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Administrative, financial and institutional matters

2023 secretariat activities, programme delivery highlights and financial performance

Annual report by the secretariat*

Summary

The secretariat's 2023 annual report has been prepared in response to the mandate contained in decision 21/CP.23, paragraph 18. It provides an overview of the secretariat's activities, key achievements in the UNFCCC process and financial data for 2023.

* This document was scheduled for publication after the standard publication date owing to circumstances beyond the submitter's control.



Abbreviations and acronyms

AC	Adaptation Committee
ACE	Action for Climate Empowerment
Annex I Party	Party included in Annex I to the Convention
BR	biennial report
BTR	biennial transparency report
CDM	clean development mechanism
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CMP	Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
COP	Conference of the Parties
CTCN	Climate Technology Centre and Network
ETF	enhanced transparency framework under the Paris Agreement
GCA portal	global climate action portal (NAZCA)
GCF	Green Climate Fund
GHG	greenhouse gas
GST	global stocktake
ITL	international transaction log
KCI	Katowice Committee of Experts on the Impacts of the Implementation of Response Measures
LCIPP	Local Communities and Indigenous Peoples Platform
LDC	least developed country
LEG	Least Developed Countries Expert Group
LT-LEDS	long-term low-emission development strategy(ies)
NAP	national adaptation plan
NCQG	new collective quantified goal on climate finance
NDC	nationally determined contribution
REDD+	reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks (decision 1/CP.16, para. 70)
SB	sessions of the subsidiary bodies
SBI	Subsidiary Body for Implementation
TEC	Technology Executive Committee
Transitional Committee	transitional committee on the operationalization of the new funding arrangements for responding to loss and damage and the fund established in paragraph 3 of decisions 2/CP.27 and 2/CMA.4

I. Introduction

A. Mandate

1. COP 23 requested the secretariat to prepare and make available an annual report, to be considered at each session of the SBI following the closure of the preceding financial year, providing information on the secretariat's activities in the preceding year, programme delivery highlights and financial performance.¹ The annual reports should facilitate the understanding of a broad range of stakeholders and interested observers with regard to what the secretariat is delivering and the challenges it is facing, and thus provide the public, the media and non-governmental organizations with information on the UNFCCC process.²

B. Scope of the document

2. This document provides a summary of the activities of the secretariat and key achievements in the UNFCCC process in 2023, particularly their impact on the implementation of the Convention, the Kyoto Protocol and the Paris Agreement. It also provides an outlook for 2024–2025.

II. Secretariat activities and key achievements in 2023

A. Overview

3. 2023 marked several crucial milestones in the intergovernmental climate change process, including the conclusion of the first GST, the operationalization of the Fund referred to in decisions 1/CP.28 and 5/CMA.5, and the adoption of a framework for the global goal on adaptation under the Paris Agreement.

4. At COP 28 Parties agreed to ratchet up climate action in this critical decade as part of the outcome of the first GST,³ This was the result of a two-year process involving a series of technical dialogues, consultations, reports, high-level meetings and written submissions aimed at ensuring that the outcome of the GST was as comprehensive and inclusive as possible. As the GST decision covers all areas that were under negotiation, it can now be used by Parties to develop ambitious NDCs for the next round of submissions, due by early 2025.

5. The critical need for all countries to take rapid and large-scale climate action towards a transformation of all systems, sectors and industries is reinforced by the Sixth Assessment Report of the Intergovernmental Panel on Climate Change⁴ in the context of the Paris Agreement goal to limit the global average temperature increase to well below 2 °C and pursue efforts to limit the increase to 1.5 °C above pre-industrial levels.

6. The secretariat facilitated work undertaken by the COP 27 and 28 Presidencies, the Chairs of the subsidiary bodies, constituted bodies, and delegates and Party representatives in the lead-up to and during COP 28. Specifically, the secretariat:

(a) Facilitated intergovernmental engagement in responding to climate change by providing effective organizational, process, technical, legal and substantive support for work related to enhancing ambition, strengthening resilience, building trust and implementing commitments;

(b) Enabled the constituted bodies to fulfil their mandates;

¹ Decision 21/CP.23, para. 18.

² As per document FCCC/SBI/2016/INF.14, para. 37.

³ Decision 1/CMA.5, para. 6.

⁴ Available at <https://www.ipcc.ch/ar6-syr/>.

- (c) Managed data and information repositories in support of the intergovernmental process;
- (d) Facilitated stakeholder engagement in the UNFCCC process and climate action;
- (e) Oversaw and managed its resources effectively.

B. Delivery of the secretariat work programme

7. While the secretariat fully delivered on critical activities, unpredictable supplementary funding impacted the scope and timing of implementation. This affected activities across the secretariat and highlighted the dependence on an unsustainable and unpredictable funding model.

8. The following are just a few examples of how funding issues have had an immediate impact on the delivery of mandates in 2023. Despite fundraising efforts, the secretariat did not receive resources in a timely and predictable manner to pay for the development of the ETF tool; similarly, no funding was made available for the Transitional Committee until late 2023. Despite outreach by the secretariat and contributions by several Parties, the support available from the trust fund for participation in the UNFCCC process was insufficient. Lack of predictable funding for established work programmes on ACE and gender has put sustainable staffing levels at risk, thereby jeopardizing the quality and effectiveness of the mandated deliverables. Owing to lack of funds and capacity shortages, the communications team was sometimes unable to fully capitalize on success stories and achievements, including in relation to the wide-ranging work of the constituted bodies and progress under various agenda items, which could have been used to promote the UNFCCC process as a driver of global climate action. Lack of funds also limited the delivery of multilingual content, meaning that parts of the global audience did not receive accurate and timely information in their language about the UNFCCC process or developments at COP 28. Lack of funds also delayed the conclusion of the policy review process, which is aimed at creating a clear institutional regulatory framework for the secretariat, particularly in regard to its administrative issuances and delegation of authority.

9. Efforts are under way to address these challenges by reprioritizing resources (despite endeavours to identify supplementary funding), which will again – and increasingly so – affect the secretariat’s ability to deliver on mandated activities, including in 2024. These are the secretariat’s main activities implemented and key achievements attained in 2023 in spite of these challenges.

1. Taking stock, enhancing ambition and ensuring just transition

10. Under the outcome of the first GST agreed at COP 28, Parties committed to ratcheting up climate action by the end of the decade, with the overarching aim of keeping the global temperature limit of 1.5 °C within reach. Parties were called on to contribute to global efforts to, inter alia, triple renewable energy capacity and double energy efficiency improvements by 2030, accelerate efforts towards the phase-down of unabated coal power, phase out inefficient fossil fuel subsidies, and transition away from fossil fuels in energy systems, in a just, orderly and equitable manner,⁵ with developed countries continuing to take the lead.

11. CMA 5 agreed on the elements for the operationalization of the United Arab Emirates just transition work programme following two informal consultations at SB 58 and 59, and a workshop ahead of SB 59. The work programme will be operationalized through contact groups and dialogues. The first high-level ministerial round table on just transition, held at COP 28, helped set the political direction for the work programme and served as a platform for highlighting the importance of this topic for Parties.

12. The four regional climate weeks helped to build momentum ahead of COP 28 and informed the outcome of the first GST. The 2023 climate weeks, which were held in Kenya,

⁵ Decision 1/CMA.5, para. 28.

Malaysia, Panama and Saudi Arabia, attracted some 26,000 participants across 900 sessions, including 80 mandated UNFCCC events.⁶

2. Reducing emissions

13. The Sharm el-Sheikh mitigation ambition and implementation work programme, which complements the GST, is a key tool supporting the implementation of Parties' NDCs. It got under way in 2023 with the appointment of two co-chairs, who decided that the dialogues taking place under it in 2023 would focus on accelerating the just energy transition.

14. The first global dialogue and investment-focused event under the Sharm el-Sheikh mitigation ambition and implementation work programme took place in June 2023 in conjunction with SB 58,⁷ with discussions on, inter alia, addressing financial, technological and capacity-building needs, such as through international cooperation, including with non-Party stakeholders, and provision of support to developing countries. The second global dialogue and investment-focused event,⁸ held in October 2023, focused on accelerating the just energy transition in transport systems. In accordance with paragraph 15 of decision 4/CMA.4, the secretariat published a report on each of the two global dialogues held in 2023, which were compiled into an annual report.⁹

15. The second high-level ministerial round table on pre-2030 ambition took place during COP 28, with discussions focusing on how to achieve the long-term temperature goal of the Paris Agreement.¹⁰ The event presented an opportunity to help decide the global direction on pre-2030 mitigation ambition and implementation; in addition to contributing to an ambitious outcome from COP 28 on mitigation, the discussions helped to frame the decisions on the GST and the guidance for the next round of NDCs, which are due to be submitted by early 2025.

16. As requested in the Glasgow Climate Pact,¹¹ the secretariat published an annual update to the NDC synthesis report in 2023,¹² which analyses the NDCs of 195 Parties to the Paris Agreement, including 20 new or updated NDCs submitted since the 2022 report, recorded in the NDC registry as at 25 September 2023. The report found that national climate action plans remain insufficient to limit the rise in global temperature to 1.5 °C and meet the goals of the Paris Agreement.

17. In addition, the secretariat prepared the second synthesis report on LT-LEDS,¹³ which indicates that the GHG emissions of Parties that communicated LT-LEDS could be some 63 per cent lower in 2050 than in 2019 if all LT-LEDS are fully implemented in a timely manner. The Parties that communicated the latest available LT-LEDS, which represent 75 Parties to the Paris Agreement, accounted for 87 per cent of the world's gross domestic product, 68 per cent of the global population and some 77 per cent of global GHG emissions in 2019. The report notes, however, that many net zero targets remain vague and may result in the postponement of critical action that needs to be taken now.

18. 2023 saw several achievements under the workstream for Article 6, paragraph 2, of the Paris Agreement, including multiple workshops and technical papers aimed at improving Parties' understanding of technically complex issues related to authorization, reporting and infrastructure under Article 6, paragraph 2. In addition, as an interim solution, a centralized accounting and reporting platform was launched, enabling Parties to submit reports relating to their cooperative approaches. As at December 2023, four initial reports had been

⁶ See <https://unfccc.int/climate-action/regional-climate-weeks#2023>.

⁷ See <https://unfccc.int/event/first-global-dialogue-and-investment-focused-event-under-the-sharm-el-sheikh-mitigation-ambition-and>.

⁸ See <https://unfccc.int/event/second-global-dialogue-and-the-second-investment-focused-event-under-the-sharm-el-sheikh-mitigation>.

⁹ FCCC/SB/2023/8.

¹⁰ See <https://unfccc.int/event/2023-annual-high-level-ministerial-roundtable-on-pre-2030-ambition>.

¹¹ Decision 1/CMA.3, para. 30.

¹² FCCC/PA/CMA/2023/12.

¹³ FCCC/PA/CMA/2023/10.

submitted. In addition, a draft Article 6 manual¹⁴ was published to help Parties navigate various reporting arrangements under Article 6, paragraph 2, of the Paris Agreement.

19. Under the workstream for Article 6, paragraph 4, of the Paris Agreement, the Supervisory Body for the mechanism established by Article 6, paragraph 4, of the Paris Agreement advanced its work to expedite the operationalization of the mechanism. The Supervisory Body also made progress on developing regulations that will be key to the eventual functioning of the mechanism. Negotiations on Article 6, paragraphs 2 and 4, of the Paris Agreement aimed at finalizing the remaining technical elements were not concluded at COP 28 and will continue at COP 29.

20. Under the workstream for Article 6, paragraph 8, of the Paris Agreement, a test version of the online platform for non-market approaches was introduced to Parties during COP 28.

21. The secretariat continued its role in ensuring the accurate accounting of the issuance, holding and acquisition of certified emission reductions under the CDM. As expected, there was a sharp drop (48 per cent) in the issuance of certified emission reductions between 2023 and 2022, falling from 150 million to 78 million, the lowest amount issued since 2019. There was also a sharp drop in the number of certified emission reductions voluntarily cancelled (21.9 million in 2023, down from 41.7 million in 2022).

22. The secretariat also supported the work of the KCI and the forum on the impact of the implementation of response measures in the areas of just transition, economic diversification and impacts of mitigation actions. The KCI prepared a report¹⁵ compiling case studies that illustrate how the shift to a low-carbon economy can unlock new jobs and opportunities, while ensuring social and economic fairness, and published a technical paper¹⁶ describing the economic and social impacts of emerging industries and businesses involving the use of hydrogen; carbon capture, utilization and storage technologies; and artificial intelligence. The secretariat also organized a workshop in Thailand that provided hands-on training to experts from the Asia-Pacific region on assessment tools that support NDC implementation,¹⁷ in addition to events held during SB 58 and 59, COP 28 and regional climate weeks.

23. The six UNFCCC regional collaboration centres¹⁸ helped to boost regional preparedness for the full implementation of the Paris Agreement, including through capacity-building and training activities aimed at helping countries to develop and implement NDCs and LT-LEDs, participate in Article 6 activities, access climate finance, formulate NAPs and strengthen adaptation measures, and enhance their reporting under the ETF. Other activities carried out by the centres in 2023 included holding regional dialogues on carbon pricing, training on Article 6 implementation and a Designated National Authorities Forum during the four regional climate weeks; organizing a series of regional webinars on Article 6; and publishing two studies on carbon pricing instruments in Nigeria and LT-LEDs in Africa.

3. Strengthening resilience

24. COP 28 opened with a historic agreement on the operationalization of the new funding arrangements for responding to loss and damage, including a new fund under the UNFCCC, in the first substantive decision to be adopted on the first day of a session of the COP.¹⁹ The Fund referred to in decisions 1/CP.28 and 5/CMA.5, which will be operated by the World Bank, has already received pledges totalling approximately USD 661 million. The decisions

¹⁴ Available at <https://unfccc.int/documents/634354>.

¹⁵ KCI. 2023. *Implementation of just transition and economic diversification strategies: a compilation of best practices from different countries*. Bonn: UNFCCC. Available at <https://unfccc.int/documents/624596>.

¹⁶ KCI. 2023. *Impacts of Emerging Industries and Businesses: Hydrogen, Carbon Capture Utilisation and Storage and Artificial Intelligence*. Bonn: UNFCCC. Available at <https://unfccc.int/documents/632556>.

¹⁷ See <https://unfccc.int/event/RM-AsiaPacificWorkshop-Bangkok-2023>.

¹⁸ See <https://unfccc.int/RCCs>.

¹⁹ Decision 1/CP.28.

also established an annual high-level dialogue on coordination and complementarity of the new funding arrangements.

25. This major achievement is in large part due to the work of the secretariat-supported Transitional Committee throughout 2023. Five meetings of the Committee were held between March and October 2023, with two workshops enhancing those meetings by advancing discussions on specific themes, including action to address loss and damage arising from extreme weather and slow onset events, sources and instruments of loss and damage funding, and options for operationalizing the new fund and funding arrangements. The meetings and workshops were attended by a technical support unit convened by the Executive Secretary, which included seconded staff from United Nations agencies and multilateral climate funds and development banks. The secretariat's successful organization of these events and the publication of associated documents provided momentum and shared understanding on this issue and thereby opportunity for Parties to find agreement.

26. The secretariat organized three regional scoping workshops on loss and damage, for the Latin America and Caribbean, Africa and Asia-Pacific regions, under the Santiago Network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change.²⁰ The workshops helped developing countries to articulate their needs for technical assistance to address major climate impacts, particularly in relation to loss and damage resulting from extreme hydrometeorological events and hydrometeorological hazards.

27. CMA 5 agreed on targets for the global goal on adaptation and adopted the United Arab Emirates Framework for Global Climate Resilience, setting adaptation targets around food, water, health, ecosystems and biodiversity, infrastructure and human settlements, poverty and livelihoods, and cultural heritage, as well as four targets around the adaptation cycle.²¹ The secretariat organized eight workshops and produced associated documents prior to COP 28, thereby facilitating agreement on the outcome on the global goal on adaptation. The work under the global goal will continue with a new two-year work programme, where a key area of focus will be identifying and, as needed, developing indicators and potential quantified elements for those targets.

28. The AC concluded its first series of regional workshops and issued its 2023 annual report²² and other key deliverables after its 24th meeting, held in October 2023.²³ The AC will continue to contribute to efforts to increase ambition in and enhance adaptation action and support, and to promote coherent implementation of effective action on adaptation. The AC published a technical paper on monitoring and evaluation systems,²⁴ drawing on good practice examples, and started collaborating on a publication to help Parties establish or strengthen such systems within the context of NAPs. In addition, it released a policy brief²⁵ on integrating gender-responsive adaptation actions into climate strategies, committing to take into account gender considerations in all activities. The Committee engaged with other adaptation-related bodies to support the work of the NAP task force and address capacity gaps in accessing adaptation funding.

29. Accelerating the formulation and implementation of NAPs is an ongoing priority when it comes to supporting developing countries. At its 44th meeting,²⁶ the LEG reviewed its work in assisting the LDCs with developing and submitting project proposals related to implementing adaptation priorities associated with their NAPs. The LEG released major publications on areas such as progress in the formulation and implementation of NAPs²⁷ and

²⁰ Information on the three workshops can be found at <https://unfccc.int/event/SN-LAC>, <https://unfccc.int/event/SN-Africa> and <https://unfccc.int/event/SN-AsiaPacific> respectively.

²¹ Decision 2/CMA.5.

²² FCCC/SB/2023/5.

²³ See <https://unfccc.int/event/AC-24>.

²⁴ AC. 2023. *Monitoring and evaluation of adaptation at the national and subnational levels: Technical paper by the Adaptation Committee*. Bonn: UNFCCC. Available at <https://unfccc.int/node/632792>.

²⁵ AC. 2023. *Progress, good practices and lessons learned in prioritizing and incorporating gender-responsive adaptation action*. Bonn: UNFCCC. Available at <https://unfccc.int/node/632770/>.

²⁶ See document FCCC/SBI/2023/17.

²⁷ LEG. 2023. *National Adaptation Plans 2023: Progress in the formulation and implementation of NAPs*. Bonn: UNFCCC. Available at <https://unfccc.int/documents/635394>.

available sources of finance, and published an updated catalogue of adaptation projects in the LDCs aimed at facilitating the implementation of NAPs.²⁸ These publications will help to inform the next round of the assessment of progress in formulating and implementing NAPs, which will be conducted in 2024.

30. The LEG, with the support of the secretariat, helped the 46 LDCs to identify project ideas for implementing their NAPs and develop them into funding proposals for submission to the GCF and other sources of financial support. At as 31 December 2023, 40 LDCs had developed 92 project ideas that will be further developed into concept notes and project proposals to be submitted for funding. Four countries successfully developed their project ideas into concept notes, two of which were submitted to the GCF (Central African Republic and Togo) and two to the Least Developed Countries Fund (Bhutan and Rwanda). Six project ideas from four other LDCs (Burkina Faso, Ethiopia, Madagascar and Sudan) have been developed into concept notes and are yet to be submitted for funding.

31. The work of the Facilitative Working Group of the LCIPP played a crucial role in strengthening resilience in 2023, including through various workshops, meetings and events. For example, at the two events organized under the workplan of the LCIPP, held in the Arctic²⁹ and Pacific³⁰ regions, participants suggested strategies and techniques, anchored in Indigenous values and knowledge systems, for reducing GHG emissions and building climate resilience. Ahead of COP 28, two training workshops³¹ were held on advancing meaningful participation of Indigenous Peoples and local communities in the UNFCCC process.

32. In 2023, adaptation-related constituted bodies contributed to workshops on the global goal on adaptation and to the technical dialogue of the first GST.

4. Enhancing transparency

33. The process of the reporting, preparation, submission, technical review and analysis of information from Parties is at the core of transparency and accountability, and plays a key role in building trust in the efforts to limit the global temperature increase to 1.5 °C.

34. The 20th meeting of GHG inventory lead reviewers and the 10th meeting of BR and national communication lead reviewers were held jointly in February 2023,³² with a focus on preparing for the ETF. In October 2023, Andorra submitted the first BTR under the Paris Agreement, more than a year ahead of the deadline, demonstrating political will and a firm commitment to meeting reporting obligations under the Paris Agreement.

35. Ten reviews of annual submissions of GHG inventories by Annex I Parties took place in 2023. In addition, Australia submitted its first national inventory report following the modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement.³³ The secretariat conducted the first simplified review taking into consideration the simplified review procedures developed by the lead reviewers and published the review report.³⁴

36. Twenty-nine in-country reviews of national communications and BRs of Annex I Parties took place in 2023, focusing on the achievement of 2020 quantified economy-wide emission reduction targets, implementation of mitigation actions, and financial, technological and capacity-building support provided to developing country Parties. In addition, the secretariat published the compilation and synthesis of the fifth BRs of Annex I Parties,³⁵ which highlights key findings.

²⁸ LEG. 2024. *Climate change adaptation project profiles from the Least Developed Countries*. Bonn: UNFCCC. Available at <https://unfccc.int/documents/636739>.

²⁹ See <https://lcipp.unfccc.int/events/lcipp-arctic-regional-gathering>.

³⁰ See <https://lcipp.unfccc.int/events/lcipp-pacific-regional-gathering>.

³¹ See <https://lcipp.unfccc.int/events/virtual-training-workshop-module-3-back-back-informal-contributors-briefing-nov-2023-session-1> and <https://lcipp.unfccc.int/events/virtual-training-workshop-module-3-back-back-informal-contributors-briefing-nov-2023-session-2>.

³² See <https://unfccc.int/event/2023-meeting-of-lead-reviewers-in-preparation-for-the-etf>.

³³ As contained in decisions 18/CMA.1 and 5/CMA.3.

³⁴ Available at <https://unfccc.int/documents/633086>.

³⁵ FCCC/SBI/2023/INF.7/Add.1.

37. The secretariat coordinated seven rounds of technical analysis of biennial update reports from developing countries, four of which contain technical annexes with REDD+ results, for 24 Parties. In addition to facilitating dialogue between international experts and Parties, and identifying capacity-building needs and areas of improvement, this process enables developing countries to assess their readiness for the ETF.

38. The secretariat organized the 10th meeting of the Consultative Group of Experts, held in October 2023,³⁶ when the group took stock of its key activities in 2023, including the publication of a report assessing capacity-building needs and a report on its regional hands-on training workshops held in 2022 and 2023.³⁷

39. During COP 28, the CMA requested the secretariat to raise awareness of opportunities for support for reporting under the Paris Agreement; ensure that technical support and training sessions are made available to developing country Parties for reporting under the Paris Agreement; facilitate regional cooperation for promoting exchange of experience, lessons learned and best practices and networking among Parties; and promote better coordination of information on channels of support for implementation of the ETF.³⁸ The CMA also agreed on a set of activities for 2024–2025 on the provision of support for developing country Parties in relation to implementing the ETF.³⁹

40. The secretariat continued implementing the training programme for BTR technical expert reviewers,⁴⁰ with more than 834 experts passing the exam for the overview course.

41. In 2023, the secretariat organized nine quality assurance workshops on developing countries' national GHG inventories, in addition to five quality assurance and 11 capacity-building workshops on energy statistics. Technical assistance was given to 28 countries on sustainable GHG inventory systems and national inventory improvement plans. The GHG Help Desk continued to assist with technical challenges, serving more than 400 experts.

42. Test versions of ETF reporting tools were made available to Parties in August 2023, with a second release deployed later in the year, providing users with additional features to test. Training was conducted for Parties on the use of the new ETF reporting tools from September 2023 until the end of the year, and training sessions were attended by 257 participants during regional climate weeks, 139 participants at events organized by partners and 507 participants (from 116 Parties) during COP 28.

43. Under the banner “Together 4 Transparency”,⁴¹ the secretariat hosted more than 50 events at COP 28, including high-level, mandated and side events, and hands-on training sessions. With some 2,500 attendees, these events generated interest in and continued to build momentum for ETF implementation.

44. COP 28 marked the 10-year anniversary of the Warsaw Framework for REDD+. As at 31 December 2023, 60 countries have reported on their efforts to implement REDD+ activities, covering a forest area of some 1.35 billion ha, or approximately 62 per cent of the total forest area in developing countries.

5. Mobilizing climate finance and technology and building capacities

45. In the lead-up to COP 28, the Standing Committee on Finance finalized flagship products relating to work reported on in its annual report,⁴² including (1) reports on the doubling of adaptation finance and on clustering types of climate finance definitions in use,⁴³ (2) a synthesis of views regarding ways to achieve Article 2, paragraph 1(c), of the Paris

³⁶ See <https://unfccc.int/event/10th-meeting-of-the-consultative-group-of-experts-cge>.

³⁷ FCCC/TP/2023/5 and FCCC/SBI/2023/19 respectively.

³⁸ Decision 18/CMA.5, para. 13.

³⁹ Decision 18/CMA.5, paras. 14–20.

⁴⁰ See <https://unfccc.int/process-and-meetings/transparency-and-reporting/training-programmes-for-expert-reviewers#PA-review-training-programme>.

⁴¹ See <https://unfccc.int/Together4Transparency>.

⁴² FCCC/CP/2023/2–FCCC/PA/CMA/2023/8.

⁴³ The executive summaries of the reports are contained in documents FCCC/CP/2023/2/Add.1–FCCC/PA/CMA/2023/8/Add.1 and FCCC/CP/2023/2/Add.2–FCCC/PA/CMA/2023/8/Add.2 respectively.

Agreement,⁴⁴ (3) a summary of the 2023 Forum of the Standing Committee on Finance on financing just transitions,⁴⁵ (4) the Standing Committee on Finance self-assessment report,⁴⁶ and (5) a compilation and synthesis of submissions on draft guidance to the operating entities of the Financial Mechanism.⁴⁷

46. The secretariat organized four technical expert dialogues under the ad hoc work programme on the NCQG in 2023. The dialogues advanced various streams of work, including on the time frame, quantum and scale of the NCQG, transparency arrangements and instruments, and other elements of the NCQG, such as access and debt sustainability, that require further deliberations to help set the goal in 2024.⁴⁸ In addition, the high-level ministerial dialogue on the NCQG, held during COP 28, provided guidance on possible approaches to determining quantitative and qualitative elements of the goal where further work is required in 2024.⁴⁹ During COP 28, Parties decided to transition to a mode of work that enables the development of a draft negotiating text for consideration at COP 29, including by convening meetings where Parties can engage in developing the substantive framework for a draft negotiating text, to be held in conjunction with three technical expert dialogues in 2024, and by holding the next high-level ministerial dialogue ahead of COP 29.⁵⁰

47. In 2023, two workshops were held under the Sharm el-Sheikh dialogue on the scope of Article 2, paragraph 1(c), and its complementarity with Article 9 of the Paris Agreement, to exchange views on and enhance understanding of the dialogue. Parties and stakeholders from the financial and non-financial sectors participated in the workshops, and the secretariat prepared a report on the deliberations at the workshops under the guidance of the COP 27 Presidency for consideration at CMA 5.⁵¹ CMA 5 recognized the significant scale of investment needed to achieve the goals of the Paris Agreement and decided to continue and strengthen the Sharm el-Sheikh dialogue in 2024 and 2025, including through the appointment of two co-chairs, the organization of two workshops per year and the preparation of annual reports by the co-chairs on the deliberations under the dialogue in 2024 and 2025 for consideration at CMA 6 and 7 respectively.⁵²

48. The secretariat continued to support the TEC in embarking on new ways of working and fulfilling its mandate as a technology policy body in the first year of implementation of the joint work programme of the Technology Mechanism.⁵³ In 2023, in addition to technical publications, the TEC released a summary for policymakers that highlights good practices on setting up national innovation systems and contains examples of how countries have used technology planning tools to help achieve their NDCs.⁵⁴ Key messages and recommendations to Parties were produced on these and other topics.⁵⁵

49. The secretariat also supported the TEC in launching the Technology Mechanism initiative on artificial intelligence for climate action,⁵⁶ which explores the role that artificial intelligence could play in advancing and scaling up climate solutions for mitigation, adaptation and resilience, particularly in small island developing States and the LDCs. An innovation grand challenge was launched under the initiative at a high-level event convened by the Technology Mechanism during COP 28.

⁴⁴ FCCC/CP/2023/2/Add.3–FCCC/PA/CMA/2023/8/Add.3.

⁴⁵ FCCC/CP/2023/2/Add.4–FCCC/PA/CMA/2023/8/Add.4.

⁴⁶ FCCC/CP/2023/2/Add.5–FCCC/PA/CMA/2023/8/Add.5.

⁴⁷ FCCC/CP/2023/2/Add.6–FCCC/PA/CMA/2023/8/Add.6.

⁴⁸ FCCC/PA/CMA/2023/11/Add.1.

⁴⁹ For information on the event, including the summary report, see <https://unfccc.int/event/2023-high-level-ministerial-dialogue-on-the-new-collective-quantified-goal-on-climate-finance>.

⁵⁰ Decision 8/CMA.5.

⁵¹ FCCC/PA/CMA/2023/7/Rev.1.

⁵² Decision 9/CMA.5, paras. 8, 9, 10 and 13.

⁵³ Available at <https://unfccc.int/ttclear/tec/workplan>.

⁵⁴ TEC and CTCN. 2023. *Good practices and lessons learned on the setup and implementation of National Systems of Innovation. Summary for Policymakers*. Bonn: UNFCCC. Available at <https://unfccc.int/ttclear/tec/techandndc.html>.

⁵⁵ FCCC/SB/2023/3.

⁵⁶ See https://unfccc.int/ttclear/artificial_intelligence.

50. The secretariat facilitated the efforts of the TEC to strengthen its stakeholder engagement and outreach activities, including with private sector and financial actors in the context of the implementation of the outcomes of technology needs assessments, by organizing round tables and dialogues; exchanging information and providing inputs through relevant calls for submissions to bodies serving the UNFCCC and Paris Agreement; and raising awareness of technology issues among technology policymakers and experts during regional climate weeks and regional forums for national designated entities. The TEC engaged with UNFCCC constituencies, constituted bodies and partners that are involved in supporting the implementation of activities in the TEC rolling workplan.⁵⁷ It also worked with United Nations agencies and global initiatives, such as Early Warnings for All,⁵⁸ which it joined as an implementing partner with the aim of advancing work on disaster risk knowledge and management.

51. The secretariat supported intergovernmental work on technology development and transfer, including on linkages between the Technology Mechanism and the Financial Mechanism, on the 2023 joint annual report of the TEC and the CTCN, and on the first GST. As a key development in climate technology under the latter, CMA 5 established a technology implementation programme aimed at strengthening support for implementing technology priorities identified by developing countries.⁵⁹

52. The secretariat organized the 7th meeting of the Paris Committee on Capacity-building⁶⁰ and supported the implementation of the Committee's workplan,⁶¹ which includes activities on addressing capacity gaps and needs and coordinating capacity-building efforts of developing countries with a view to building and retaining capacity in this regard over time. In 2023, the Committee, with the support of the secretariat, organized four dialogues on building capacity to develop NAP implementation strategies, with a dialogue held during each of the four regional climate weeks. The 12th Durban Forum,⁶² the 5th Capacity-building Hub⁶³ and virtual Capacity-building Talks⁶⁴ were attended by more than 6,000 participants, who discussed capacity-building issues in areas such as adaptation and resilience, just transition, aligning climate and development agendas, and finance and technology.

53. The secretariat supported the enhancement of capacities in several areas, including adaptation, Article 6 of the Paris Agreement, youth and climate change, and implementation of national commitments, and of a wide range of stakeholders, including Parties, observers, presiding officers, young negotiators, legislators and young professionals from small island developing States and the LDCs.

6. Cross-cutting issues, stakeholder engagement and public outreach

54. Public interest in the UNFCCC process has continued to grow, so much so that some 1,100 applications for admission as observer organizations were received in 2023; for comparison, the average over the past 10 years is around 300 applications per year. As at December 2023, the number of observer organizations stood at approximately 3,800.

55. As part of its efforts to enhance transparency with regard to participation in the UNFCCC process, in 2023 the secretariat introduced changes to the registration process and the list of participants, which makes certain information about all attendees publicly available. The published information now includes participants' organizations, which has become a mandatory field, and a new, optional field for declaring their relationship to the nominating Party or observer organization.

⁵⁷ Available at <https://unfccc.int/ttclear/tec/workplan>.

⁵⁸ See <https://www.un.org/en/climatechange/early-warnings-for-all>.

⁵⁹ Decision 1/CMA.5, para. 110.

⁶⁰ See <https://unfccc.int/pccb/pccb-meetings-and-documents#Seventh-PCCB-Meeting-12-14-June-2023>.

⁶¹ See <https://unfccc.int/process-and-meetings/bodies/constituted-bodies/paris-committee-on-capacity-building-pccb/workplan-paris-committee-on-capacity-building>.

⁶² See <https://unfccc.int/event/12th-durban-forum-on-capacity-building-opportunities-and-challenges-for-enhancing-capacities-for>.

⁶³ See <https://unfccc.int/5CBHub>.

⁶⁴ See <https://unfccc.int/Capacity-building%20Talks>.

56. Organized in parallel with formal negotiations, the global climate action space at COP 28 provided a platform for cities and regions, businesses, investors and civil society actors to collaborate and showcase real-world climate solutions, with more than 100 events taking place. This space also supported the COP 28 Presidency, the high-level champions and the Marrakech Partnership for Global Climate Action in engaging with non-Party stakeholders to promote climate action.

57. During COP 28, the secretariat coordinated more than 370 official side events, engaging almost 1,050 Parties and observer organizations, and nearly 170 exhibits, engaging 300 Parties and observer organizations. Some of the topics touched on gender and climate change, disability and climate change, and the perspectives of Indigenous Peoples and youth.

58. The consultation process for the secretariat's recognition and accountability framework⁶⁵ was launched in September 2023, with the first phase ending in December 2023. The aim of the consultations is to identify barriers and solutions to enhancing ambition to net zero among non-State actors, particularly with regard to recognizing net zero initiatives and pledges and the transparency of such initiatives and pledges. The consultations are expected to help inform the development of the secretariat's recognition and accountability framework and implementation plan.⁶⁶ Several round tables and bilateral meetings and one global town hall meeting were held under the leadership of the co-chairs of the consultation process, and more than 400 governments and private sector and civil society institutions were consulted as part of the process. In addition, more than 100 non-Party stakeholders participated in a global survey and several written submissions were shared with the secretariat. The co-chairs and secretariat shared their initial findings with the Consultation Advisory Group and with stakeholders at COP 28. The co-chairs will finalize a report on the findings by mid-2024.

59. The secretariat's GCA portal⁶⁷ team collected announcements made at COP 28, including pledges, launches of initiatives and publications, declarations, and progress on existing initiatives. The team registered around 190 announcements, which is more than double the number registered at COP 27. As well as providing a public repository of COP outcomes, the portal also tracks progress on climate commitments.

60. With support from partners, momentum on implementing the enhanced Lima work programme on gender and its gender action plan⁶⁸ and the Glasgow work programme on ACE⁶⁹ and its action plan was maintained, with activities taking place throughout 2023.

61. For example, building on the findings of the intermediate review of the gender action plan⁷⁰ at COP 27, in 2023 the secretariat focused on strengthening collaboration and supporting accelerated implementation of the plan, including by engaging with national gender and climate change focal points, United Nations entities, the women and gender constituency and relevant organizations. Activities included a two-day training workshop for women negotiators and national gender and climate change focal points from East and Southern Africa on the margins of Africa Climate Week;⁷¹ a multi-stakeholder workshop led by the United Nations Convention to Combat Desertification, in collaboration with the secretariats of the UNFCCC and the Convention on Biological Diversity;⁷² and a range of events at COP 28 focused on gender and environment data, and gender-responsive just transitions and climate finance.⁷³ Additionally, several reports were published on topics such as gender composition of delegations and bodies under the UNFCCC and the progress of constituted bodies in integrating a gender perspective into their processes.⁷⁴

⁶⁵ Available at <https://unfccc.int/documents/629039>.

⁶⁶ Available at <https://unfccc.int/documents/629036>.

⁶⁷ <https://climateaction.unfccc.int/>.

⁶⁸ See <https://unfccc.int/topics/gender/workstreams/the-enhanced-lima-work-programme-on-gender>.

⁶⁹ See <https://unfccc.int/topics/education-and-youth/big-picture/ACE>.

⁷⁰ Decision 24/CP.27; see also <https://unfccc.int/topics/gender/workstreams/the-gender-action-plan>.

⁷¹ See https://unfccc.int/CBEASA_Women_Dialogue2.

⁷² See <https://www.bosch-stiftung.de/en/events/strategy-workshop-womens-land-rights-and-rio-conventions>.

⁷³ See <https://unfccc.int/gender/cop28>.

⁷⁴ See <https://unfccc.int/topics/gender/resources/documentation-on-gender-and-climate-change>.

62. Highlights of engagement activities on ACE, children and youth in 2023 include four events held during Climate Week NYC and COP 28 aimed at scaling up climate literacy within influential professions and addressing challenges facing young professionals in sustainability-related roles and identifying potential solutions. During the regional climate weeks, a youth affiliated event and regional ACE workshops⁷⁵ were held in collaboration with regional partners, and children and youth non-governmental organizations. The events focused on regional priorities for transformational systems change. The ACE Hub⁷⁶ and Youth4Capacity⁷⁷ programme have been instrumental in fostering the implementation of these and other activities by enhancing cooperation among national governments, organizations and non-Party stakeholders, including children and youth, on addressing climate change.

63. The COP 28 youth climate champion supported the development of publicly available training materials on UNFCCC thematic areas for children and youth.⁷⁸ The first-ever in-person orientation session for youth delegates was held on the first day of SB 58 and the second was held on the first day of COP 28.⁷⁹ The Presidency youth climate champion decision,⁸⁰ a key outcome of COP 28, recognizes the opportunity for future Presidencies to enhance meaningful engagement of youth in the UNFCCC process through strengthened engagement with Parties and non-Party stakeholders, including by appointing a Presidency youth climate champion.⁸¹

64. A sound understanding of the structure, rules and workings of the UNFCCC process, including with regard to negotiations and decision-making processes, is essential for meaningful engagement in the process. With this in mind, the secretariat enhanced the capacity of presiding officers, young negotiators, observer organizations and legislators to actively engage in the UNFCCC process and contribute to the implementation of international climate commitments by organizing learning events and promoting the use of three e-learning courses, entitled a participant guide of the United Nations Climate Change process; the Paris Agreement Implementation and Compliance Committee; and the National Implementation of the Paris Agreement.⁸²

65. In 2023, the secretariat reinstated the Global Climate Action Awards with a view to highlighting innovative climate action taken by young people around the world.⁸³ Two winners were selected from 1,750 applicants from 120 countries, with awards for two categories: youth engaged in the energy transition, and youth leading on nature- and ecosystem-based climate action. The two winners attended COP 28, where they showcased their solutions at an award ceremony organized by the secretariat.

66. Throughout 2023, the secretariat's communications team ensured that the global response to climate change was informed by cohesive messaging based on the outcomes of the intergovernmental process, helping to shape and drive the global conversation and narrative on climate action. Providing multilingual communications in all six official languages of the United Nations and launching the Chinese-language version of the UNFCCC website helped to raise visibility of the UNFCCC process around the world.

67. The secretariat engaged with the media to publicize its achievements by facilitating interview requests, answering press queries and accrediting more than 6,000 journalists during SB 59 and COP 28. The secretariat also ensured that the UNFCCC website, mobile app, social media channels and intranet were trusted and authoritative sources of information on the goals and achievements of the intergovernmental process. Internal communication was

⁷⁵ See <https://unfccc.int/topics/education-youth/youth/youth-affiliated-event-2023#ACW2023> and <https://unfccc.int/topics/education-youth/ace-hub/regional-ace-workshops> respectively.

⁷⁶ See <https://unfccc.int/ace-hub>.

⁷⁷ See <https://unfccc.int/topics/capacity-building/projects/youth4capacity>.

⁷⁸ Available at <https://unfccc.int/topics/education-youth/resources/youth/training-sessions-on-un-climate-change-thematic-topics-1#The-UNFCCC-Process>.

⁷⁹ See <https://unfccc.int/topics/education-youth/youth/youth-events/orientation-session>.

⁸⁰ Decision 16/CP.28.

⁸¹ More information on activities related to children, youth and ACE in 2022–2023 can be found in document FCCC/SBI/2023/16.

⁸² Available at <https://www.unclearn.org/>.

⁸³ See <https://unfccc.int/climate-action/2023-un-global-climate-action-awards>.

enhanced to facilitate information-sharing across the secretariat and support cross-divisional cooperation.

7. Strategic and operational support

68. In the lead-up to and during SB 58 and COP 28, the secretariat supported the organization of more than 700 hours of negotiation, 120 mandated and related events, 183 Presidency and heads of delegation consultations, and six Bureau meetings. The secretariat, in close collaboration with the United Nations Department of Safety and Security, the United Nations Department for General Assembly and Conference Management, and the host country, successfully delivered arrangements for COP 28 in a safe, secure, inclusive and engaging manner, bringing together more than 6,300 participants at SB 58 and more than 85,000 participants at COP 28 to advance climate agreements and decisions.

69. In addition, as part of its mandate, the secretariat provided process and procedural guidance and political support to the COP 27 and 28 Presidencies and the Chairs of the subsidiary bodies. As well as providing training to the COP 28 Presidency team on legal issues relating to negotiations and on the draft rules of procedure, the secretariat developed guidance on key procedural issues in the UNFCCC process.

70. The secretariat supported the Government of the United Arab Emirates and the COP 28 Presidency in delivering the World Climate Action Summit, held on 1–2 December 2023 during COP 28. The Summit, which saw the participation of more than 150 leaders and several principals from the United Nations system, the private sector and international organizations, was instrumental in building political momentum for the COP 28 negotiations.

71. The secretariat worked with the presiding officers (the COP 27 and 28 Presidencies and the Chairs of the subsidiary bodies) to engage with negotiating groups and Parties and build political momentum for COP 28 by organizing bilateral consultations, heads of delegation meetings and the Pre-COP. This engagement was instrumental in reaching the level of political understanding needed for adopting the agendas for COP 28, CMP 18, CMA 5 and SB 59, and the successful conduct of work during the sessions. The historic adoption of decision 1/CP.28 on the operationalization of the fund for responding to loss and damage on the opening day of COP 28 (see para. 24 above) instilled trust among participants and laid the foundations for the success of the rest of the conference.

72. To inform Parties' discussions under SBI 58 agenda item 19 on arrangements for intergovernmental meetings, the secretariat prepared an information note⁸⁴ that illustrates the growing scale of sessions in terms of the number of agenda items, mandated events and COP participants, and venue size. The data in the note underline the pressing need to increase the efficiency of the UNFCCC process.

73. The secretariat is constantly innovating with regard to its processes and planning for each session to allow for Parties, observer organizations and other stakeholders to make the best use of their time during sessions. In 2023, for example, the Subsidiary Body for Scientific and Technological Advice and the SBI held joint opening and closing plenaries, and the secretariat continued to cluster agenda items and strove to strategically schedule the large number of negotiation meetings, Presidency initiatives and other events, with the aim of ensuring efficient time management and aligning the negotiations and events with conference priorities and key deliverables, and ultimately ensuring a successful event.

74. Working closely with the host country, the secretariat implemented several other innovations for COP 28, including by strengthening the host country agreement and focusing on enhancing the participant experience; facilitating visa arrangements; ensuring transparency with regard to participants; streamlining pavilions; using technology and digital platforms innovatively to enhance participation; strengthening the code of conduct for UNFCCC events; and organizing gender sensitivity training for presiding officers.

⁸⁴ FCCC/SBI/2023/INF.5.

75. The secretariat updated its How to COP⁸⁵ handbook to ensure that it provides up-to-date information on hosting a session of the COP. The handbook, a compendium of best practices, is aimed at inspiring future hosts to showcase their plans, achievements and leadership on the global stage.

76. The secretariat also focused on increasing the effectiveness and efficiency of its operations by implementing more recommendations from oversight bodies, streamlining its internal policies and processes, and supporting the implementation of key technology projects.

C. Financial performance

77. Key financial results for 2023, including total financial resources made available to the secretariat and expenses, funding from different sources and comparisons of budgeted and actual expenditure for the core budget and the ITL, as well as recognition of Party and non-Party contributors to the trust fund for supplementary activities, are captured in the documents on the status of contributions and fees as at 9 November 2023⁸⁶ and the programme budget for the biennium 2022–2023.⁸⁷ Additional supporting data and information on the 2022–2023 programme budget are available on the UNFCCC website.⁸⁸

D. Secretariat staff

78. The secretariat maintains a diverse and balanced workforce that is representative of the Parties it supports. As at 31 December 2023 the secretariat workforce comprised 429 fixed-term and temporary staff. Of its staff, 58 per cent were female and 42 per cent male (at the director level and above, the gender balance was 45 per cent female and 55 per cent male). The geographical distribution of staff is diverse, with 57 per cent of staff coming from Annex I Parties and 43 per cent from Parties not included in Annex I to the Convention. Professional level staff comprised 66 per cent of secretariat staff, and General Service level staff comprising the remaining 34 per cent. In terms of funding, 36 per cent of staff were funded from the core budget, and 64 per cent of staff were funded from non-core sources, including supplementary funding.

E. Looking ahead

79. The next two years will be critical for climate action. In that time, there will be a concerted effort to put the world on track to achieve the 2030 and 2050 targets, drawing on innovative approaches, and the secretariat will play an important role. The secretariat will continue to collaborate with international organizations to enhance the capacity of Parties to actively engage in the UNFCCC process and implement international climate commitments at the national level.

80. At COP 29, Parties must agree on the NCQG, reflecting the scale and urgency of the challenge of addressing climate change. Securing early political engagement for an ambitious finance goal at COP 29 is a key priority for 2024. At COP 30, Parties must come prepared with new NDCs that are markedly different from those that went before. Their new pledges must be fully aligned with the goal of limiting the temperature increase to 1.5 °C, covering all GHGs and laying out how each sector of the economy will transition.

81. With regard to adaptation, the secretariat will support Parties in implementing the framework for the global goal on adaptation and aims to encourage many more Parties to develop NAPs, with the aim of incorporating structured approaches and coordination in

⁸⁵ UNFCCC. 2023. *How to COP: a handbook for hosting United Nations Climate Change Conferences*. Bonn: United Nations Climate Change Secretariat. Available at <https://unfccc.int/process-and-meetings/what-are-united-nations-climate-change-conferences>.

⁸⁶ FCCC/SBI/2023/INF.6.

⁸⁷ FCCC/SBI/2021/4.

⁸⁸ See <https://unfccc.int/about-us/budget>.

national resilience planning in every country in order to protect people and their livelihoods and nature from the increasing impacts of climate change.

82. The negotiations on the ETF at COP 28 laid the groundwork for a new era of implementing the Paris Agreement. The secretariat is developing the transparency reporting and review tools for use by Parties, which were showcased and tested during COP 28. The final versions of the reporting tools are expected to be made available to Parties by June 2024. In addition, the secretariat will continue to support the work of the Paris Agreement Implementation and Compliance Committee in facilitating implementation of and promoting compliance with the Paris Agreement.

83. Countries will submit their first BTRs in 2024, which will enable the secretariat to track Parties' progress in implementing their climate commitments. The secretariat will also help to coordinate the available capacity-building support required by countries to submit their NDCs, NAPs and BTRs, working with all the stakeholders involved.
