Regaining momentum: critical negotiations for LDCs at COP28

This briefing presents priorities for the Least Developed Countries (LDCs) for COP28 at a critical time. The year has seen record temperatures and stark IPCC warnings of the risks and consequences of further temperature rises, especially for vulnerable communities. Four LDC concerns can reinvigorate progress towards the Paris Agreement goals: an ambitious conclusion to the Global Stocktake; adoption of a framework for the Global Goal on Adaptation (GGA); operationalisation and swift capitalisation of the Loss and Damage Fund; and rebuilding trust on climate finance to enable headway towards the new collective quantified goal. Negotiators must build on recent political momentum and respond with greater urgency to address climate change effectively and protect the most vulnerable. This briefing will be of particular interest to UNFCCC negotiators, the COP28 presidency and other COP participants.

Political and scientific context

The convening of COP28 in Dubai in November 2023 comes at a critical time. It is hard to overemphasise this. We say in our annual briefing note on the expectations of the Least Developed Countries (LDC) Group that every COP is crucial, and stress each COP as a critical turning point. But without truly ambitious action as an outcome of prior climate negotiations, and in view of firm scientific consensus on the ramifications of inaction and the growing number of extreme events faced by LDCs, the consequences of each COP become increasingly serious.

The effects of climate change are becoming clearer each day. Extreme events — heatwaves, floods, droughts, cyclones, forest fires and sea-level rise — are affecting the lives and livelihoods of vulnerable communities across the globe. The urgency and scale of the challenge were laid bare by the UN Secretary-General at the opening of the Climate Ambition Summit held in New York in September 2023 when he stressed: “Humanity has opened the gates of hell.”

This is not hyperbole. For the first time this July, global average surface temperature breached for a period the 1.5°C threshold above pre-industrial levels. At below 1.5°C today, LDCs disproportionately face the rapidly mounting adverse impacts of climate change. And the IPCC has issued a stark warning that, without rapid emission reductions to keep temperatures below this threshold, disproportionate impacts will continue and worsen.

COP28 will therefore be important for LDCs. The Global Stocktake process to assess progress towards the Paris Agreement goals must reach an ambitious conclusion and provide impetus for rapid action to put progress on these goals back on track.
Other key issues for LDCs include:

- Adoption of a framework to enhance the GGA
- Operationalisation and rapid capitalisation of the new Loss and Damage Fund, and
- Rebuilding trust on climate finance, together with progress towards the New Collective Quantified Goal (NCQG) on climate finance.

LDC ministers met in September in Dakar, Senegal, to discuss these issues, and they adopted the Dakar Declaration on Climate Change 2023 to provide political momentum in advance of COP28.6

This briefing note will discuss each of the four priorities above in turn.

**COP28: key issues**

**A robust outcome from the Global Stocktake**

COP28 will in some respects be groundbreaking. This COP is expected to conclude the first Global Stocktake of progress towards the global goals of the Paris Agreement. These include the goals of limiting warming to 1.5°C above pre-industrial levels; enhancing adaptation to climate change; increasing climate finance flows to developing countries and other means of implementation (capacity building; technology development and transfer) in line with the temperature and adaptation goals; and “averting, minimising and addressing” loss and damage.6

It is clear that the outcome of the Global Stocktake will find that Parties are failing to meet all these goals. However, to be considered a success the stocktake must clearly articulate how and why Parties are coming up short and make robust recommendations to: urgently scale up emission reduction commitments, adaptation efforts and support to respond to already occurring loss and damage; bring significant increases in climate finance; and dramatically increase ambition in the next cycle of nationally determined contributions (NDCs).

In addition to the recommendations, LDCs are calling for a post-2023 roadmap to guide implementation of the outcomes of the stocktake and for the UN Secretary General to hold an event in 2025 where countries can present NDCs aligned with the 1.5°C temperature goal. Critically, however, a robust outcome of the Global Stocktake will not automatically result in increased ambition; this requires serious reflection by countries and a dramatic near-term increase in ambition to keep the temperature goal in sight.

**An enhanced global goal on adaptation**

The negotiations on enhancing the GGA are expected to conclude in Dubai. COP26 launched discussions under the Glasgow–Sharm El-Sheikh work programme (GlaSS) on the GGA. This work was further refined at COP27, which adopted a framework to support progress on a global approach to adaptation.7

In the past two years, eight workshops have taken place under the work programme. Negotiators left the subsidiary body meetings in June 2023 with significant areas of difference. These included whether to develop specific targets under the framework. For LDCs clear targets remain non-negotiable and critical for supporting adaptation implementation on the ground.

Intersessional workshops have resulted in steps towards common ground on targets. However, there remains divergence among Parties and Groups on the substance of these, and whether the text should reflect political messaging, general signals or substantive targets.8

In addition, means of implementation, which the framework for GGA implementation requires, remains the elephant in the room. There are questions to address now about how to include targets and indicators on climate finance, technology transfer and capacity building to implement the GGA, even if outcomes of negotiations on the NCQG for climate finance will not emerge until 2025.

**Fair and effective funding for loss and damage**

Ensuring support to address loss and damage remains a critical issue for LDCs, who are already suffering from the adverse impacts of climate change. This includes the costs (both economic and non-economic) resulting from devastating cyclones in Malawi, sea-level rise in Kiribati and Tuvalu, glacial lake outburst floods in Nepal and Bhutan, and droughts across the Horn of Africa and the Sahel. The latest IPCC report emphasises that even with more ambitious efforts to mitigate climate change and adapt to its impacts, some loss and damage will remain unavoidable.2

COP27 managed to galvanise political momentum around addressing loss and
damage with agreement to establish a Loss and Damage Fund. A Transitional Committee was established to consider how the fund should be set up and operate. The committee, which has met five times in 2023, will deliver its recommendations at COP28.

Success at COP28 will depend on the adoption by the COP and the CMA (the COP serving as the Meeting of the Parties to the Paris Agreement) of the governing instrument for the new Loss and Damage Fund. The new fund must be able to provide adequate support to developing countries, in particular LDCs, to address both economic and non-economic loss and damage. This includes recovery, rehabilitation and reconstruction from extreme climate events and addressing the ongoing slow-onset impacts of climate change.

For LDCs, it will be particularly important that finance provided does not exacerbate their already growing debt; it must be provided as grants, not loans. The fund must be overseen by the Parties to the Convention, to ensure it operates in a country-led manner and responds to the needs of the vulnerable countries it seeks to serve.

Clearly, too, the fund must not sit empty. So success at COP28 in Dubai will also require developed country Parties to provide substantial initial commitments to capitalise the fund.

**Climate finance: rebuilding trust to prepare for the NCQG**

Climate finance underpins action on all other LDC priorities — ambitious emission reductions in line with 1.5°C, operationalisation of the GGA, and action on loss and damage. Yet thus far developed countries have woefully underdelivered on their climate finance commitments.

In addition to failing to match the scale of the challenge, climate finance has routinely taken the form of loans rather than grants, increasing the debt burdens of already vulnerable countries. The President of Senegal, Macky Sall, captured this sentiment in his speech to the UN General Assembly, when he underscored that climate action should not force his country into debt.\(^5\)

COP28 must begin to rebuild trust on climate finance between developed and developing countries to prepare for the adoption of a NCQG at COP29. The first step towards trust building is developed countries’ demonstration that they have clearly met the US$100 billion per year climate finance target set as long ago as 2009 and intended to be met in 2020. A roadmap to achieve this goal was adopted in Glasgow in 2021, and meeting the goal is a bare minimum step forward on climate finance. As a key element of rebuilding trust, developed countries must come to COP with concrete contributions to existing funds. Additionally, Parties promised in Sharm El-Sheikh in 2023 to double adaptation finance by 2025. To provide assurance that this was not another empty promise, as an outcome at COP28 there needs to be a clear roadmap for how developed countries will achieve this.

Negotiations have failed for years to produce agreement on a common definition of climate finance. However, an agreed definition is a critical basis for climate finance transparency. A range of figures have resulted from assessment of finance delivered against the US$100 billion target: the OECD estimates that developed countries mobilised US$83.3 billion in 2020,\(^6\) while Oxfam estimates the real value of climate finance in 2020 as US$21–24.5 billion.\(^7\) This underscores the importance of common metrics to assess how far climate finance commitments are being met.

**Increasing ambition for COP28**

The Global Stocktake marks a major milestone since the adoption of the Paris Agreement and the Paris Rulebook in Katowice in 2018. It marks a further shift away from negotiating landmark agreements and towards implementing the Paris Agreement. Yet the Global Stocktake will find that countries are failing to live up to their collective commitments.

The great strength of the Paris Agreement is that it brings everyone along together, including providing structures to support the countries least responsible for and most vulnerable to climate change: LDCs and Small Island Developing States.

However, collective action must be stepped up to meet the global challenge of climate change. LDCs are doing their part, having accepted ambitious emission reduction and adaptation targets. But to accomplish these and lift up their people, they are falling deeper into debt. The Global Stocktake provides a moment of reflection as we move ever closer to the brink of climate tipping points during this year of climate disasters.

The Global Stocktake must starkly lay out the current collective failure and a roadmap of recommendations to urgently increase ambition. This requires that:

- Developed countries and major emitters do the right thing and rapidly scale up their
emission reductions in line with the 1.5°C temperature goal

- Developed countries meet their climate finance targets and dramatically scale up their funding for adaptation and for loss and damage
- Negotiators agree to an array of targets and indicators under the GGA that will catalyse action and investment on the ground, and
- Countries operationalise and capitalise the new Loss and Damage Fund.

The foundations have been laid for this. Political momentum has been built through a series of high-level meetings, including the UN Secretary General’s Climate Action Summit and ministerial meetings on loss and damage, on the Global Stocktake, and on climate and development, as well as the LDC Group’s own ministerial meeting. The high-level political momentum has been built on a large corpus of technical work that has taken place outside the negotiations this year, including under the Transitional Committee to operationalise the new Loss and Damage Fund, and workshops on the NCQG and GGA.

However, progress on key LDC Group priorities remains too slow.

Major issues remain for decision at COP28. While some of these are political decisions that ultimately ministers will have to make in the closing days of the COP, there is significant technical work still to undertake. Negotiators will therefore need to hit the ground running in Dubai and avoid potential pitfalls, such as an agenda fight that delays or draws attention away from technical work. Negotiators will need to build on the political momentum, the urgency highlighted by each further climate disaster and the inevitable outcome of the Global Stocktake — a finding that humanity is not doing nearly enough to combat climate change or to protect the most vulnerable among us.

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Notes

1 United Nations Secretary-General (20 September 2023) Secretary-General’s opening remarks at the Climate Ambition Summit. https://tinyurl.com/bp63eeh2
7 UNFCCC, Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation. https://unfccc.int/topics/adaptation-and-resilience/workstreams/glasgow-sharm-el-sheikh-WP-G6GA
8 Yassin, L and Gebreyes, B (20 September 2023) Adaptation’s turning point: can we set global targets in time for COP28? iied.org/adaptations-turning-point-can-we-set-global-targets-time-for-cop28