



United Nations
Climate Change



First Workshop under the Sharm el-Sheikh Dialogue on Article 2, paragraph 1(c), of the Paris Agreement, and its complementarity with Article 9 of the Paris Agreement

Co-hosted by the Office of Natural Resources and Environmental Policy and Planning under the Ministry of Natural Resources and Environment, Thailand and the United Nations Economic and Social Commission for Asia and the Pacific

United Nations Conference Centre, Bangkok, Thailand
19-20th July 2023

Background:

Article 2, paragraph 1, of the Paris Agreement states that the Agreement, in enhancing the implementation of the Convention, including its objective, aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, including by:

- (a) Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change;
- (b) Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production; and
- (c) making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development.

Article 2, paragraph 2 states that this Agreement will be implemented to reflect equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

Mandate: At CMA 4, Parties decided to launch the Sharm el-Sheikh dialogue between Parties, relevant organizations and stakeholders to exchange views on and enhance understanding of the scope of Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement. Parties

further requested the secretariat, under the guidance of the Presidency of the twenty-seventh session of the Conference of the Parties, to organize two workshops in 2023 and to prepare a report to CMA 5 on the deliberations at these workshops;¹

Background: Since 2018, the Standing Committee on Finance has conducted a technical analysis of information relevant to Article 2, paragraph 1(c) through various mandates, including a Biennial Assessment and Overview of Climate Finance Flows (BA) and most recently a synthesis of views of Parties and non-Party stakeholders and a mapping of information relevant to Article 2, paragraph 1(c). The synthesis of views, mapping of information, and the BAs, inter alia, explore the relationship of Article 2, paragraph 1(c) with Article 9 of the Agreement and the relevance of efforts related to Article 2, paragraph 1(c) to Article 9 of the Agreement.² In addition, the SCF received a mandate to continue its technical work on ways to achieve Article 2, paragraph 1(c) including options for approaches and guidelines for implementation³. Relevant recommendations by the SCF regarding Article 2, paragraph 1(c) are included in the third (2018) and fifth (2020) BA. For example, the third BA recommended the SCF to continue its work in the mapping of available data sets that integrate climate change considerations into insurance, lending and investment decision-making processes, and to include information relevant to Article 2, paragraph 1(c), of the Paris Agreement in future BAs. The fifth (2022) BA further encouraged climate finance providers to enhance their reporting on elements relevant to Article 2, paragraph 1(c), of the Paris Agreement, with a view to increasing the ability to advance work related to pathways for low-emission, climate-resilient development. Parties have shared views and positions on Article 2, paragraph 1(c) in tandem during the technical phase of the first global stocktake, that will culminate with the political consideration of outputs to take place at CMA 5.

Objectives: The objective of the first workshop under the Sharm-el Sheikh dialogue in 2023 is to provide an overview on the previous and existing work that has been undertaken in relation to Article 2, paragraph 1(c) inside and outside the intergovernmental process, as well as to elicit views, perspectives and experiences from Parties and relevant organizations and stakeholders on the scope of Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement.

Format and Participation: The first workshop under the Sharm el Sheikh dialogue will take place over two days on the 19th and 20th July at the United Nations Conference Center in Bangkok, Thailand, co-hosted by the Office of Natural Resources and Environmental Policy and Planning under the Ministry of Natural

¹ Decision 1 / CMA.4, paragraph 68

² See the 3rd (2018), 4th (2020) and 5th (2022) Biennial Assessment and Overview of Climate Finance Flows as well as the synthesis of submissions and further mapping of information related to Article 2, paragraph 1(c) of the SCF in 2022 (FCCC/CP/2022/8/Add.3–FCCC/PA/CMA/2022/7/Add.3 and FCCC/CP/2022/8/Add.4–FCCC/PA/CMA/2022/7/Add.4)

³ In accordance with paragraph 4 of the draft decision titled “Matters relating to the Standing Committee on Finance” proposed under agenda item 8(a) of CMA 4.

Resources and Environment, Thailand and the United Nations Economic and Social Commission for Asia and the Pacific. It is open to nominated Parties, relevant organizations and stakeholders for on-site participation. To ensure inclusive and broader participation, the dialogue will be held in a hybrid format.

On behalf of the CMA Presidency, Mr. Tosi Mpanu Mpanu has been appointed as the facilitator of the Sharm el-Sheikh dialogue, to guide the discussions among Parties relevant organizations and stakeholders in an inclusive, open and transparent manner. Depending on the topic, the Sharm el-Sheikh dialogue will be conducted through a range of expert presentations, panel discussions, breakout groups and interactive plenary sessions. After each session, sufficient time will be dedicated to open discussion among all participants to exchange views on the input provided and to report back on the content of discussions in breakout group settings.

The programme presents the themes and topics for discussion at the first workshop, including invited experts and speakers. It takes into account the views expressed by Parties and non-Party stakeholders in their submissions as well as the views expressed during informal consultations held with interested groups of Parties and relevant stakeholders during the fifty eight session of the Subsidiary Bodies in Bonn in June 2023. The deliberations during the first workshop will also serve to inform the topics of discussion during the second workshop under the Sharm el-Sheikh Dialogue in October 2023.

A summary report on the deliberations at both workshops will be prepared by the secretariat under the guidance of the Presidency, for consideration by the CMA at its fifth session.

Programme

Day 1 – Wednesday 19 th July 2023		
Time	Agenda Item	Guiding questions / content
• 08:30-08:50	<p>Welcoming Remarks</p> <ul style="list-style-type: none"> • Ambassador Mohamed Nasr, COP27 lead negotiator • Daniele Violetti, UNFCCC Secretariat <p>Opening Remarks</p> <ul style="list-style-type: none"> • Ambassador Tosi Mpanu Mpanu, Facilitator of the Sharm el-Sheikh Dialogue 	
• 08:50-09:00	<p>Keynote interventions on the ways Article 2, paragraph 1c), of the Paris Agreement may complement Article 9</p> <ul style="list-style-type: none"> • Dr. Mahmoud Mohieldin, High-level Champion for COP27 	
• 09:00-09:30	<p>Scene-setting presentation Overview of SCF work on matters relating to Article 2.1(c) and its complementarity with Article 9 in the UNFCCC process</p> <ul style="list-style-type: none"> • Chandni Reina and Kevin Adams, SCF co-facilitators on work relating to Article 2, paragraph 1(c), of the Paris Agreement 	
• 09:30-09:45	Coffee Break	
• 09:45-11:30	<p>Panel discussion on Parties' perspectives on the scope of Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9</p> <ul style="list-style-type: none"> • Richard Sherman, South Africa • Mohammad Ayoub, Saudi Arabia • Outi Honkatukia, EU • Gabriela Blatter, Switzerland <p>Ensuing Q&A and open and interactive discussion inviting further Party and stakeholder views Moderator: Preety Bhandari, World Resources Institute (WRI)</p>	<ul style="list-style-type: none"> • <i>What is the scope of Article 2.1(c) to support the the Paris Agreement and what is its complementarity with Article 9?</i> • <i>What principles, guiding frameworks or criteria are key to enable progress towards implementation of Article 2.1(c)?</i> • <i>How can the UNFCCC process reflect the coherent delivery of the two articles?</i>

• 11:30-13:00	Lunch break	
• 13:00 – 13:30	Keynote interventions on the ways Article 2, paragraph 1(c), of the Paris Agreement may complement Article 9 <ul style="list-style-type: none"> • Masyita Crystallin, Special Advisor to the Minister of Finance Republic of Indonesia on Macroeconomic and Fiscal Policy and Sherpa for the Coalition of Finance Ministers for Climate Action • Richard Kozul-Wright, UNCTAD, Director Globalisation and Development Strategies Division (virtual) 	
• 13:30-14:45	Breakout group discussions on perspectives on the complementarity of Article 2, paragraph 1(c), of the Paris Agreement with Article 9 <ul style="list-style-type: none"> • In-person and virtual Breakout groups 	<ul style="list-style-type: none"> • <i>What is the scope of Article 2.1(c) to support the Paris Agreement, in particular its complementarity with Article 9?</i> • <i>What are the roles of different actors, Parties and Non-Party stakeholders in contributing to implementation of Article 2.1(c) of the Paris Agreement and its complementarity with Article 9?</i> • <i>How do Parties and non-Party stakeholders understand complementarity of Article 2.1(c) with Article 9 of the Paris Agreement?</i>
• 14:45-15:00	Coffee Break	
• 15:00-16:15	Report-back on the breakout group discussions (morning session) Open and interactive Plenary discussion	
• 16:15-16:30	Closing and outlook on Day 2 <ul style="list-style-type: none"> • Ambassador Tosi Mpanu Mpanu, Facilitator of the Sharm el-Sheikh Dialogue 	

Day 2: Thursday, 20th July

Time	Agenda Item	Guiding questions / content
• 08:30-08:45	Welcoming remarks by the facilitator including recap of Day 1	

<ul style="list-style-type: none"> • 08:45-10:00 	<p>Panel discussion on <i>ongoing public and private sector efforts relevant to making finance flows consistent with the Paris Agreement, including challenges in implementation and its complementarity with Article 9</i></p> <ul style="list-style-type: none"> • Ambassador Janine Felson, Government of Belize • Goh Gek Choo, Network of Greening the Financial System (NGFS) • Christian Ellermann, Asian Development Bank (ADB) • Monica Bae, AIGCC Director of Investor Practice • Nirnita Talukadar, UNEP – FI Regional Coordinator for Asia and the Pacific <p>Ensuing Q&A inviting further Party and stakeholder views</p> <p>Moderator: Nick Robins, London School of Economics and Political Science (LSE)</p>	<ul style="list-style-type: none"> • <i>How is consistency identified, including appropriate pathways towards low greenhouse-gas climate resilient development?</i> • <i>What are the challenges encountered in implementation related to Article 2.1(c)?</i> • <i>What are potential opportunities and best practices to address in implementation related to Article 2.1(c), and how can it best support complementarity with Article 9?</i> • <i>What is the role of ongoing public and private sector efforts related to Article 2.1(c), in supporting the delivery of NDCs, NAPs, and other national climate plans?</i>
<ul style="list-style-type: none"> • 10:00-10:15 	<p>Coffee Break</p>	
<ul style="list-style-type: none"> • 10:15 – 11:30 	<p>Breakout group discussions on the experiences and perspectives on <i>policies, levers and incentives in achieving Article 2.1(c), and their complementarity with Article 9</i></p> <ul style="list-style-type: none"> • In-person and virtual Breakout groups 	<ul style="list-style-type: none"> • <i>How can government policies and tools support pathways towards low greenhouse gas, climate resilient development, including to realize NDCs, NAPs and other national climate plans?</i> • <i>What is the role of fiscal incentives and levers, including subsidies and taxation that support progress on Article 2.1(c) and complementarity with Article 9?</i> • <i>What challenges are associated with government efforts on the domestic and international level, and what are potential solutions?</i>
<ul style="list-style-type: none"> • 11:30-13:00 	<p>Lunch break</p>	
<ul style="list-style-type: none"> • 13:00-14:15 	<p>Expert panel on <i>measuring collective progress of Article 2, paragraph 1(c), of the Paris Agreement, including for public and private finances on the domestic and international level, and with regard to Article 9</i></p>	<ul style="list-style-type: none"> • <i>How might consistency be identified, including appropriate pathways towards low greenhouse-gas climate resilient development?</i>

	<ul style="list-style-type: none"> • 2 expert presentations <ul style="list-style-type: none"> ○ Charlene Watson, Overseas Development Institute ○ Jolien Noels, OECD • 2 country level case study presentations with respective focus on domestic flows and international flows <ul style="list-style-type: none"> ○ Samson Mbewe, SouthSouthNorth ○ Sandra Guzman, GFLAC <p>Moderator: Nick Robins, London School of Economics and Political Science (LSE)</p>	<ul style="list-style-type: none"> • <i>What are the challenges encountered in measuring collective progress related to Article 2.1(c), including for monitoring, reporting and verification of efforts?</i> • <i>What are potential opportunities and best practices in implementation and measuring collective progress related to Article 2.1(c)?</i>
• 14:15-14:30	Coffee Break	
• 14:30-15:00	Report-back on the breakout group discussions (morning session)	
• 15:00-16:00	Plenary session: Looking forward to the second workshop under the Sharm el-Sheikh Dialogue	<p>Guiding question along two dimensions:</p> <ul style="list-style-type: none"> • <i>What are the key themes, topics, and issues the second workshop should address?</i> • <i>What are the linkages of the Sharm el-Sheikh Dialogue and Article 2.1(c) inside and outside of the intergovernmental process?</i>
• 16:00-16:30	<p>Closing remarks and outlook on the second workshop</p> <ul style="list-style-type: none"> • Ambassador Tosi Mpanu Mpanu, Facilitator of the Sharm el-Sheikh Dialogue • Ambassador Mohamed Nasr, COP27 lead negotiator 	