related to approaches
  required to deal with long-term disaster recovery, for responding to slow-onset
  processes, as well as modalities to address non-economic losses.
- The link between mitigation and loss and damage should receive utmost consideration in the outcome of the GST. Although Africa contributes only about 3.8% of global greenhouse gas emissions, according to recent reports on climate vulnerable economies, for the period 2000-2019, Africa bears alarmingly high economic costs due to climate change. According to the UNECA, responding to climate change vulnerabilities costs African countries 3-5 percent of GDP annually and, in some cases, more than 15 percent.
- With projected climate change impacts, African countries will face the burn of economy, with some countries topping the list with 83.9% GDP impact by 2100 under current policies. Even with a Paris Agreement-aligned to 1.5°C future, the continent is projected to see a climate-induced GDP hit of 51.6%.<sup>14</sup>
- 81. There are many valid concerns that current mitigation pledges will lead to temperature increases far above the agreed level. Even with the agreed 2°C or below level of warming, the impacts for Africa are expected to be enormous. Many studies demonstrate that under different warming scenarios and despite strong adaptation efforts in the region, considerable adverse effects of climate change will be felt in Africa, resulting in significant loss and damage. The scientific evidence (UNECA/Climate Analytica 2014) shows that the **future impacts** on the continent are alarming and will likely include:
  - Unusual extreme heat events are projected to increase rapidly, becoming the "new normal". At around 1.5°C about 25% of Africa's land area is projected to experience unusual heat extremes in summer.
  - Significant increases in, and exacerbation of, water stress is projected with temperature increases under 2°C in many African countries; e.g. desert and dry-land areas are projected to increase in a 2°C warmer world.
  - At 4°C degrees of global warming, for example, the losses in income to the global economy are over US\$23 trillion per year, or the equivalent in economic damage of three or four 2008 global financial crises each year. For much of Africa the losses range from 18 to over 26 per cent of GDP<sup>15</sup>.

<sup>&</sup>lt;sup>15</sup> U.S. \$23 trillion will be lost if temperatures rise four degrees by 2100: https://phys.org/news/2018-08-trillion-lost-temperatures-degrees.html#:~:text=Severe%20consequences&text=At%204%20degrees%20Celsius%20of,Global%20Financial%20Crises%20each%20year.

- Under all mitigation and adaptation scenarios, Africa will continue to experience residual loss and damage. The level of loss and damage and therefore the costs incurred will depend, among others, on the level of ambition of global mitigation actions and the level of investment in adaptation at the local level.
- Over 50 per cent of debt increase in vulnerable countries is now related to funding disaster recoveries. This has severe implications on countries' capacity to deliver on critical public spending such as health, education, infrastructure, and climate goals, reducing resilience and holding back development. Accordingly, the establishment of the new Fund for Loss and damage and the new Funding arrangements, should not create new debt burdens for countries that are addressing impacts for which they are not responsible.
- The existing institutional arrangements in Africa do not address permanent and noneconomic losses and address economic losses of sudden and slow-onset events in a very limited manner.

- 82. Provision of financial and technical resources to developing countries for preparation and implementation of short, medium, and long-term plans related to identification and implementation of approaches address all types of loss and damage (including risk reduction, rehabilitation, recovery and reconstruction)
- 83. African countries are yet to quantify loss and damage finance needs under their NDCs or NAP. The Santigo Network, once operationalized should offer African countries the possibility to conduct comprehensive risk assessment, hazard mapping and other needs based technical assistance request to integrate risk, as tools to inform future development planning processes.
- 84. Operationalization of Santiago Network by COP 28 to provide technical assistance for implementation of approaches for averting minimizing and addressing loss and damage at the local, national and regional level, in developing countries that are particularly vulnerable to the adverse effects of climate change.
- 85. Operationalization by COP 28 of the Loss and Damage Fund and the funding arrangements. The new fund should be at scope, scale and speed that meet the enormous needs of developing countries.
- 86. The subsequent GST should take stock of regional and global adverse impacts of loss and damage and should assess the needs required to address it. The subsequent GST should also assess effectiveness and adequacy of loss and damage institutions (including the Loss & Damage Fund (including assessment of: new, additional, predictable and adequate financial resources), the new institutional arrangements, Santiago Network and the Executive Committee of Warsaw International Mechanism).

87. The GST should further request relevant bodies or institutions to develop climate change risk and vulnerability assessment from the sub-national to national level and regional level to inform the subsequent GST on global impacts and needs of Loss and Damage with costed actions for implementation.

### **INTERNATIONAL COOPERATION**

- 88. The GST outcome should also present an inventory of international cooperative initiatives in respect of adaptation, mitigation, technology development and transfer and capacity-building identifying areas for which there are limited initiatives, and making recommendations on existing initiatives to reflect the principles of the Convention and its Paris Agreement.
- 89. There is also an opportunity for the outcome to initiate under the UNFCCC the development of minimum standards for international cooperative initiatives concerning:
  - quantifiable targets-goals;
  - additionality-contribution of initiatives to national commitments;
  - financing for actions under the initiatives; and
  - reporting taking into account principles of the Convention and existing methodologies and processes
- 90. International cooperation to facilitate implementation should include initiatives that are responsive to the priorities and needs of developing countries and provide support for members of those initiatives to achieve the objectives of the initiatives.

### **GUIDANCE AND WAY FORWARD FROM GST-1**

- 91. The deliberations around the outcomes of the GST as described in Article 14.3 of the Paris Agreement, and paragraph 3.c, 14 and 17 of Decision 19/CMA.1 on enhancing action & support must respect the nationally-determined nature of Parties contributions. NDCs are nationally determined, which is a central concept in the architecture of the Paris Agreement. The GST should call upon all parties to enhance their actions and support through their NDCs and international cooperation in line with recommendations emanating from the process.
- 92. The reiteration of Article 3 of the Paris Agreement on progression from previous commitments is central to enhancing ambition in commitments, in the context of Articles 4.3 and 4.4 which recognises the principle of CBDR-RC in light of national circumstances and the obligation of developed countries to take the lead.
- 93. Enhancing ambition, should be complemented with efforts to close the 'implementation gap', and address the enabling conditions, particularly means of implementation to spur ambitious efforts from developing countries.
- 94. The results of the assessment should also feed into existing UNFCCC processes and Work Programmes on how to address the ambition and implementation gaps in action and

support, and international cooperation. These processes and work programmes include the:

- Just Transition Work Programme;
- GGA Work Programme;
- Mitigation Work Programme; and
- NCQG WP
- 95. Guidance in the GST outcome must reflect in very clear terms the quantified benchmarks that best available science has recommended including new global mitigation pathways to 1.5C without overshoot that would not perpetuate global inequality and maintain the relative underdevelopment of developing countries.
- 96. The outcome must also provide clear guidance to developed countries in updating and enhancing their NDCs to include consideration of the inadequacy of their pre-2020 targets against recommendations from the best available science, in both emission reductions and support provided to developing countries.
- 97. There should be clear messages on addressing unilateral response measures and recommendations (including good practices) on how to address the negative impacts from them.
- 98. The outcome should also provide key messages for scaling up ambition on MOI and support, and sending strong signals for enhancing international cooperation, including:
  - Quantification of the cost for implementation and what level of implementation the current levels of delivery of support would lead to, noting pledges to date have been in billions, whereas the needs are in trillions.
  - Opportunities for bridging the gap based on equity, fairness and a just transition (transformative and implementable actions)
  - Highlight gaps and inequalities in current implementation between the regions and within, especially on delivery of renewable energy, access to finance, and linked development goals
- 99. The outcome must also send clear political signals on reforms to the global financial architecture and necessary ecosystem that will support the transitions. Climate change is a development issue for Africa. The structural problems in the global trade and finance systems lead to situations where Africa is primarily an exporter of primary low-value products, and an importer of high value products. This breed trade deficits, weak and volatile currencies, low foreign exchange reserves, and a debt trap that just keep reinforcing itself. The GST outcome should therefore take into consideration Africa's unique developmental circumstance and send clear recommendations and guidance to all actors both in and out of the UNFCCC process on ensuring a just transition and opportunities for doing so.