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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	27th meeting of the Conference of the Parties to the UN Framework Convention on Climate Change (COP27) (Sharm el-Sheikh, 6 November – 20 November 2022) = Information note from the Presidency and the Commission

Delegations will find in the Annex an information note from the Presidency and the Commission on the above subject, to be dealt with under "Any other business" at the Council (Environment) meeting on 20 December 2022.

**27th meeting of the Conference of the Parties
to the UN Framework Convention on Climate Change
(COP27)**

(Sharm el-Sheikh, 6 November – 20 November 2022)

– Information from the Presidency and the Commission –

Egypt presided over the **27th United Nations Climate Change Conference** (“COP27”) that took place from 6 November to 20 November 2022 in Sharm el-Sheikh, Egypt.

As the primary annual global climate-related event, COP27 brought together 197 Parties to the UN Framework Convention on Climate Change (UNFCCC), as well as representatives of business, civil society and academia to accelerate action towards the goals of the Paris Agreement. The adopted overarching decision called **Sharm el-Sheikh Implementation Plan** is below the EU’s expectations as it misses to provide a clear path to limiting global warming to 1.5 degrees Celsius compared to pre-industrial levels, or at least some key signposts on such a path, like a call for the peaking of global emissions before 2025 and the phaseout of unabated fossil fuels. Many countries expressed their overall disappointment for the lack of momentum on mitigation ambition after Glasgow in their closing statements. Parties did however agree on the modalities for the Mitigation Work Programme consisting of at least two dialogues every year, possible additional regional ones as well as investment-focused events. The work programme is due to last at least until 2026 and mandated to deliver decisions every year.

Above all, COP27 will be remembered for establishing “new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change, in responding to loss and damage”. These include a fund for responding to loss and damage and will build on the existing “mosaic” of institutions, which currently support developing countries in preparing for and responding to climate impacts, and seek to fill gaps in that mosaic. This is the first time a process set up under the UNFCCC has the mandate to explore sources of support beyond the conventional donor base of developed country governments.

While COP27 was not expected to take significant substantive decisions on climate finance, it responded partially to a long-standing EU demand by launching a “Sharm el-Sheikh dialogue to exchange views on and enhance understanding the alignment of financial flows with the Paris Agreement objectives”. It also calls for reforms of the international financial and development architecture to better serve both climate and development goals.

Parties also made progress on the discussions on the Global Goal on Adaptation (GGA), identifying functions and elements of a 'GGA framework' to guide the achievement of the goal.

Other important outcomes of COP27 include progress made in the technical assessment phase of the Global Stocktake, including a way forward towards high level consideration of outputs next year, on the rules under Article 6, on the adoption of the guidelines for the voluntary reporting on adaptation under the Enhanced Transparency Framework, on the work on agriculture, on the review of the gender action plan and on the adopted four-year action plan in terms of Action for Climate Empowerment. Parties also agreed to establish a work programme on just transition and an annual ministerial roundtable to discuss pathways to achieve the goals of the Paris Agreement.

The **Global Climate Action** High-level Events and roundtables were organized under the auspices of the High-Level Climate Champions and the Marrakech Partnership, among several other events where non-Party stakeholders showcased progress and presented opportunities in order to incentivise efforts by all stakeholders. At COP27, the focus was on moving forward with the ‘race to zero’ for halving emissions by 2030 across different sectors, ‘race to resilience’ for building climate resilience of 4 billion people and ‘2040 breakthroughs’ on mitigation goals on different sectors. A key collaboration launched by the COP27 Presidency, the High-Level Champions and the Marrakech Partnership, is the Sharm el-Sheikh Adaptation Agenda, which rallies both States and non-State actors behind a shared set of 30 Adaptation Outcomes required by 2030.

Beyond the mandated agenda, at COP27 **Leaders and ministers made several commitments** through plurilateral statements and declarations. In this regard, France announced together with Gabon a One Planet Summit on Forestry in 2023 and expressed its support to the call of Barbados for the reform of the international development finance architecture. The United States doubled its commitments to the Adaptation Fund and announced its support of the Subnational Climate Action Leaders' Exchange, an initiative to support cities, states, and regions in the development and implementation of net-zero, climate-resilient targets and roadmaps. The European Union announced a Team Europe Initiative that will provide over €1 billion for helping Africa to adapt to climate change. The European Union also announced partnerships with Kazakhstan on raw materials, batteries and renewable hydrogen, with Namibia on sustainable raw materials and renewable hydrogen, and with Egypt on renewable hydrogen, as well as Forest Partnerships with Congo, Guyana, Mongolia, Zambia and Uganda. Also, the European Union, the United Kingdom, the United States, France, Ghana, Congo, Colombia and Germany launched the Forest and Climate leaders Partnership.

Leaders of the International Partners Group comprised of The European Union, France, Germany, the United Kingdom and the United States welcomed and endorsed South Africa's Just Energy Transition Investment Plan. Further, a stocktake on the Global Methane Pledge led by the European Union and the United States underlined the growing support for the Pledge with now over 150 countries to cut global emissions of this greenhouse gas by 30 % from 2020 levels by 2030.

Numerous of **sectoral initiatives** were also launched during the COP27 Presidency theme days, such as a project by the EU and the International Maritime Organisation on reducing international shipping emissions; international partnerships for blue carbon ecosystems; coalition to finance clean transport modalities; action plan for African food systems transformation; investment pipeline on cooling systems against extreme heat; tracker on green cement technology implementation; energy transition accelerator to mobilize private capital for clean energy transitions.

Next year, **the United Arab Emirates will host COP28**, which will feature the “political phase” of the first Global Stocktake and set political expectations for the post-2030 nationally determined contributions. The COP28 agenda also includes the established work programmes which will offer space for political momentum and the exchange of views, including on mitigation and adaptation, as well as the new dialogue on the alignment of financial flows with the Paris goals and the new work programme on just transition. CMA5/COP 28 will also consider recommendations on new funding arrangements for responding to loss and damage.

Following the outcome in Sharm el-Sheikh, progressive parties will likely join forces once again in 2023 to align their messages under the different tracks of the inter-governmental process for raising mitigation ambition, as well as in the upcoming ministerial meetings and the ‘climate ambition summit’ in September to be convened by the UN Secretary-General.

At home, the EU will continue demonstrating its leadership on the matter by completing the legislative process for the ‘Fit for 55’ implementation policies.
