

## The United Kingdom of Great Britain and Northern Ireland's submission to the United Nations Framework Convention on Climate Change on the Sharm El-Sheikh Dialogue Workshops

The United Kingdom of Great Britain and Northern Ireland is pleased to provide its views on matters relating to the workshops of 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.

### Context

The UK would like to reiterate that accelerating the achievement of Article 2 of the Paris Agreement, and its complementarity with Article 9, is essential to support efforts to limit the temperature increase to 1.5 °C<sup>1</sup>. The science shows us that urgent action must be taken<sup>2</sup>.

The delivery of Article 2 is central to the framing of the Paris Agreement, with paragraph 1(a)<sup>3</sup> and paragraph 1(b)<sup>4</sup> having been a key focus of climate action to date. However, despite the window for action reducing, there has been a lack of progress with developing options for the implementation of Article 2, paragraph 1(c)<sup>5</sup>. It is only with increased focus on Article 2, paragraph 1(c) that paragraphs 1(a) and 1(b) can be delivered upon, by ensuring that financial flows are consistent with the green transition and the delivery of the Paris goals. By focussing on Article 2, paragraph 1(c) new investment can be unlocked and harmful finances can be realigned, thereby shifting finance flows and meeting the mobilisation needs of the Paris Agreement.

The UK does not consider that the delivery of Article 2, paragraph 1(c) should in any way supersede the delivery of Article 9 of the Paris Agreement. Article 9 remains central to the delivery of the Paris Agreement, with commitments under Article 9 fundamental to meeting the Paris Agreement's objectives and limiting the temperature increase to 1.5 °C. The Sharm el-Sheikh Dialogue presents a key opportunity to address the relatively limited action we have seen on Article 2, paragraph 1(c), ensuring it is progressed in line with delivery against Article 9 of the Paris Agreement. The wide scope of the mandate for the Sharm el-Sheikh dialogue<sup>6</sup> provides ample opportunity to cover both technical and political interests in discussions, building on the work the Standing Committee on Finance is undertaking in the technical space.

There should be clear distinction between the delivery of the Sharm el-Sheikh dialogue against its mandate and other workstreams which support the delivery of Article 2, paragraph 1(c), including the New Collective Quantified Goal and the Global Stocktake. Standalone engagement is needed to determine how to create policy conditions to drive more green investment, how to realign existing

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<sup>1</sup> 1/CMA.3

<sup>2</sup> [AR6 Synthesis Report: Climate Change 2023](#)

<sup>3</sup> Commits to pursuing efforts to keep the global average temperature increase to 1.5°C and to hold the increase well below 2°C

<sup>4</sup> Commits to responding to the threat of climate change by increasing the ability to adapt to its adverse impacts, and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production

<sup>5</sup> Commits to responding to the threat of climate change by making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development

<sup>6</sup> 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.

flows and how to meet any quantitative target, whilst also to understand the impact of delivery across society and to deep dive the policy actions required to make progress. Whilst associated workstreams (such as the Global Stocktake and the NCQG) will consider all goals of the Paris Agreement, specific focus must be given to Article 2, paragraph 1(c) to complement and inform these other workstreams. The Sharm el-Sheikh dialogue provides the forum to consider Article 2, paragraph 1(c).

#### Scope and Focus of Each Workshop

These workshops provide a unique space to collaboratively engage on establishing the next steps on delivery of Article 2, paragraph 1(c) and how it will operate alongside Article 9. To ensure constructive discussions on the detail of delivery of Article 2.1c, the UK strongly recommends that these workshops are structured in a manner that fosters trust and collaboration between Parties, and that does not replicate negotiations. Such negotiations should be conducted under any future agenda item (which has yet to be agreed).

The dialogue this year and any future engagement on Article 2, paragraph 1(c) should consider public, private, domestic and international financial flows and their alignment with climate targets. On this basis, the UK proposes the following structure for the upcoming workshops:

**1. Workshop 1: July 2023, Bangkok**

Initial focus on the scope of Article 2, paragraph 1(c) would facilitate a fuller understanding of the objectives of the article. This would include focus on its complementarity with Article 9 and would provide a good basis for engagement on Article 2, paragraph 1(c)'s delivery in the second workshop. Participants should discuss in detail how commitments under Article 9 support the delivery of Article 2, paragraph 1(c), and what the scope of Article 2, paragraph 1(c) encapsulates and the goals of the Paris Agreement. Where possible non-party stakeholders should have the opportunity to attend this workshop, facilitating greater engagement non-party stakeholders and their involvement in the full process.

**2. Workshop 2: Autumn 2023, Geneva**

Given our understanding that this workshop will run alongside key events which non-party stakeholders will be seeking to attend, the UK considers this a key opportunity to engage with non-party stakeholders on the delivery of Article 2, paragraph 1(c), supported by the framing with Article 9 discussed in the first workshop. This workshop should consider the scope for delivery of Article 2, paragraph 1(c), bringing in the private sector to these discussions. Discussions should include how international private finance can be aligned, both through North-South and South-South flows, and crucially must consider mainstreaming climate considerations in domestic spending and public budgetary processes, setting regulation and supervision of the financial sector to ensure investors account for risks.

#### Expectations from the Workshops

To facilitate workshops that foster collaboration and clear outcomes, the UK would promote a format which facilitates smaller groups engaging on targeted questions. Examples can be taken from the World Café style discussions as a part of the Global Stocktake, and the working groups which have taken place in recent technical expert dialogues for the New Collective Quantified Goal. Attention should be given to ensure a diverse range of views are shared, with different genders, regions, and groupings being represented.

Given the diverse range of views anticipated at these workshops, the UK expects that the resulting report will facilitate a future agenda item on the delivery of Article 2, paragraph 1(c). Within this, the focus should be given to how Article 2, paragraph 1(c) fits within the wider objectives of the Paris Agreement. Attention should further be given to:

- the space needed to determine how to create the necessary policy conditions to promote delivery of affected workstreams;
- the policy tools required to drive more green investment;
- how to realign existing flows and meet any future quantitative realignment target; and
- how space for tracking and reporting against Article 2, paragraph 1(c) should be included within future workstreams.

Should such an agenda item be agreed, given its importance in the future delivery of the Paris Agreement, the UK considers that two co-facilitators (following the usual guidelines on gender and inclusivity) should be appointed for formal negotiations. Despite our confidence that the current workshops will be exemplarily led by a single co-facilitator, our position remains that regardless of nationality it is best for two co-facilitators to lead delivery of agenda items.

#### Suggestions for the facilitator in promoting progress

The UK expects that the facilitator will develop and publish a workplan for the dialogue ahead of the first workshop in July, including the structure and subject matters to be covered in each of the workshops, and clear and succinct guiding questions circulated well in advance. The facilitator should work with the Secretariat to ensure a compilation and synthesis of Party submissions are prepared in advance of the workshops so these can inform deliberations. Following each workshop, information should be provided on the discussions held and present actionable options on the way forward.

Whilst the UK would promote future consultations on delivery of the next workshop and a potential agenda item, any such consultation should not increase divisions between parties by being held on the basis of a developed-developing party split. The UK notes with concern that when separate consultations were held previously, some developing parties were not invited to their relevant consultation. Future discussions which do not promote such a split will support all party participation and facilitate improved understanding of positions between groups.

To support the engagement of non-party stakeholders, the dates and location of the second workshop should be published as soon as possible.

The UK would like to thank the facilitator and secretariat in advance, and we look forward to engaging with Parties on this important topic.