



# ecbi Annual Report

April 2021 – December 2022



European Capacity Building Initiative  
Seminar – 2022 –

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## MESSAGE FROM THE DIRECTOR



Photo by Mike Muzurakis/IISD/ENB

I am pleased to report that after two difficult years we are now close to what used to be normal. Our Fellowship and Trust-building Programme received a very welcome boost in late 2021 when the Danish government agreed to provide funding for Phase V for 2022-2025. This followed a critical bridging grant for 2021 from the Swiss government.

Additionally, our Training and Support Programme is on course to resume its African and Asian Training Workshops for 2023-2025 with a grant from the Norwegian government. However, we are still looking for funding for our GRULAC and Francophone Training Workshop series.

In 2022, the Fellowship and Trust-building Programme re-launched its annual Bonn and Oxford Seminars, following a two-year hiatus due to the COVID-19 pandemic. The seminars addressed a range of topics, including:

- arrangements for intergovernmental meetings;
- Global Goal on Adaptation (GGA) and the Glasgow–Sharm el-Sheikh work programme on the GGA;
- pre-2030 mitigation ambition work programme;
- technical dialogue of the Global Stocktake under the Paris Agreement;
- funding arrangements for addressing loss and damage;
- aligning financial flows with the Paris Agreement's goals; and a
- new collective quantified goal on climate finance.

I would also like to welcome Leila Mead, who has taken over our publications and outreach work and done a great job.

**Benito Müller**

Director, ecbi  
Oxford, January 2023

# ECBI ACTIVITIES FROM APRIL 2021 THROUGH DECEMBER 2022

## Fellowship and Trust-building Programme

Following a two-year hiatus due to the pandemic, the Bonn and Oxford Seminars resumed in 2022. The Bonn Seminar convened on 12 June 2022 on the sidelines of the UNFCCC Subsidiary Body meetings. The Oxford Seminar, ecbi's flagship event, met from 5-7 September immediately following the Fellows Colloquium, which convened from 3-5 September. The seminars bring together developing country negotiators with their European partners in an informal setting to build mutual understanding and trust. They are conducted under the Chatham House Rule, which encourages an open and frank exchange since no one except introductory speakers are identified in the meeting reports.

### 2022 Bonn Seminar

The ecbi Bonn Seminar is an annual event held alongside the intersessional UNFCCC Subsidiary Body meetings, which take place around June every year in Bonn. The **2022 Bonn Seminar** took place on 12 June at La Redoute in Bad Godesberg, Bonn, Germany. Approximately 30 invited participants from more than 20 national delegations attended the event.

Seminar sessions addressed: a new collective quantified goal on climate finance (NCQG); loss and damage; and the Global Goal on Adaptation (GGA). While the discussions highlighted some areas of divergence, such as whether a new facility or fund is needed for loss and damage, participants agreed on many issues, including the need to increase overall climate finance. Following is a brief description of each of the sessions, including presentations and discussions, while a [detailed report of the Seminar](#) is available on the ecbi website.

### New Collective Quantified Goal on Climate Finance

This session was facilitated by Kishan Kumarsingh, Head of Multilateral Environmental Agreements, Ministry of Planning and Development, Trinidad and Tobago, and co-chair of the *ad hoc* work programme on the new collective quantified goal on climate finance (NCQG) in 2022. Discussions revolved around funding definitions, transparency, and the role of public and private funding.

In introductory remarks and reflecting on the existing goal of US\$100 billion in financing annually, ecbi Director Benito Müller urged avoiding adopting a quantified goal without agreeing on how to count contributions. On defining climate funding, he suggested that focusing on public funding might lead to agreement on what to count and make it easier to ascertain whether the quantified goal has been achieved. Müller also observed that, more recently, the Glasgow Climate Pact included a goal of doubling collective financing for adaptation and drew attention to an [ecbi/OCF submission to CMA4](#) on a new, collective quantified public sector goal on adaptation grant finance.

Opening the discussion, Gard Lindseth, Senior Adviser in Norway's Ministry of Climate and Environment, recalled that Glasgow provided a way forward with agreement on an *ad hoc* work programme, including technical expert dialogues leading back to ministerial discussions, which would be followed by a stock taking by the CMA. He hoped the process could help resolve, among others, how limited public finance can catalyse more support and the role of the private sector.

Kumarsingh then asked participants to identify what elements of a new collective goal are the most important to them and why. In response, participants raised issues related to both public and private funding, the need

for clear definitions of what should be counted as climate funding, and the importance of transparency and clear information. One European participant said that ensuring discussions distinguish between the technical and political phases is challenging but important.

## *Loss and Damage*

This session focused on how to advance discussions on loss and damage. While there was no agreement at COP26 in Glasgow on a funding facility for loss and damage, delegates did establish the Glasgow Dialogue to further discuss arrangements for loss and damage funding.

Discussions at the Bonn Seminar focused on:

- what outcomes the Glasgow Dialogue should deliver;
- whether a financing facility should be established and, if so, when;
- whether other funding approaches might be appropriate; and
- what types of loss and damage should be covered.

Saleemul Huq, Director of the International Centre for Climate Change and Development (ICCCAD) and Head of ecbi's Training and Support Programme, facilitated the session. While welcoming the Warsaw International Mechanism (to enhance knowledge, dialogue, and action) and the Santiago Network (to catalyse technical assistance), he noted they do not provide direct funding support for those suffering from the impacts of climate change and related loss and damage. He said the Glasgow Dialogue will need to: help deliver actual financing; address both rapid-onset events like hurricanes and floods, as well as slow onset events like sea-level rise; and consider developing countries' demands for a funding facility on loss and damage.

Frode Neergaard, Chief Adviser, Danish Ministry of Foreign Affairs, welcomed the renewal of his country's partnership with ecbi, which was signed in 2021. He viewed loss and damage as part of a "solidarity agenda" within international development cooperation and observed a "step change" in and a growing focus on it in the negotiations.

During the discussions, developing countries overwhelmingly expressed support for establishing a funding facility, while developed countries generally preferred further assessment of existing financing institutions before committing to a new structure. They said the Glasgow Dialogue could help examine what is already working, existing gaps, and current funding arrangements. While the issue of whether to create a new facility was not resolved at the Bonn Seminar, participants from both developed and developing countries agreed the Glasgow Dialogue should deliver a clear outcome.

(Subsequently, COP27 in November 2022 adopted a decision on funding arrangements for loss and damage and agreed to establish a loss and damage response fund, thanks, in part, to the efforts of ecbi. A transitional committee will meet during 2023 to help operationalise the fund at COP28).

## *Global Goal on Adaptation*

The Glasgow-Sharm el-Sheikh work programme on the GGA was established at COP26 and is set to run for two years. It aims to enhance action and support to achieve the GGA, including through improving national planning, communications, and monitoring, and building on the Adaptation Committee's work. Four workshops are convening annually, with the goal of developing a draft decision for adoption at CMA5 in November 2023.



Xolisa Ngwadla, African Group lead negotiator for the Paris Agreement and Advisor to the African Group of Negotiators, South Africa, presented preliminary work on proposals and ideas to support efforts to operationalise the GGA. He said they would form the basis of an [ecbi/OCP Discussion Note](#) (which was subsequently published in October 2022), and were designed to help achieve “convergence” on understanding the GGA, enhancing implementation, and assessing progress. He proposed that mitigation and adaptation are the two “levers” that help keep climate impacts and risks at an acceptable level, and explained that adaptation investment, like increased mitigation ambition, reduces risk. Ngwadla highlighted metrics that support both the domestic and collective ability to set targets and track GGA progress, including adaptation planning goals, risk goals, implementation goals, and finance goals.

During the discussion, participants discussed the need for a common understanding of adaptation, use of data, locally-led adaptation, existing decisions and agreements, and funding needs. One developed country participant supported further exploring the linkages between mitigation and adaptation, noting successful adaptation cannot be achieved without strong mitigation ambition.

## **2022 Oxford Seminar**

The [2022 Oxford Seminar](#) took place from 5-7 September. The Oxford Seminar is ecbi’s annual flagship event, providing the opportunity for delegates from developing countries to meet and discuss pressing issues in the UN climate negotiations with their European partners. The Seminar was preceded by the Fellowship Colloquium from 3-5 September, during which developing country negotiators (the ‘ecbi Fellows’) discussed amongst themselves issues of importance, formed proposals, and consolidated positions in advance of the Seminar. The Seminar then brought together European partners and the Fellows, who presented their ideas and proposals.

The Seminar was attended by representatives of the COP26 UK and COP27 Egyptian Presidencies, the SBI and SBSTA Chairs, several heads of delegations and lead negotiators, and issue leads from key negotiating groups. In all, 15 developing country negotiators and 15 European negotiators attended in person, while nine participated virtually. The topics addressed built on the issues discussed at the Bonn Seminar and delved into other topics to help prepare for negotiations at COP27 in Sharm el-Sheikh, Egypt, in November 2022.

A brief description of the sessions, presentations, and discussions follow below, while a [detailed report of the Seminar](#) is available on the ecbi website.

## **Arrangements for Intergovernmental Meetings**

With the increasing number of people attending COPs, including non-state actors, and the expanding number of agenda items negotiators face, this seminar session focused on possible ways to make intergovernmental meetings more manageable.

Marianne Karlsen, SBI Chair and Senior Advisor, Ministry of Climate and Environment, Norway, moderated the session. Participants discussed such issues as how to make the intergovernmental process fit for the Paris Agreement implementation phase. They expressed a range of views on ways to better organize and convene meetings and possibly streamline the agenda. Most agreed that the proliferation of agenda items and the number of participants attending COPs must be addressed.

In his intervention, ecbi Director Benito Müller suggested annual larger, more politically oriented sessions and smaller implementation-focused sessions. He proposed holding more COPs in Bonn while encouraging a broader range of countries to preside over them as smaller countries face daunting organizational challenges

of hosting COPs in their countries. He suggested a global Climate Action Week with a high-level segment and trade show annually and prior to the COP (possibly in Geneva). He said the “flying mega circus has to stop”.

## Gender

This seminar session addressed the state of implementation of mandates to achieve gender balance and women’s empowerment, with a focus on COP and Subsidiary Body attendance and composition of constituted bodies, including in leadership positions. The seminar also considered what must be done to address challenges that hinder women’s active participation in leadership positions on national delegations.

Leading off the discussion, Stella Funsani, ecbi Gender Advisor, LDC Group Negotiator, and Technical Advisor, Ministry of Natural Resources and Climate Change, Malawi, reviewed COP decisions on gender, including:

- the two-year [Lima Work Programme on Gender \(LWPG\)](#), established in 2014 at COP 20, to further enhance gender balance and provide knowledge and capacity building on gender-responsive climate policy; and
- decisions that extend the LWPG for three years (COP 22 in 2016), establish a two-year Gender Action Plan (GAP) (COP 23 in 2017), and agree to a five-year enhanced LWPG and its GAP (COP 25 in 2018).

She said that:

- between 2009 and 2021, the percentage of women across national delegations only increased by 8% (from 30% to 38%);
- the percentage of female heads of delegation was 10% in 2009, up to 27% in 2017, and back down to 13% in 2021;
- the percentage of women in national delegations is higher in Latin America and Eastern and Western Europe and lowest in Africa and Asia; and
- the Adaptation Committee and the Adaptation Fund Board had 63% and 52% female make up, respectively, while the Executive Board of the Clean Development Mechanism and the Technology Executive Committee only had 20% and 15% female composition, respectively.

During the subsequent discussion, participants said countries must commit to having more women in decision-making processes, which often requires a generational and/or cultural change. Participants also cited the need for access to travel funds, awareness of the issue by Parties during elections and nominating processes, and leadership and gender training.

## *Glasgow–Sharm el-Sheikh Work Programme on the Global Goal on Adaptation (GlaSS)*

Opening the discussion on the GGA, Xolisa Ngwadla, Advisor to the African Group of Negotiators and South Africa, stressed the importance of being able to assess progress, define key elements, identify metrics to track progress on elements, and provide further guidance to communications and reports to enable assessment.

Ngwadla outlined a proposed process for the two-year [Glasgow–Sharm el-Sheikh Work Programme on the GGA \(GlaSS\)](#), which was agreed to at COP 26 in 2021. He drew attention to: submissions by Parties on indicators and metrics for the element outcomes for further discussion at SB58 in June 2023; submissions on technical work post-GlaSS; and adoption of a decision and further guidance on the GGA at COP28.

Professor Benito Müller called attention to an [ecbi Discussion Note on the GGA](#), which he co-authored with Ngwadla (and which was subsequently published in October).

Detailing the EU's overarching and evolving vision on the GGA and what the international community can do to help, one developed country representative mentioned:

- getting science to focus more on global, regional, and local impacts;
- helping the community of practitioners prepare for impacts;
- developing tools, especially those around the National Adaptation Plan process, indicators, and programmatic activities;
- enhancing the ability to share lessons and best practices, which were primarily focused on developing countries but are now focused on developed countries as well;
- the need for better adaptation planning and programming to ensure investment; and
- the EU is spending more than half of its climate finance on adaptation.

### *Pre-2030 Mitigation Ambition Work Programme*

Paula Ximena Sanmiguel Patiño, Coordinator for Environmental Affairs, Directorate of Economic, Social and Environmental Affairs, Ministry of Foreign Affairs, Colombia, presented the view from the Fellows on the pre-2030 mitigation work programme. She recalled the mandate from CMA3 to establish a work programme to urgently scale up mitigation ambition and implementation in this critical 2020-2030 decade. With respect to the work programme's scope, she highlighted addressing the pre-2030 gap in a manner that does not shift the mitigation burden to developing countries. She also drew attention to technology in enhancing ambition through sharing experiences and best practices and support, although not including sectoral benchmarks and targets.

In sharing their views, some participants discussed the duration of the work programme, including milestones, with several developed countries believing it should go to 2030 and developing countries preferring a shorter time frame. Participants also stressed that the mitigation work programme should complement the GST rather than duplicate or overlap with it. Several speakers acknowledged that scrutiny of individual NDCs is controversial and not something that will be agreed. Some underscored the importance of preserving the bottom-up approach of the Paris Agreement and emphasized that sectoral approaches with respect to the work programme constituted a major point of contention at the June 2022 Subsidiary Body meetings.

### *Technical Dialogues of the Global Stocktake Under the Paris Agreement*

The *Technical Dialogues of the first Global Stocktake (GST)* aim to facilitate conversations among Parties, experts, and non-Party stakeholders so they can develop a shared understanding of the latest information on implementation of the Paris Agreement and progress made with respect to its long-term goals. They are structured around the three themes of the GST: adaptation, mitigation, and means of implementation.

Zita Wilks, Advisor, National Climate Council, Gabon, made a presentation on behalf of the Fellows focusing on: what the Technical Dialogues should cover that is not covered elsewhere; areas that are covered elsewhere but require more focus; overlapping processes to integrate into the GST; and what the emphasis of the proposed GST outcome should be.

With respect to topics not covered elsewhere, Wilks said the Fellows had identified: finance for the response to loss and damage; a just and affordable transition in the context of mitigation, adaptation, and loss and damage; and alignment of investments with the Paris Agreement.



Regarding the Fellows' views on the proposed GST outcome, Wilks highlighted:

- an increase in climate finance to achieve scale commensurate to the needs and priorities of developing countries;
- facilitating and improving access to climate finance for developing countries;
- preference for grants rather than loans to avoid further developing country indebtedness;
- safeguarding against double counting and ensuring transparency especially with respect to adaptation finance; and
- improvements in the context of a just and affordable transition.

ecbi Director Müller reiterated the need to make use of the Technical Dialogues without duplicating efforts, and to emphasize areas that are discussed elsewhere but in an insufficient manner. For example, he said adaptation should be included in the discussion on response measures, which is also as much a loss and damage issue as livelihoods are also lost due to adaptation and impacts.

### *Santiago Network on Loss and Damage: Institutional Arrangements*

The Santiago Network for Loss and Damage was established in 2019 at COP25 in Madrid. It aims to catalyse technical assistance for implementing relevant approaches for averting, minimising, and addressing loss and damage in developing countries that are particularly vulnerable to the adverse impacts of climate change. At COP26, Parties decided on the functions of the Santiago Network. However, despite lengthy negotiations they could not agree on the institutional arrangements, which were left for COP27 in Sharm el-Sheikh.

During this seminar session, participants discussed the yet-to-be-agreed institutional arrangements. Frode Neergaard, Chief Adviser, Danish Ministry of Foreign Affairs, moderated the session. He expressed disappointment that only a relatively brief draft decision text had been forwarded to COP27. He also noted that the Danes had convened a workshop in Copenhagen in May to try to advance efforts on institutional arrangements. He highlighted some of the sticking points, such as the need for an advisory board.

The Fellows urged better defining what the Network will be used for, avoiding bottlenecks, and employing it as a platform towards achieving climate resilient development. Participants agreed that the Santiago Network should be operationalised as soon as possible.

### *Funding Arrangements for Addressing Loss and Damage*

This seminar session explored possible options for funding loss and damage, with all agreeing that not enough is being done to address it. However, opinions diverged on how to get there and what a funding arrangement would look like. Discussions centred on a proposal from developing countries on a new fund or facility<sup>1</sup>.

Offering the Fellows' perspective, Michai Robertson, Finance Lead Negotiator and Chair's Advisor, Alliance of Small Island States (AOSIS), provided an overview of possible funding arrangements for addressing loss and damage, including a proposed facility. He underscored that any arrangement must provide support that minimises expected loss and damage to the greatest extent possible and pursues efforts to contribute to averting future loss and damage. He explained that once an event occurs and the limits to adaptation have

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1 Subsequently, COP27 in November 2022 adopted a decision on funding arrangements for loss and damage and agreed to establish a loss and damage response fund, thanks, in part, to the efforts of ecbi. A transitional committee will meet during 2023 to help operationalise the fund at COP28..

been reached, a regime must be in place that responds to loss and damage, and any arrangement must be fit for purpose and serve both the Convention and the Paris Agreement.

He highlighted the need to understand four elements: investment criteria, access, results management, and governance. He said enhanced direct access must be embedded in the business model of the new operating entity, like the approach used by the Global Environment Facility for involving local actors and civil society, not only in operations but potentially in overall governance as well.

He said none of the current funds, including the Green Climate Fund, have a sustained and programmatic approach that, for example, provide committed funding to address slow onset events and local non-state accessibility. He proposed looking at a range of business models, taking their best parts, and applying them to this new operating entity. He said the provision of resources must be timely and supplement existing finance types, such as humanitarian assistance, for addressing loss and damage. He also mentioned an incremental increase in health issues that did not exist before climate change, and the need to link the two issues.

Following Robertson's presentation, Professor Benito Müller said he understood from the deliberations in the Fellows Colloquium that a key to progress is to consider a pilot fund for loss and damage. He recalled a similar experience with the creation of the Adaptation Fund, given that the Global Environment Facility at the time, with its focus on global and environmental benefits, was not adequately covering adaptation.

Saleemul Huq, Director, International Centre for Climate Change and Development (ICCCAD), and Head of ecbi's Training and Support Programme, called attention to a lack of assistance to address slow onset events, such as sea level rise and the subsequent salinity intrusion in low lying islands and coastal zones. He said once the event occurs funding is always inadequate, and no organization or agency is addressing the impacts of sea level rise, which is displacing thousands every day in Bangladesh and elsewhere from low lying areas and coastal zones and forcing them to move to cities.

He acknowledged we are doing a lot on adaptation, but cited limits to adaptation, noting, for instance, that salinity is happening faster than we can address it. Huq clarified that slow onset events are not going to happen in 20-30 years from now; they are happening now, they are not being addressed, and perhaps the fund could address this.

### *Aligning Financial Flows with the Paris Agreement Goals*

One of the key goals of the Paris Agreement is to make finance flows "consistent with a pathway towards low greenhouse gas emissions and climate-resilient development" (Article 2.1(c)). This seminar addressed whether the current institutional arrangement allows for determining whether finance flows are consistent with the Paris Agreement and, if not, what new institutional arrangements might be necessary to track alignment. Much of the discussion revolved around definitions of climate finance and financial flows and differentiating between the two.

Lia Nicholson, Senior Advisor, AOSIS, Antigua and Barbuda, presented on this topic on behalf of the Fellows. She discussed:

- whether domestic investments are considered financial flows, and what articles of the Paris Agreement really operationalise this goal;
- disaggregating climate finance from finance consistent with Article 2.1(c), which she said should not be used to diminish climate finance responsibilities deriving from the Convention and the Paris Agreement, including the US\$100 billion per year goal; and

- what consistency with low emissions climate resilient development looks like and what information and data would help inform consistency.

She said the view of the Fellows is that current institutional arrangements are inadequate to track consistency with the Paris Agreement, and asked what arrangements would enable us to determine consistency?

Nicholson agreed that a more specific definition could help advance the Article 2.1(c) discussions, including with respect to where the funding goes, level of concessionality, and how grant based or grant equivalent it is. She said looking at climate-resilient development in a nationally determined, bottom-up manner is critical because at the local level we are better able to have a just and affordable transition.

### *New Collective Quantified Goal on Climate Finance*

This seminar focused on what institutional mechanisms or arrangements would be optimal for operationalising and administering the NCQG once it is finalised, considering experiences and lessons learned from existing financing arrangements. Discussions revolved around the need for a definition of climate finance and the question of loans versus grants.

Presenting on behalf of the Fellows, Renato Leonardi, Head, Climate Change Division, Department for Sustainable Development, Ministry of Foreign Affairs, Brazil, provided some context by presenting a slide showing climate finance provided and mobilised in 2013-2020 based on OECD aggregate trends, and grants versus non-grants. He said the slide shows climate finance has been increasing and approximately 30% of finance provided and mobilized went towards adaptation.

He then presented a slide from Oxfam, which compares climate finance levels with those presented in the OECD study. He pointed out that Oxfam focuses more on the level of grants, which, he said, have been relatively stable. A slide he presented from the World Resources Institute on climate finance mobilisation by country reflected: very low participation by the US based on its economy and contribution to climate finance; and substantial contributions from Japan and France, although they are mostly based on loans and not grants. He said Japan considers ODA as climate finance, which inflates Japan's numbers substantially.

On what counts as climate finance towards achieving the NCQG, he said the Fellows had: stressed the need for a definition of concessionality in relation to climate finance; urged clarification on the status or reflows of principal and interest payments by recipient countries in accounting for climate finance; supported establishing a public grant finance sub-goal for adaptation; and called for focussing on grants to avoid national indebtedness, and predictability and sustainability of climate finance flows.

He said a system must be in place to track the delivery and accounting of climate finance, including the need for a notification requirement of delivery to the UNFCCC National Focal Point of the recipient country; acknowledged that tracking non-grant instruments from the private sector is difficult; emphasized capacity building for developing country reporting of support received; and explained that once the NCQG is finalised and in place, it must be subject to a periodic review. He then presented proposed topics and a schedule for the NCQG Technical Expert Dialogues in 2023 and 2024, and the need for ministerial roundtables to address highly political issues.

In the ensuing discussion, participants commented on the Oxfam slide. One developed country speaker questioned its relevance since it only covers grants, while the Cancun mandate clearly discusses multiple sources of financing. Leonardi said: this goes back to the methodology of defining climate finance; using only grants

would provide just a fraction of what is needed to achieve the goals; and if non-grant instruments, such as non-concessional loans and export credits, are included, then inflating the number to get to the target is easy.

A developed country said the Oxfam study should not be used to track progress or to question the OECD study, as this would imply the use of just grants. He also cautioned that financing should not just apply to developed countries and would be relevant for all countries. Another developed country speaker said both grants and loans have a role to play in the provision of climate finance, with loans predominant for financially viable mitigation projects. He also supported having finance issues in one place rather than creating new processes and having multiple bodies and ensuring the Standing Committee on Finance has the authority and expertise to look at the NCQG.

A developing country representative said the Oxfam study could provide a counterpoint to the OECD study. He said if we lack a definition or common understanding of climate finance then we will always have these methodological uncertainties. He said this would give rise to different assessments regarding how much we have been able to meet our commitments under the climate regime. He explained we should not use the Cancun mandate as a “straitjacket” in the NCQG discussions, but we must consider lessons learned from it

Other participants observed that: if the donor base is broadened, more Parties could be involved in providing funding; the goal would be low if only public donor money is used; agreement on burden sharing for the new goal is unlikely, although it might be desirable in an ideal world; and some donors might not want to measure concessionality.

Professor Müller pointed to potential problems tracking funding if money is sent directly to projects (in which case it might not be reported) rather than through finance ministries. He suggested that donors notify finance ministries if sending money directly to projects. He also said at some point we must determine who delivers and who receives. Suggesting that the Annexes of countries used under the Kyoto Protocol and UNFCCC can no longer be used, he said the only answer is self-selection.’

### *Adaptation Finance*

The final seminar session explored ways to ensure increased adaptation grant funding for the financial mechanism and a proposal for a share of proceeds for adaptation (SOPA) in the Voluntary Carbon Market (VCM). ecbi Director Benito Müller explored these two components in his presentation. He suggested a new collective quantified public sector goal on adaptation grant finance, as put forward in an [ecbi/OCP submission to CMA4](#).

The second part of his presentation focused on going beyond national budgetary contributions for the financial mechanism, noting difficulties in getting more than 2 or 3% annually out of that system. He discussed innovative sources for multilateral adaptation funding, citing the need to broaden the donor base to increase funding to supplement, not replace, national contributions.

He then introduced a proposal for sub-national private sector contributions through a SOPA in the Voluntary Carbon Market (VCM), as an innovative source of climate finance, and one way in which the private sector could contribute to climate finance through multilateral channels. He said a SOPA for the VCM should be aligned with the 5% agreed in Glasgow for Article 6.4 under the Paris Agreement. He underscored the importance of integrity for the VCM, including environmental integrity, whereby the market does not make the environment worse off. However, he said social benefits are also important and must be delinked from project choices, which do not often benefit Africa, LDCs, and SIDS. Thus, he said SOPA is ideal in this sense, as it would generate the market’s social integrity without interfering with market choices.

Müller called attention to ecbi's [Discussion Note on SOPA in the VCM](#) and an [ecbi submission](#) made during the public consultation period to include SOPA as one of the Core Carbon Principles (CCPs) being developed by the Integrity Council for the VCM (IC-VCM). He expressed support for the Adaptation Fund as the vehicle of delivery for SOPA, using the CDM as a model. He said such an endeavour would [safeguard social integrity in the VCM](#). He noted no major pushback on SOPA in the VCM from issuers and said it will only work with a standard for credits across the market contained in CCPs.

Participants generally expressed support for the idea of, and efforts made towards, new, additional, and predictable resources, and as many innovative sources of funding as possible.

### **Post-Seminar Feedback**

Feedback from participants following the Seminar revealed that many felt the discussions were very beneficial, particularly with respect to:

- the proposed loss and damage facility, including the different visions for it;
- alignment of financial flows;
- the need to look at climate finance not under Article 2.1(c) of the Paris Agreement as a stand-alone substantive provision but rather as a larger purpose to achieve sustainable development and the eradication of poverty;
- gaining a better understanding of the loan versus grant dynamic;
- the proposed future process for the GlaSS;
- better understanding the European positions on the mitigation work programme and climate finance; and
- the NCQG process, including proposed TEDs.

Further reflecting on the seminar, some participants felt that even the contentious issues, where positions diverged, were discussed in a very constructive manner. They also found the bilateral discussions between the seminar sessions extremely useful, while newer delegates to the UNFCCC process welcomed the opportunity to meet and work together with those who have years of experience in the process. Other noteworthy observations by participants post-meeting included that developed countries were more reluctant to establish new institutional arrangements than developing countries, and that future seminars should allow more time for more in-depth discussions on each topic.

## **Other Events**

### **Petersberg Climate Dialogue XII**

The [Glasgow Ambition Cycle](#), developed under the aegis of ecbi, received a crucial vote of confidence at the Petersberg Climate Dialogue, where the importance of reaching agreement on common time frames at COP26 was acknowledged. [ecbi Director Benito Müller presented](#) on the links between common timeframes and ambition. The 12th Petersberg Climate Dialogue XII met from 6-7 May 2021. See the Co-Chairs' Conclusions [here](#).

### **ecbi/PCR Workshop on Supporting Adaptation through Article 6 of the Paris Agreement**

On 21 October 2021, ecbi and Perspectives Climate Research (PCR) co-hosted a workshop on [Supporting Adaptation Through Article 6 of the Paris Agreement: Innovative funding through non-market cooperation and shares of proceeds](#). The workshop aimed to provide a platform for Article 6 negotiators and experts from developed and developing countries to discuss generating innovative finance for adaptation through a share of proceeds in the run-up to COP26 in Glasgow. A pre-publication copy of the ecbi policy brief on [Share of Proceeds: An Innovative Source of Multilateral Climate Finance](#) was shared. The final copy was published in



November 2021. In addition, Axel Michaleowa, Perspectives Climate Research, discussed the role of the Article 6.8 work programme in promoting adaptation finance. A summary of the key discussions, as well as feedback from workshop participants, can be found in the [workshop summary report](#) and the [presentations](#).

## **Webinar Assessing Key Outcomes from COP26**

On 3 March 2022, an [ecbi webinar assessed COP 26 and the year ahead](#), focusing in large part on ecbi's publication on [Key Outcomes from COP26](#). The webinar attracted more than 70 participants, with contributors discussing key elements of the report.

Chris Spence, former Head of ecbi's Publications and Outreach, drew attention to COP26's operational achievements in completing the Paris Rulebook that will help improve reporting and accountability and ratchet up ambition over time. However, he said COP26 did not do enough to keep the world on track to limit warming to 1.5°C despite the various pledges and promises made by coalitions on methane, forestry, finance, aviation, shipping, new vehicles, and other topics. He argued that 2022 would require progress on adaptation, more ambitious NDCs, and a transition to implementation of the Paris Agreement.

Aglaja Espelage, Consultant, Perspectives Climate Group, observed that while the rules for the Paris Agreement's transparency framework were already agreed, more concrete details, such as reporting tables on NDCs and national inventory reports, were negotiated at COP26. Although negotiations were contentious, agreement was reached on a common reporting format with limited flexibility. She explained discussions would now turn to the details of electronic reporting and putting systems in place operationally so countries can submit their reports in 2024. She said the Article 6 outcome was a "major achievement" that should allow international carbon markets to begin operating under the Paris Agreement, mentioning the "quite stringent rules" for how carbon credits can be generated.

Christoph Schwarte, Head of ecbi's Legal Support Unit and Executive Director of Legal Response International (LRI), noted agreement on a new work programme aimed at achieving a NQCG on financing by 2024. He said the challenge would be to find an amount that meets the climate need and is "more than just a promise". He also noted discussions on defining what constitutes climate finance. He drew attention to the COP26 decision to establish a dialogue on funding arrangements for loss and damage, rather than agreeing to designate actual financing for loss and damage, which disappointed many developing countries.

ecbi Director Professor Benito Müller spoke about the agreement on common time frames, noting it established common end years for reporting NDCs. While noting Parties can update their NDCs at any time, he stressed the importance of having a regular, consistent interval that prompts Parties to update existing NDCs every five years, which will help foster greater ambition. He also urged civil society to make more submissions in response to COP decisions and follow up at Subsidiary Body meetings, and said far more funding is needed, including funding that is predictable and from innovative sources.

Jen Allan, Lecturer in International Relations at Cardiff University and Advisor to IISD/Earth Negotiations Bulletin, said recent COPs were adding "cover decisions" like the Glasgow Climate Pact, which can create a space to raise important issues and even processes but might also add to the complexity of negotiations.

## News and Announcements

### **Denmark Confirms £1.6m Funding for Phase V of the ecbi Fellowship and Trust-building Programme**

The Government of Denmark confirmed a 14m DKK (£1.6m) grant to ecbi during a reception at COP26 in November 2021. Lotte Machon, Danish Secretary of State for Development Cooperation, on behalf of Flemming Møller Mortensen, Danish Minister for Development Cooperation, made the announcement, praising ecbi's capacity and trust-building efforts. Denmark partnered with ecbi in its initial phase and the new funding, from the Danish Ministry of Foreign Affairs, will go towards ecbi's Phase V (2022-25). Professor Benito Müller welcomed the announcement of Denmark's renewed investment in ecbi's ongoing activities. He said the ecbi process enables people to spend time together in such a way that they form personal relationships and mutual trust. Phase V marks the beginning of a partnership between Oxford Climate Policy and BVRio whose Director, Pedro Moura Costa, has been on the Oxford Climate Policy board since 2005.

### **ecbi's Role in Common Time Frames Success Recognized**

In recognition of ecbi's efforts, Minister Simonetta Sommaruga of Switzerland sent ecbi Director Benito Müller a letter of appreciation for his "high level of engagement leading up to COP 26 in Glasgow," particularly with respect to agreement on the issue of common time frames for NDCs, which had been outstanding since the adoption of the Paris Agreement in 2015. Sommaruga thanked Müller for his "tireless efforts" which were "instrumental in convening pertinent actors ready to work towards an ambitious outcome".

### **Saleemul Huq Awarded an OBE in the UK New Year's Honours List**

Saleemul Huq, Head of ecbi's Training and Support Programme and ICCAD Director, was awarded an Order of the British Empire on the UK's 2022 New Year's Honours List in recognition of his service to combat international climate change and his work to build climate expertise in Bangladesh, the UK, and around the globe. On his work with ecbi, Huq said: "It has been a pleasure for me to have been associated for more than two decades with ecbi's capacity building programme through which we have been able to capacitate more than one generation of climate change negotiators from the LDCs".

### **Zoom Portraits of Climate Change Negotiators**

In the run up to UNFCCC COP26 in Glasgow, Oxford-based portrait artist Fran Monks photographed climate negotiators from around the world via zoom. With the support of ecbi Director Benito Müller, Monks photographed them from their homes, offices, and even the roadside. She had conversations with them about long hours, bad food, late nights, camaraderie and, above all, commitment to finding a workable solution to the climate crisis. Several of these portraits were exhibited from 2-15 November 2021 at the Blavatnik School of Government and as part of Photo Oxford 2021.

## **Training and Support Programme**

The Training and Support Programme did not convene any events during this period.

## **Publications and Outreach Unit**

The second half of 2021 and 2022 saw the publication of many policy briefs, discussion notes, and blog posts. Many concentrated on some of the more salient issues under negotiation during this period in the climate process: for example, common time frames prior to COP26 in Glasgow in 2021 and financing to respond to loss and damage prior to COP27 in 2022 in Sharm el-Sheikh. Both these issues yielded decisions at the respective COPs, in part due to the efforts of ecbi and partners, who have pushed for decisions that consider many of the

concerns, proposals, and ideas raised at the Bonn and Oxford Seminars, and in the Fellowship Colloquium. Multiple publications also focus on instituting a SOPA for the VCM, an issue that ecbi has been very involved in.

Another issue that garnered significant attention, including in media articles, was the publication [Quo Vadis COP?](#), which emphasizes the need to rethink arrangements for intergovernmental meetings under the UNFCCC. In addition, a Pocket Guide breaks down and explains Article 6, one of the more complex issues under the Paris Agreement. ecbi also assessed key outcomes from COP 26 in a policy brief.

ecbi/OCP website statistics continue to be strong. In 2022, the OCP website had 24,501 unique visitors, 29,450 visits, and 236,715 hits. The ecbi website had 30,841 unique visitors, 34,810 visits, and 380,411 hits. From April to December 2021, the OCP website had 14,646 unique visitors, 16,279 visits, and 121,980 hits, while the ecbi website had 23,505 unique visitors, 26,974 visits, and 243,310 hits.

## Meeting Reports

### Bonn Seminar

As detailed earlier in this report, the [2022 Bonn Seminar](#) took place on 12 June in Bonn, Germany. Three sessions convened on loss and damage, the Global Goal on Adaptation, and the NCQG. Read the full report of the Bonn Seminar [here](#).

### 2022 Oxford Seminar

The 2022 Oxford Seminar took place from 5-7 September. The topics addressed were timely in advance of COP27 in Sharm el-Sheikh, Egypt, and related to a proposed loss and damage funding facility, adaptation finance including a proposed SoPA in the VCM, the pre-2030 mitigation ambition work programme, the GGA, aligning financial flows with the Paris Agreement, and a the NCQG on climate finance, among others. The Seminar was preceded by the Fellowship Colloquium from 2-5 September. See the full report of the Oxford Seminar [here](#) and photos from the event [here](#).

## COP 26 Key Outcomes Report

COP26 was the first major in-person environmental gathering since the start of the COVID-19 pandemic, meeting in Glasgow from 31 October to 13 November 2021. In a policy brief published in January 2022, ecbi provides an assessment of the [key outcomes from COP 26](#), what was left unfinished in Glasgow, and what needed to happen in 2022 to ensure success at COP27. It features quotes and insights from ecbi's network of negotiators and delegates who attended COP26.

Glasgow achieved agreement on the [Paris Rulebook](#), which covers operational issues such as common time frames for NDCs, reporting in the context of transparency, and Article 6 of the Paris Agreement. It provides for specific reporting requirements, a clear cycle for ratcheting up NDCs, and stringent rules for international carbon markets. Collectively, these make the Paris Agreement fully operational.

Discussions on finance for the loss and damage caused by climate impacts ended without significant progress, however, with agreement only to a “dialogue” on the subject, as some developed countries rejected the proposal for a new financial facility. On a positive note, Scotland's First Minister, Nicola Sturgeon, became the first leader of a developed nation to pledge money for loss and damage.

Meanwhile, developed countries agreed to double support for adaptation by 2025 compared with 2019. Some countries delivered more ambitious NDCs in the lead up to Glasgow, and announcements were made by various

coalitions to cut methane emissions, end deforestation, shift away from coal, stop selling petrol-powered cars, and move financial investments towards net zero activities.

ecbi began producing COP outcome documents following COP24 in 2018. Given the positive feedback received, we will continue assessing key outcomes of each COP going forward.

## Pocket Guides

### **Pocket Guide to Article 6 Under the Paris Agreement**

In October 2022, ecbi published a [Pocket Guide on Article 6](#), a key part of the Paris Agreement. Article 6 sets out the basis for international cooperation on climate action, including both market and non-market mechanisms. Most of the details on the operationalisation of Article 6 were finalised in 2021 at COP26 in Glasgow. This Pocket Guide aims to increase understanding of this complex topic, including the latest rules and decisions adopted by Parties to operationalise the mechanisms up to and including the meetings of the Subsidiary Bodies in June 2022.

### **French Version of the Guide to the Paris Agreement**

In 2021, ecbi published a [French version of its 2020 Guide to the Paris Agreement](#).

### **Spanish and French Versions of the NDC Pocket Guide**

July 2021 saw the publication of [French](#) and [Spanish](#) editions of ecbi's updated Pocket Guide on Nationally Determined Contributions (NDCs), which now includes provisions of the Paris rulebook.

## Policy Briefs, Reports, and Discussion Notes

### **Quo Vadis COP? Future Arrangements for Intergovernmental Meetings under the UNFCCC**

In March 2021, ecbi published a policy report titled [Quo Vadis COP? Future Arrangements for Intergovernmental Meetings under the UNFCCC – Settled and Fit for Purpose](#). Given the current focus on implementation of the Paris Agreement, the report proposes new arrangements that reflect this new role, particularly for the COP. The authors propose slimming down the size of COP sessions to deal with technical matters related to implementation. Political elements, meanwhile, could be dealt with in already established processes outside the COP to support implementation on the ground, such as the Global Climate Action Agenda, the Marrakech Partnership for Global Climate Action, the Regional Climate Weeks, and the technical meetings and workshops that support countries in formulating and implementing policies and measures in support of climate ambition.

The report was launched during a webinar held on 26 March 2021. The webinar was attended by 38 participants, including climate negotiators from developed and developing countries, academics, UNFCCC Secretariat staff, and representatives from nongovernmental organisations.

This topic was also flagged by Matt McGrath, BBC in response to readers' questions in the run up to UNFCCC COP26 in Glasgow: [COP26 Should there be limits on meat eating and other questions](#).

A 31 May 2021 opinion piece in the *Financial Times* draws on the Quo Vadis COP? report. The article, [Climate summit jamborees could use a good clean-up](#), was written by Leslie Hook, Environment and Clean Energy Correspondent for the *Financial Times*. The article concludes that "Even a smaller COP would still be

important, not least because the format allows every country, no matter how small, to be heard on an equal footing. But just as COVID-19 has forced a reckoning for many aspects of modern life, it is time for that same re-evaluation to take place for the COP. As long as the rest of the world can keep up the beating drum of climate action, perhaps the beating drums don't need to be inside the negotiation venue itself". The report is also referenced in the 27 October [Carbon Brief UN Climate Talks Analysis: How delegations at COP climate summits have changed over time](#).

On 14 June 2021, ecbi Director Benito Müller was part of a panel at the final webinar of the European Political Economy Project of the European Studies Centre (St. Anthony's College, Oxford), where he gave a [presentation](#) on Quo Vadis COP?

Pilita Clark of the *Financial Times* mentioned in her 19 November 2022 opinion piece, [The COP jamboree desperately needs a reboot](#), "Oxford university professor Benito Müller, a long time climate adviser to low-income countries, would replace today's costly "mega-COPs" with a smaller annual one held in Bonn. Rotating cities could host 'global climate action weeks' each year."

### **[History of Enhanced Direct Access: Second Updated Edition](#)**

In July 2021, ecbi published a second updated edition of its report, [History of Enhanced Direct Access](#) (EDA), which includes a summary of EDA programmes that have been implemented under the Green Climate and Adaptation Funds, as well as the French SUNREF (Sustainable Use of Natural Resources and Energy Finance) programme. The report concludes with a forward-looking section on performance-based EDA. The [report was first published](#) in December 2015 and covered the period from 2009-2015, while the updated edition extends to 2021.

### **[Common Time Frames: Reducing the Options for a Decision in Glasgow](#)**

In July 2021, OCP/ecbi published a [Technical Paper](#) for the [Alliance of Small Island States](#) (AOSIS) as part of the [Strategic Partnership](#) between ecbi and AOSIS. The paper, written by Benito Müller, analysed options under consideration in the negotiations on establishing a common time frame for national targets in countries' NDCs under the Paris Agreement. This issue was one of the three top priority issues to be resolved at COP26 in Glasgow and necessary to finalise the Paris rule book. The resulting [Key Message for Policy Makers](#) sums up the analysis, explaining the importance of adopting the [Glasgow Ambition Cycle](#) at COP26.

### **[Share of Proceeds](#)**

ecbi published a number of documents related to various aspects of a share of proceeds for climate finance during this period.

#### **["Share of Proceeds": Beyond CDM and Article 6](#)**

This September 2021 [OCP/ecbi Discussion Note](#) explores how the use of a "share of proceeds" – referred to in the CDM under the Kyoto Protocol and the Article 6 Mechanism under the Paris Agreement – could, as an innovative funding source, be extended to market mechanisms at the regional, national, and sub-national levels.

#### **[An Innovative Source for Multilateral Climate Finance](#)**

A November 2021 policy brief, [Share of Proceeds: An Innovative Source for Multilateral Climate Finance](#), assesses the debates surrounding a share of proceeds and its potential forms of implementation, and makes recommendations for Article 6 negotiations regarding effective and efficient forms of share of proceeds for



adaptation and administrative costs. The brief also considers ways in which funding predictability could be addressed through earmarking a share of proceeds from the sale of mitigation units or carbon taxes at the regional, national, and sub-national levels. The brief concludes that multi-billion Euro funding could be generated by applying a share of proceeds comparable to that of the Kyoto mechanisms.

### *A Share of Proceeds for Adaptation in the Voluntary Carbon Market*

Furthering the evolution of the ideas introduced in the two publications noted above, the [OCP/ecbi Discussion Note](#) argues that the Voluntary Carbon Market (VCM) has the unique opportunity to explore the value proposition that a share of proceeds for adaptation (SOPA) can provide stakeholders. Given the political buy-in that SOPA can bring about, as observed during development of the CDM, and the policy need to align with the provisions of the Paris Agreement, the Discussion Note recommends that ongoing efforts to improve the governance of the VCM should strive to:

- encourage standard setters to promote a SOPA;
- incorporate regulatory provisions for a SOPA into VCM as a key component of good governance and a high-level principle for the market, to ensure environmental and social non-carbon positive impacts; and
- enhance coordination of supply and demand oversight efforts, to foster synergies towards effective SOPA implementation and delivery.

In this way, the carbon markets can promote adaptation co-benefits.

### *Discussion Note on the Global Goal on Adaptation*

In October 2022, ecbi published a Discussion Note, [The Global Goal on Adaptation: A Conceptual Analysis](#). The document asserts that a further articulation of the GGA should be built on a risk framework that recognizes complementarity of adaptation to mitigation in the context of the temperature goal. It reinforces the notion of adaptation needs being dependent on the level of mitigation action.

## **Blog Posts**

### **Common Time Frames**

#### *Common Time Frames — Synthesising the Options for a Decision in Glasgow*

This [blog post](#), published in May 2021, suggested a way to streamline the many proposals concerning a common time frame for the Paris Agreement to a more manageable number without losing the key features of the original proposals. The post sought to demonstrate that the [Glasgow Ambition Cycle](#) is a synthesis option that captures all the proposals.

#### *2 ‘update’ or not 2 ‘update’ every 5 years, that is the Q4*

This [blog post](#) sought to respond to some comments made during the June 2021 informal SBI consultations on common time frames, based on the Glasgow Ambition Cycle proposal.

#### *Completing the Paris Ambition Mechanism in Glasgow: Key Message for Policy Makers*

This 13 July 2021 [post](#) provides a summary of why adopting the Glasgow Ambition Cycle at COP 26 is essential.

#### *What do you mean: ‘Common Time Frame’?*

Another [blog post](#) explored whether seeking a single common time frame for NDCs is in the mandate of the Art. 4.10 negotiations. Based on a comparative analysis of the six official UN language texts, the post concludes

that not only is it within the mandate, but that the outcome of these negotiations should also include the adoption of common end-years for NDCs.

### *Rolling Time Frames... the Article 4.10 landing zone in Glasgow*

This 13 September 2021 [blog post](#) took stock of the outcomes of a virtual [Informal Ministerial Consultation on Common Time Frames for NDCs](#). Minister Jeanne d'Arc Mujawamariya of Rwanda and Minister Simonetta Myriam Sommaruga of Switzerland were invited by the COP 26 Presidency to consult with ministers on common time frames for NDCs. The 7 September 2021 consultation, organised by the UNFCCC Secretariat, was preceded by an OCP/ecbi preparatory meeting on 3 September. Müller's presentation to the virtual preparatory meeting can be accessed [here](#).

### *The Common Time Frame Has Landed!*

Following COP 26, ecbi Director Benito Müller assessed the Glasgow COP decision on Common Time Frames in a blog post, [The Common Time Frame has landed! But the ambition cycle is still in need of completion](#). The post stresses that, while it does not go all the way, the Glasgow Common Time Frames decision is a significant step towards a fully functioning rule book for the Paris Agreement. It describes the journey towards agreement on and includes a list of articles and blog posts published on the ecbi and OCP websites since 2014. More on this issue and the role that Professor Müller played in the run up to this decision can be found on the [University of Oxford website](#).

### *COP26: Clouds and silver linings*

Written by David Robinson in November 2021 after the conclusion of COP 26, this blog post, [COP26: Clouds and silver linings](#), explains why, given the inadequacy of the response to the climate emergency, COP 26 also had its silver linings, including finalizing the Common Time Frames for NDCs and the other remaining items in the Paris Rulebook (Article 6 and transparency). He writes that probably the most important reasons to be positive about the COP26 outcome were both State and non-State commitments to net zero, and the effectiveness of climate activism.

### *Share of Proceeds*

#### *Safeguarding Social Integrity in the Voluntary Carbon Market*

This [blog post](#), published on 18 May 2022, points to the reputational risk of neglecting the poorest and most vulnerable and describes how a [Share of Proceeds for Adaptation \(SOPA\)](#) as an innovative source of finance for concrete adaptation projects can benefit such communities, particularly in least developed countries and small island developing States. Several news articles in July 2022 highlighted the proposal for a SOPA as a CCP for the VCM. Reuters, for example, published an article by Megan Rowling, [In carbon markets we trust? New global guidance aims to stop greenwashing](#). Another article, [Make polluters for climate adaptation, voluntary carbon market body proposes](#), was written by Chloé Farand for Climate Home News.

#### *Blog Post on the CVF Website on SOPA in the VCM*

The Climate Vulnerable Forum (CVF), an international forum for countries most threatened by climate change, published [this blog post](#) by Saleemul Huq, Head of the ecbi Training and Support Programme, and Chair of the CVF Expert Advisory Group. The post further makes the case for including a SOPA in the CCPs being developed for the voluntary carbon market (VCM). Through the official submissions' process, the CVF called for the IC-VCM, which is developing the principles, to add a SOPA to its CCPs. It also proposed that from January 2024 onwards, carbon crediting programmes should charge a SOP of 5% at issuance, for the benefit of the Adaptation Fund. Huq argues that if the VCM does not align with the Paris system, its credibility as

an instrument for the global environmental response to the climate emergency will be seriously in doubt. He explained that the 5% SOPA would match the Paris Agreement approach, which was agreed at COP26 in Glasgow with respect to SOPA under Article 6. He said this would enable the VCM to provide adaptation benefits in an equitable manner, without distorting market choices to benefit vulnerable developing countries, putting the VCM in the “vanguard of progressive instruments to tackle the climate emergency”.

ecbi also facilitated a [letter](#) by lead representatives of the CVE, the UNFCCC Least Developed Countries (LDC) Group, and the West African Alliance on Carbon Markets and Climate Finance to the members of the Board of the Integrity Council of the VCM (IC-VCM). The letter, dated 8 June 2022, proposes establishing a SOPA as a Core Carbon Principle (CCP) for the VCM, reflecting on the ideas put forward in the OCP/ecbi Discussion Note on [A Share of Proceeds for Adaptation \(SOPA\) in the Voluntary Carbon Market \(VCM\)](#), and the OCP blog post on Safeguarding Social Integrity in the Voluntary Carbon Market. The letter also thanks ecbi Director Benito Müller and Saleemul Huq, ICCCAD and Head of the ecbi Training and Support Programme, for bringing the issue to their attention. An AOSIS press release also mentions the idea being raised by Müller and Huq. On 9 June, the IC-VCM Board adopted a SOPA as one of its proposed CCPs to be forwarded for public consultation.

## Loss and Damage

### *Just Transition: Response Measures and Loss & Damage!*

This [April 2022 blog post](#) describes measures to respond to the climate emergency as well as climate change impacts that affect jobs and livelihoods. ‘Just transition’ in this context refers to the need to ensure that social injustices due to resulting job and livelihood losses are addressed to ensure no one is ‘left behind’.

### *Blog Posts and Media Mentions on Loss and Damage Financing Prior to COP27*

In October 2022, ecbi/OCP published several blog posts on issues related to the negotiations on loss and damage financing in the lead up to COP27 in Sharm el-Sheikh, Egypt. The first one, [The time is ripe ... for serious discussions on finance to address and indeed respond to loss and damage through a dedicated pilot fund](#), looks at the history of the deliberations, which began in 1991 with an AOSIS proposal to establish an [International Insurance Pool](#). It explores the evolution of the loss and damage finance narrative and action and the idea of a pilot fund for loss and damage, which was raised at the 2022 ecbi Oxford Seminar.

The second post, [Elements for a Pilot Loss and Damage Response Fund](#) expands on discussions that took place during the 2022 ecbi Oxford Seminar with respect to funding arrangements for addressing loss and damage. In the post, ecbi Director Müller provides some thoughts on key questions regarding the idea of a pilot loss and damage response fund that came out of these discussions, including: why the fund should be established and how it should be set up; what the fund should focus on; and how could the response fund be resourced. It sought to finding a mutual comfort zone/landing ground for the negotiations at COP27.

A 19 October 2022 Climate Home article, titled [Small island states to propose “response fund” for climate victims at COP 27](#) and written by Chloé Farand, mentioned the 2022 Oxford Seminar, where the loss and damage response fund was floated.

Müller was quoted in a [post on the Wall Street Journal Climate & Energy website](#), authored by Ed Ballard, arguing that, with its litigious connotations, the term “loss and damage” is regrettable. Instead, he suggested the term “response fund” for the proposed fund might be more acceptable to such countries as the US. Müller said moves by Denmark and Scotland to offer money for countries hit by climate-related disasters suggest that “the dike has been broken” but of course much more needs to be done.

A 4 November 2022, [Time to Respond!](#) makes the case that a new multilateral pilot fund is urgently needed to respond to climate-induced loss and damage, and which is focused on recovery, reconstruction, and rehabilitation following adverse climate impacts. It was written by Malik Amin Aslam Khan, former Pakistan Minister for Climate Change, and ecbi Director Benito Müller. They stress the opportunity at COP27 for leaders to fill the gap in existing funding arrangements, which are no longer adequate to meet the requirements of the most vulnerable countries.” The article was published on the [OCP blog site](#) and the news aggregator [unclimatesummit.org](#).

### ***The New Loss and Damage Pilot Funding Arrangements***

Following the COP 27 decision on “funding arrangements for responding to loss and damage associated with the adverse effects of climate change”, ecbi/OCP published this [blog post](#), which discusses the need for *innovative funding sources* and *innovative response tools* for these new funding arrangements and fund. The post also suggests a way in which both can be rapidly developed and tested.

### **Other Blog Posts**

#### ***A first case for the Compliance Committee of the Paris Agreement – the EU?***

In his [review of EU climate policy](#) in the most recent edition of Climate Law, Christoph Schwarte, Executive Director of OCP partner organisation Legal Response International, draws attention to the EU’s missing notification under Article 4 (mitigation) of the Paris Agreement. The review was published on the OCP Blog website in July 2021.

#### ***Enough with the Madness!***

In this November 2021 post, [Enough with the Madness!](#) Professor Müller argues that, in order to start redressing the unsustainable growth of COP participant numbers, the UN Secretary-General should convene his 2023 Summit (to consider ambition to 2030) as part of a Global Climate Action week in Geneva (proposed in the [Quo Vadis COP?](#) report) This would be in partnership with the COP 27 and COP 28 Presidencies and provide a venue for some, if not all, of the Green Zone climate action events.

#### ***The New Collective Quantified Goal on Climate Finance***

This [January 2022 blog post](#) argues that to avoid further mutually assured unhappiness due to a lack of agreement with respect to what constitutes ‘climate finance’, the negotiations for a new collective finance goal should focus on public sector adaptation funding. An [OCP/ecbi submission](#) to the UNFCCC Secretariat based on this post to CMA4 contains views on the NCQG and a proposal for a new, collective, and quantified public-sector goal on adaptation grant finance.

### **ecbi Updates**

In addition to the activities and publications covered above, ecbi periodically produces a news update covering key events of the past six months. These can be found online here: <https://ecbi.org/ecbi-updates>

### **Additional Activities of the ecbi Director**

On 25 October 2022, Professor Müller gave a presentation on his [Quo Vadis COP?](#) report at the Centre for International Studies of SciencesPo in Paris. The following day, he met Dr. Marc Ringel, SciencesPo European Chair for Sustainable Development and Climate Transition, who invited him to join Julia Marton-Lefèvre, Jeffrey Sachs, and Laurence Tubiana in his Scientific Committee.

On 28 October 2022, Müller met with Brice Lalonde, French Minister of Environment (1988–1992) and Ambassador on Climate Change Negotiations (2007–2010), Stéphane Crouzat, French Head of Delegation and Climate Ambassador, and Dr. Delphine Eryaud, Climate, Environment and Energy Adviser at the Permanent Representation of France to the OECD, to discuss, among other things, the idea of a **Pilot Loss and Damage Response Fund** in preparation for COP27 in Sharm el-Sheikh, Egypt.

On his way back from Sharm el Sheikh, ecbi Director Müller stopped over in Bern for an informal meeting with Amb. Franz Perrez, Head of the Swiss climate delegation and long-term friend of ecbi. Among the topics they discussed were ideas published in the **Quo Vadis COP?** brief with slight amendments, for example dividing the annual “COP jamboree” into a negotiation segment in Bonn, a moving Global Climate Action week (Green Zone + private sector trade fair), and a summit in Geneva.

## Funding

ecbi wishes to sincerely thank the Government of Denmark for funding Phase V of its work (2022-25), as well as the Government of Norway for supporting regional training workshops (2023-25) and the Government of Switzerland for providing transitional funding in 2021. This support enables ecbi to continue to have a significant impact in building capacity and trust in the UNFCCC process.

## Board and Staffing Updates

There were a number of personnel changes at ecbi in 2021-2022. First, the management team evolved as ecbi entered Phase V of its work. More details on this group can be found here: <https://ecbi.org/about-us>

Also, after many years of service, Anju Sharma, who headed ecbi’s Publications and Policy Analysis Unit, stepped down. We are immensely grateful to Anju for her commitment and inspired leadership over the previous decade. In 2022, Leila Mead joined the team and is now managing ecbi’s Publications and Outreach Unit.