**Submission by Chile on behalf of the Independent Association of Latin America and the Caribbean on the topics to be discussed in the context of the Sharm el-Sheikh mitigation ambition and implementation work programme in 2025.**

**February 12th, 2025**

The *Independent Association of Latin America and the Caribbean* (AILAC) is honoured to present its views on behalf of its member states. This submission outlines our suggested approach and insights on topics in line with the scope of the work programme, which will be deliberated at the global dialogues in 2025.

AILAC envisions the dialogue as a platform that urgently addresses the climate crisis by advancing solutions that ensure the global temperature remains below 1.5 °C. Discussions must emphasize actions that drive deep, rapid, and sustained emission reductions, leveraging the highest mitigation potential before 2030. To achieve this, science must serve as the guiding framework, providing a robust foundation for decision-making and action.

At the same time, the dialogue must be realistic and considerate of the diverse challenges, barriers, and co-benefits that countries face based on their specific circumstances. It should promote solutions that are not only effective but also practical, feasible and with high replication potential for broad implementation.

The dialogue should build upon the momentum generated by the Global Stocktake (GST), reinforcing its outcomes and translating them into concrete and implementable measures. Given that in 2025 new NDCs are being submitted to the Convention, the dialogue must also highlight positive examples of updated and ambitious NDCs that provide valuable insights into how mitigation actions can be effectively translated into public policy. These examples should demonstrate ambition aligned with the 1.5 °C goal while ensuring coherence with each country’s historical and current responsibilities.

**Perspectives on the Global Dialogues of 2025 under the work programme.**

1. **Accelerate action to transition away from fossil fuels in energy systems, in a just, orderly, and equitable manner.**

*Considering that:*

1. Limiting global warming to 1.5 °C with no or limited overshoot requires deep, rapid, and sustained reductions in global greenhouse gas emissions of 43 per cent by 2030 and 60 per cent by 2035 relative to the 2019 level and reaching net zero carbon dioxide emissions by 2050 (Decision 1/CMA5, para 27).
2. Fossil fuels – coal, oil, and gas – are by far the largest contributor to global climate change. The production and use of fossil fuels are the predominant driver of the climate emergency, accounting for close to 90% of human-made carbon dioxide emissions. At the same time, global fossil-fuel-derived carbon dioxide emissions reached a record high in 2022 (Production Gap Report, 2023).
3. Governments, in aggregate, plan to produce, in 2030, around 110% more fossil fuels than would be consistent with limiting warming to 1.5°C (i.e. more than double), and 69% more than would be consistent with limiting warming to 2°C. These global production gaps grow wider out to 2050. The persistence of the global production gap puts a well-managed and equitable energy transition at risk (Production Gap Report, 2023).
4. Fossil fuel subsidies surged to a record $7 trillion in 2022 worldwide (International Monetary Fund). Removing fossil fuel subsidies would reduce emissions, improve public revenue and macroeconomic performance, and yield other environmental and sustainable development benefits. Fossil fuel subsidy removal is projected to reduce global CO2 emissions by 1–4%, and GHG emissions by up to 10% by 2030, varying across regions (AR6, Working Group III).
5. A rapid reduction of the world economy’s reliance on fossil fuels towards clean energy is central for reaching global net zero CO2 and GHG emissions (Synthesis Report on the technical dialogue of the first Global Stocktake).
6. While it is inevitable that fossil fuels will remain in the energy mix, their share must dramatically decrease as we approach mid-century (World Energy Transitions Outlook 2023, IRENA).
7. Cost-optimized mitigation scenarios suggest that, to limit warming to 1.5°C, global coal, oil, and gas production and use should decline rapidly and substantially, starting now (Production Gap Report, 2023).
8. As the IPCC's Sixth Assessment Report strongly indicates, only the operation of the current fossil fuel infrastructure would lead us to a 1.5°C scenario with an elevated level of certainty, and that putting the planned infrastructure on operation would lead us to exceed 2°C scenario (AR6).
9. The objective of the work programme is to *urgently* scale up mitigation ambition and implementation in *this critical decade* in a manner that complements the Global Stocktake (Decision 4/CMA4, para 1).
10. The first Global Stocktake calls Parties to contribute to global efforts to transition away from fossil fuels in energy systems, in a just, orderly, and equitable manner, accelerating action in this critical decade, to achieve net zero by 2050 in keeping with the science (Decision 1/CMA5, para 28.d).
11. Much more ambition in action and support is needed in implementing domestic mitigation measures and setting more ambitious targets in *Nationally Determined Contributions* to realize existing and emerging opportunities across contexts, in order to reduce global GHG emissions by 43 per cent by 2030 and further by 60 per cent by 2035 compared with 2019 levels and reach net zero CO2 emissions by 2050 globally (Synthesis Report on the technical dialogue of the first Global Stocktake).

*Therefore,*

1. Similar to last year, AILAC underscores that the most urgent topic for discussion for the Global Dialogues under the work programme is the transition away from fossil fuels in energy systems in a just, orderly, and equitable manner.
2. It is crucial to note that energy discussions within the global dialogues have yet to address the transition away from fossil fuels. While the first global dialogue in 2023 primarily concentrated on electricity and emissions management, the critical issue of transitioning away from fossil fuels – the predominant driver of climate change – remains unexplored.
3. Transitioning away from fossil fuels hold global significance, has a major mitigation potential to 2030 and in the long term, and offers substantial potential for replication among Parties. Furthermore, this transition aligns with and enhances one of the key outcomes of the Global Stocktake, underscoring its critical importance in the broader climate agenda.
4. Pursuant to decision 1CMA/5 para. 74, the dialogue should address the urgency to support the implementation of the Paris Agreement in developing countries; recognizing that enhanced support for developing country Parties will allow for higher ambition in their actions (Decision 1CMA/5 para. 73).
5. AILAC considers that this Dialogue should be inclusive, ensuring that all views are considered, considering the best available science as well as sustainable development, poverty eradication needs and equity in line with different national circumstances.

AILAC considers that the Dialogues could include the following specific topics:

1. *Actionable recommendations focused on implementation*: A structured approach aimed to guide Parties to accelerate implementation the transition, including best practices, specific policy approaches, incentives, and actionable solutions to overcome existing barriers across infrastructure, policy, workforces, and institutions.
2. *Enablers for the transition*: Pursuant to Decision 1/CMA5, para 70, to discuss about the enablers to transition away from fossil fuels for different stakeholders, recognizing the role of the private sector, and the need to strengthen policy guidance, incentives, regulations and enabling conditions to reach the scale of investments required to achieve a global transition towards low greenhouse gas emissions and climate-resilient development.
3. *Grant-based, highly concessional finance*: Pursuant to Decision 1/CMA5, para 69, focus on solutions to scale up new and additional grant-based, highly concessional finance, and non-debt instruments, which are critical to support developing countries, particularly as they transition in a just and equitable manner, recognizing that there is a positive connection between having sufficient fiscal space, and climate action and advancing on a pathway towards low emissions and climate-resilient development.
4. *Focus on means of implementation and support*: The Dialogue should delve into solutions that truly unlock adequate and predictable financing for developing Parties; in particular those whose economy is heavily dependent on fossil fuels and have limited fiscal space to engage in the transition, to implement their mitigation commitments, aligned with New Collective Quantified Goal on Climate Finance discussions, where applicable.
5. *Examination of Infrastructure Dynamics:* Delving into the construction timelines and operational lifespans of energy infrastructure, alongside the risks associated with stranded assets, to ensure long-term sustainability and economic viability.
6. *Fossil Fuel Market Forecasts:* Analysing predictions of fossil fuel demand considering global efforts to align with the 1.5°C target, highlighting the transition's implications for both global and regional energy supplies and their providers.
7. *Competitive Pricing Analysis:* Investigating the cost-effectiveness of alternative energy sources when fossil fuel subsidies are either eliminated or redirected, providing insights into the economic landscape of a post-subsidy energy market.
8. *Subsidies and pricing schemes to accelerate the transition*: Pursuant to Decision 1/CMA5 para 28h, to discuss about the concept of efficiency in fossil fuel subsidies in the context of energy poverty and just transitions, as well as different approaches and opportunities to phase-out / phase-down fossil fuel subsidies; including by revising energy policies and legal frameworks to shift incentives away from fossil fuels, incorporating measures such as energy transition fees, levies, and charges.
9. *Fiscal Instruments for Energy Transition:* Exploring the implementation of energy transition fees, levies, and charges on fuels as strategic tools to incentivize the shift towards cleaner energy sources, including market-based instruments.
10. *Energy Security:* Analysing the operational reliability and downtime of various energy sources to assess their contribution to a stable and secure energy supply.
11. *Environmental impacts of the transition*: Such as the impacts of increasing mining for energy transition, especially in developing countries; considering that mining is one of the main sources of environmental conflicts worldwide.
12. *Co-benefits of the transition*: Such as economic diversification, public health, air quality, food security, employment, among others.
13. *Job transition and workforce development:* such as assuring that human and social dimensions are adequately addressed in the energy transition efforts. This will guarantee that workers currently employed in fossil fuel industries are not left behind as the world shifts to cleaner and more sustainable energy sources.
14. The previous topics can be arranged by allocating two days for comprehensive exploration across four thematic areas to transition away from fossil fuels in energy systems:

* Policy and Economic Frameworks for the transition
* Financing and Support Mechanisms for the transition
* Infrastructure and Market Dynamics of the transition
* Environmental and Societal Impacts of the transition

1. **Scaling up mitigation action towards conservation, protection and restoration of nature and ecosystems**

*Considering that:*

1. Parties should take action to conserve and enhance, as appropriate, sinks and reservoirs of greenhouse gases as referred to in Article 4, paragraph 1 (d), of the Convention, including forests (Paris Agreement, article 5.1).
2. Parties are encouraged to take action to implement and support, including through results-based payments, the existing framework as set out in related guidance and decisions already agreed under the Convention for policy approaches and positive incentives for activities relating to reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries; and alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests, while reaffirming the importance of incentivizing, as appropriate, non-carbon benefits associated with such approaches (Paris Agreement, article 5.2)
3. The Global Stocktake highlights the importance to ensure the integrity of all ecosystems, including in forests, the ocean, mountains and the cryosphere, and the protection of biodiversity, recognized by some cultures as Mother Earth, and noting the importance of ‘climate justice’, when taking action to address climate change (1/CMA5, preamble).
4. There is an urgent need to address, in a comprehensive and synergetic manner, the interlinked global crises of climate change and biodiversity loss in the broader context of achieving the Sustainable Development Goals, as well as the vital importance of protecting, conserving, restoring and sustainably using nature and ecosystems for effective and sustainable climate action (1/CMA5, preamble).
5. The Global Stocktake highlights the importance to conserve, protect and restore nature and ecosystems towards achieving the Paris Agreement temperature goal, including through enhanced efforts towards halting and reversing deforestation and forest degradation by 2030, and other terrestrial and marine ecosystems acting as sinks and reservoirs of greenhouse gases and by conserving biodiversity, while ensuring social and environmental safeguards, in line with the Kunming-Montreal Global Biodiversity Framework (1/CMA5, para 33).
6. Ecosystems such as forests, peatlands, wetlands, and marine environments are vital in sequestering carbon dioxide from the atmosphere, thus playing a significant role in mitigating climate change. The AR6 emphasizes that intact ecosystems are among the most effective carbon sinks, with forests alone absorbing approximately one-third of CO2 emissions from fossil fuels and industry annually.
7. Biodiversity underpins ecosystem functionality and resilience, providing essential services such as water purification, pollination, disease control, and climate regulation. The AR6 and the Global Assessment Report on Biodiversity and Ecosystem Services by IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services) both highlight the critical link between biodiversity, ecosystem services, and human well-being.
8. Accelerated actions this decade to mitigate climate change, while halting and reversing deforestation, hold global significance, especially for developing countries; with the strategies and solutions offering substantial potential for replication among Parties. Furthermore, this transition aligns with and enhances one of the key outcomes of the Global Stocktake, underscoring its critical importance in the broader climate agenda.
9. The Decision adopted by the Conference of the Parties to the Convention on Biological Diversity in 2024, in particular decision 16/22 on Biodiversity and Climate Change, establishes the importance of addressing the climate crisis and biodiversity loss in an integrated manner, and underscores that the conservation and restoration of ecosystems are essential components for climate change mitigation and adaptation.
10. According to Decision 16/22 under the Convention of Biological Diversity, it will be important to recognize the following:

* Role of ecosystems in mitigation: Protecting and restoring key habitats (forests, wetlands, mangroves, etc.) is a proven mechanism for carbon capture and storage, bringing resilience benefits for both society and biodiversity.
* Need for safeguards and participation: Mitigation actions must be based on guidelines that protect the rights of indigenous peoples and local communities, incorporating environmental and social safeguards to maximize positive impacts and prevent harm.
* Institutional and policy synergy: Decision 16/22 explicitly calls on the UNFCCC to align plans and methodologies with CBD guidelines, fostering coherence and effectiveness in international climate action and avoiding duplication or counterproductive efforts.

*Therefore,*

1. AILAC believes that The Mitigation Work Programme should encompass not only emissions of greenhouse gases; but also sinks of greenhouse gases, a strategy that is reinforced by a comprehensive understanding of the Earth’s carbon cycle and the critical role of natural sinks in stabilizing the climate, in line with the scientific insights provided by the IPCC’s Sixth Assessment Report (AR6).
2. The urgent prioritization of ecosystem protection, restoration and conservation is fundamentally justified by the intertwined crises of climate change and biodiversity loss, as underscored by the IPCC’s Sixth Assessment Report (AR6) and various international agreements, including the Paris Agreement and the Kunming-Montreal Global Biodiversity Framework, including Decision 16/22 under the Convention of Biological Diversity.

AILAC considers that the dialogues could include, among others:

1. *Ecosystem-Based Approaches to Climate Change Mitigation:* Protecting and restoring key ecosystems such as forests, peatlands, wetlands, grasslands, and coastal and marine ecosystems in sequestering carbon, enhancing resilience to climate impacts, and supporting biodiversity.
2. *Interlinkages between Biodiversity and Climate Change:* Including an overview of the symbiotic relationship between biodiversity conservation and climate change mitigation as well as case studies demonstrating the impact of high integrity and healthy ecosystems on carbon sequestration and resilience to climate impacts and fully operationalizing Article 5 of the Paris Agreement.
3. *Synergies between the UNFCCC Mitigation Work Programme and the Kunming-Montreal Global Biodiversity Framework:* Pursuant to Decision 1/CMA5 para 33, identifying and leveraging overlaps in objectives and actions; as well as strategies for integrated national planning and reporting to both frameworks as well as tools and methodologies for quantifying the climate and biodiversity benefits of conservation projects. This is particularly aligned with target 8 of the Kunming-Montreal Global Biodiversity Framework, which highlights the relation between climate change mitigation and minimizing negative and fostering positive impacts of climate action on biodiversity.
4. *Community-based Conservation and Indigenous Peoples’ Knowledge:* The role of Indigenous peoples and local communities in ecosystem conservation and climate mitigation. Integrating traditional knowledge with scientific approaches for effective conservation strategies.
5. *Financing for Ecosystem Protection and Restoration:* Overview of financial mechanisms and incentives for supporting ecosystem-based mitigation actions. Opportunities and challenges in mobilizing resources for biodiversity and climate objectives.
6. *Cryosphere conservation and climate change mitigation:* The significance of cryospheric regions in carbon sequestration and the potential of permafrost as a carbon sink and source and the role of international cooperation and policy frameworks in protecting cryospheric environments and integrating cryosphere conservation into global climate strategies.
7. *Policy Coherence and Multi-level Governance:* Enhancing alignment between national, regional, and global policies on climate and biodiversity, such as Nationally Determined Contributions and National Biodiversity Strategies and Action Plans, including case studies on effective governance models for ecosystem conservation and climate mitigation.
8. I*nnovative Technologies for Ecosystem Monitoring and Conservation:* The use of remote sensing, geographic information systems, and other technologies in monitoring ecosystem health and carbon stocks; as well as emerging technologies for enhancing conservation efforts and mitigating climate change.
9. *Stakeholder Engagement and Multi-sectoral Partnerships:* Building effective collaborations among governments, private sector, NGOs, Indigenous communities, and academia. Case studies of successful partnerships in ecosystem conservation and climate mitigation initiatives.
10. *Adaptation synergies with mitigation:* Incorporating adaptation synergies promotes a more inclusive, efficient, and impactful approach to tackling climate change and conserving biodiversity. Additionally, this topic emphasizes the importance of leveraging multiple benefits and fosters collaboration across various sectors and stakeholders.
11. The previous topics can be arranged by allocating two days for comprehensive exploration across four thematic areas about conservation, protection and restoration of nature and ecosystems:

* Policy and Economic Frameworks
* Financing and Support Mechanisms
* Ecosystem-Based Approaches and Biodiversity
* Community Involvement and Knowledge Integration