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Implementation of the Paris Agreement and Enhanced Climate Action in the Arab Region

Working Paper for the Fifteenth Regional Training Workshop on Capacity Development for Climate Change Negotiations for the Arab Countries

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LIST OF ABBREVIATIONS

AC	Adaptation Communication	MPGs	Modalities, Procedures and Guidelines
ACCCP	Arab Centre for Climate Change Policies	MRV	Monitoring, Reporting and Verification
BTR	Biennial Transparency Report	NAP	National Adaptation Plan
BUR	Biennial Update Report	NDC	Nationally Determined Contribution
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement	SBI	Subsidiary Body for Implementation
ETF	Enhanced Transparency Framework	SBSTA	Subsidiary Body for Scientific and Technological Advice
GGA	Global Goal on Adaptation		
GHG	Greenhouse Gas Emission	SDG	Sustainable Development Goal
INDC	Intended Nationally Determined Contribution	SIDS	Small Islands Developing States
L&D	Loss and Damage	UNFCCC	United Nations Framework Convention on Climate Change
LDCs	Least Developed Countries	RICCAR	Regional initiative for assessment of climate change impacts on water resources and socio-economic vulnerability in the Arab Region
LEG	Least Developed Countries Expert Group	WIM	Warsaw International Mechanism for Loss and Damage

EXECUTIVE SUMMARY

The Paris Agreement aims to limit global temperature rise below 2°C, and well-below 1.5°C, above pre-industrial levels, as well as to enhance adaptation to the adverse impacts of climate change, and it was adopted by 197 countries at the COP 21 and entered into force in November 2016. To date, 193 countries ratified the Paris Agreement, including 20 Arab countries, which marked its fifth anniversary in 2020. The Agreement is of particular importance to the region as projections show that it will face temperature increases of up to 2-5°C by the end of the century for different climate scenarios as well as increased frequency and intensity of extreme climate events which will impact various socio-economic sectors. In this regard, the Arab Centre for Climate Change Policies (ACCCP) at ESCWA has been supporting Arab States in implementing the Agreement in developing informed climate policies and positions, fostering consensus on regional priorities for action, and creating opportunities for regional collaboration and capacity building.

This working paper aims to inform on the main issues under the Paris Agreement, and those of particular importance to the Arab region ahead of the fifteenth regional training workshop on capacity development for climate change negotiations for Arab countries. Also, it provides overview of and updates on climate change negotiations since COP 25 in December 2019 up through Bonn Climate Change Conference in June 2022. The paper further responds to requests by the Arab Group for climate change negotiations to address the global goal on adaptation (Article 7) and measuring adaptation, and it concludes with the way forward to COP 27 and suggested recommendations to enhance climate action in the region.

The working paper comprises four sections. Section one provides an overview of main negotiation topics under Paris Agreement including the global goal adaptation (Article 7), market and non-market mechanisms (Article 6), transparency of action and support (Article 13), long-term climate finance, loss and damage, and response measures. Section two then presents updates on climate negotiations over a period of three years since COP 25 held in 2019 until the Bonn Climate Change Conference in 2022, including the climate dialogues as well held throughout 2020, the 2021 sessions of the Subsidiary Bodies and COP 26. The virtual sessions that were held during 2020, namely the June Momentum and Climate Dialogues were not designed to replace the formal negotiations, and therefore a summary of the discussions is presented. This section highlights main pending issues, areas of progress, and main concerns of Parties with focus on the topics presented in section one, and it summarizes the main outcomes of the Glasgow Climate Pact adopted in COP 26.

Section three focuses on the Arab region, and it provides an overview on progress in national reporting efforts under the Paris Agreement for the 22 Arab States. Parties to the Agreement are requested to submit a range of reports and communications, in addition to the nationally determined contributions (NDCs), including national communications, biennial update reports (BURs), biennial transparency reports (BTRs) - as of 2024, and National Adaptation Plans (NAPs). The required information to be reported and the timetable for their submission differ between Annex I and non-Annex I Parties according to the principle of “common but differentiated responsibilities” under the Convention. As of September 2022, 21 out of 22 Arab States submitted their INDC and/ or a first NDC where 17 Arab States have submitted new/updated NDC. According to the mapping of reports, there are mostly gaps in submissions of BURs and NAPs among which may reflect inadequate capacities and resources in certain areas of reporting. This section also provides a snapshot from the 17 updated/new NDCs submitted by Arab States highlighting key efforts in mitigating and adapting to climate change as well as key sectors targeted by countries, and financial needs reported. Section three further explores monitoring of adaptation under the Agreement, and highlights the work undertaken to assess the GGA for the first global stocktake. There are efforts in measuring and monitoring adaptation on the country level, however, there are major gaps and challenges in assessing adaptation on the global level with the absence of a unified methodology. The section suggests and explains how the framework of the regional initiative for the assessment of climate change impacts on water resources and socio-economic vulnerability in the Arab Region (RICCAR) can be utilized to measure adaptive capacity of Arab countries and at the sectoral level. In RICCAR, the adaptive capacity is measured in the context of vulnerability assessment based on IPCC’s methodology in the fourth assessment report. The types of indicators, 37 indicators, are presented along with the methodology that shows how adaptive capacity is measured on regional level as well as the country, sub-country, and sectoral levels.

Section four of this working paper sets the scene for COP 27. It presents the latest efforts in the region to promote climate action, and this includes the first MENA climate week held in March 2022 in Dubai. A major milestone for COP 27 is also the Arab States Climate Finance Access and Mobilization Strategy 2022–2030 which aims to enhance access to and increase mobilization of climate finance for addressing climate needs and meeting the climate goals of the region. Ahead of COP 27 as well, the fifteenth regional training workshop on capacity development for climate change negotiations for the Arab countries will support the Arab group of negotiators in preparations for addressing key issues and consolidating regional priorities. Hence, the paper concludes with a set of recommendations to enhance climate actions by Arab countries to fulfil their global commitments towards implementation of the Paris Agreement as well as addressing their national priorities.

INTRODUCTION

Climate change is a global, regional, national, and local challenge that poses important implications for achieving sustainable development. Regional projections show that the Arab region will face temperature increases of up to 2-5°C by the end of the century for different climate scenarios along with increased frequency and intensity of extreme climate events. This will affect water security, food security, the environment, human health, and livelihoods. There is a need to establish evidence-based adaptation strategies in key sectors as adaptation is a main priority for all Arab countries. This can be done through a science-policy interface to utilize scientific outputs from regional climate modelling to build and screen policy measures for the formulation of national adaptation strategies and sector specific plans for coping with climate change.

The Paris Agreement of the United Nations Framework on Climate Change (UNFCCC) was adopted by 196 countries at the twenty-first session of the Conference of the Parties (COP 21) in December 2015, and it entered into force in November 2016¹. The Agreement aims to limit global temperature rise below 2°C, and well-below 1.5°C, above pre-industrial levels, as well as to enhance adaptation to the adverse impacts of climate change. It comprises 29 Articles of which the key aspects are, inter alia, the long-term temperature goal, mitigation, voluntary adaptation, loss and damage, market- and non-market-based cooperative approaches, finance, technology, capacity-building and support, transparency, global stocktake. As they are the source of most past and current GHG emissions, developed countries (Annex I Parties), are expected to play a key role in reducing emissions and to provide financial support to climate change activities in developing countries (non-Annex I Parties). To date, 193 countries ratified the Paris Agreement, including 20 Arab countries², which marked its fifth anniversary in 2020.

To support Arab countries in implementing their commitments towards the Paris Agreement, the Arab Centre for Climate Change Policies (ACCCP) was established by ESCWA in June 2018 to support the development of informed climate policies, foster consensus on regional priorities for action, and create opportunities for regional collaboration. The Arab Group for Climate Change Negotiations established under the League of Arab States (LAS) is one of the main partners which has been engaged in the ACCCP capacity development programmes for almost a decade. Significant efforts were made under these programmes in coordination with regional and international partners to enhance the knowledge and understanding of key elements and negotiation issues of the UNFCCC and its subsidiary bodies and the Paris Agreement. This work has supported the region in consolidating common positions in the COP process, develop negotiation skills of Arab negotiators, and improve their opportunities to access climate finance.

This working paper thus responds to the request of the Arab Group to further enhance understanding on climate negotiations in relevance to the region. The working paper aims to inform on main issues under the Paris Agreement, and to provide overview of and updates on climate change negotiations since COP 25 in December 2019 up through Bonn Climate Change Conference in June 2022. The paper further responds to requests by the Arab Group to address the global goal on adaptation (Article 7 of Paris Agreement) and measuring adaptation, and it concludes with the way forward to COP 27 and suggested recommendations to enhance climate action in the region.

SECTION ONE: OVERVIEW OF MAIN TOPICS UNDER THE PARIS AGREEMENT

This section provides an overview on selected main topics under the Paris Agreement; namely, the global goal on adaptation, cooperative market and non-market approaches, transparency, climate finance, loss and damage, response measures, common timeframes for NDCs, and national reporting requirements under the Agreement. It basically summarizes background information on these topics which establishes the context for sections two and three that provide updates on the status of negotiations and discuss relevant issues to the Arab region.

¹ UNFCCC, n.d., <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement#:~:text=The%20Paris%20Agreement%20is%20a,compared%20to%20pre%20industrial%20levels>. Accessed 7 July 2022.

² United Nations Treaty Collection, 2021.

ADAPTATION IN THE PARIS AGREEMENT

The term “Adaptation” is articulated in ten Articles of the Paris Agreement, and the global goal on adapting to climate change is addressed under Article 7 as follows:

“Parties hereby establish the global goal on adaptation of enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change, with a view to contributing to sustainable development and ensuring an adequate adaptation response in the context of the temperature goal referred to in Article 2.”³

Developing countries have been urging for a long-term goal or vision on adaptation to ensure parity between adaptation and mitigation and to avoid having only a mitigation-centric goal, i.e., the temperature goal of *holding temperature rise to well below 2°C above pre-industrial levels and to pursue efforts to limit it to 1.5°C*. The global goal on adaptation (GGA) aims to provide a framework for tracking and assessing Parties’ progress on adaptation actions, and the GGA will be assessed through the first global stocktake of the Paris Agreement in 2023. This is addressed in Article 7, paragraph 14: “The global stocktake referred to in Article 14 shall, inter alia:(a) Recognize adaptation efforts of developing country Parties; (b) Enhance the implementation of adaptation action taking into account the adaptation communication referred to in paragraph 10 of this Article⁴;(c) Review the adequacy and effectiveness of adaptation and support provided for adaptation; and (d) Review the overall progress made in achieving the global goal on adaptation.”

There are two main processes for national reporting on adaptation to the UNFCCC which are the national adaptation plan (NAP) and adaptation communication (AC). The NAP process was established under the Cancun adaptation framework to guide Parties in developing and implementing strategies and programmes to address their medium- and long-term adaptation needs. The Least Developed Countries Expert Group (LEG) developed the NAP technical guideline in 2012 to assist developing countries, especially LDCs, in formulating their adaptation plans. The AC process was mandated under Article 7, paragraph 10 of the Paris Agreement where each Party should submit and update periodically an Adaptation Communication. The AC may include information related to a Party’s adaptation priorities, implementation and support needs, plans, and action,⁵. The AC is not an independent document, but it can be submitted as part of other communication documents and reports including NCs, NDCs, NAPs, and/or Biennial Transparency Reports (BTRs) – first submission is required by end of 2024⁶. The BTR can include information on adaptation; however, providing such information is not mandatory and will not be subject to mandatory analysis under the technical expert review process⁷. Table 1 summarizes the type of adaptation information to be included under each type of reporting to the Convention.

Table 1: Type of Adaptation Information Under UNFCCC Arrangements for Non-Annex I Parties

Type of Information	NAP	AC	NC	BTR
National circumstances, institutions, legal frameworks	✓	✓	✓	✓
Impacts, risks, vulnerabilities	✓	✓	✓	✓
Priorities and barriers related to adaptation	✓	✓	✓	✓

³ Paris Agreement. Article 7, paragraph 1.

⁴ Article 7, paragraph 10 “Each Party should, as appropriate, submit and update periodically an adaptation communication, which may include its priorities, implementation and support needs, plans and actions, without creating any additional burden for developing country Parties.”

⁵ UNFCCC, 2020 (c).

⁶ Ibid.

⁷ See Decision18/CMA.1, Chapter IV, paragraphs 104 and 150

https://unfccc.int/sites/default/files/resource/cma2018_3_add2_new_advance.pdf,

Strategies, policies, plans, goals, steps to integrate adaptation into other policies	✓	✓	✓	✓
Support needed/support received	✓	✓		✓
Progress in implementation of adaptation	✓	✓	✓	✓
Monitoring and evaluation	✓	✓	✓	✓
Information related to averting, minimizing and addressing loss and damage associated with climate change impacts				✓
Cooperation, good practices, experiences, lessons learned	✓	✓		✓
Adaptation-related economic diversification/ mitigation co-benefits of adaptation		✓		✓
Gender perspective and/or traditional, indigenous, and local knowledge	✓	✓		✓
Contributions to other international frameworks	✓	✓		

Source: UNFCCC “Virtual trainings on the existing MRV arrangements and the enhanced transparency framework Arabic speaking countries in the Middle Eastern and North African region”, 3-5 November 2020.

Table 1 reveals that information on adaptation is reported in multiple communication types and formats which makes the assessment and monitoring of adaptation challenging. The Subsidiary Body on Implementation (SBI) assessment in 2018 concluded that most developing countries have launched their NAP process within the preceding three years; however, as of September 2022, only 37 developing country Parties published their NAPs, sectoral NAPs, and other outputs⁸. Furthermore, the public registry for adaptation communications includes adaptation communications from few Parties, noting that many of these submissions refer to NDCs or NCs and not to a standalone-adaptation communication⁹. As for information on adaptation to be reported by Parties in their first BTRs, thus they will not be considered in the stocktake process. Hence several issues need to be addressed regarding the reporting on and monitoring of the GGA.

COOPERATIVE MARKET AND NON-MARKET APPROACHES (ARTICLE 6)

Article 6 is a voluntary set of tools to support implementation and to allow for higher ambition in NDCs. This Article indicates that Parties can choose to pursue ‘voluntary cooperation’ in the implementation of their NDCs, and it covers existing types of cooperation, and those that are yet to emerge. As the new NDCs review aims to show a higher level of ambition, as possible, it also should show progression in implementation of various contributions. Thus, Article 6 should, in principle, support, not undermine, that ambition and progression in the NDCs review.

Article 6.2 governs bilateral cooperation via “internationally traded mitigation outcomes” (ITMOs), which could include emission cuts measured in tonnes of CO₂ or kilowatt hours of renewable energy. These ITMOs can be a result of any mitigation approaches (e.g. mechanism, procedure, or protocol) agreed among certain

⁸ UNFCCC NAP Central. Accessed on 26 September 2022. <https://www4.unfccc.int/sites/NAPC/Pages/national-adaptation-plans.aspx>

⁹ UNFCCC, 2020d.

Parties, and thus there is no obligation that these approaches operate under the COP authority¹⁰. Such approaches need to respect the guidance on accounting and avoidance of double counting decided by the COP, and any international transfer of mitigation outcomes will also need to respect additional requirements: “Parties shall [...] promote sustainable development and ensure environmental integrity and transparency, including governance.” Thereby, the multilateral process role is to define/determine “a robust accounting” and provide guidance to avoid double counting as well as the rules of transparent reporting of mitigation outcomes¹¹.

Article 6.4 aims to create a new international carbon market/mechanism for the trade of emissions cuts, created by the public or private sector anywhere in the world, through established rules, modalities, and procedures for the mechanism. It ensures that “[...] resulting in emission reductions that can also be used by another Party to fulfil its nationally determined contribution.” This mechanism is to be supervised by a body designated by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), similar to that of the Clean Development Mechanism (CDM) Executive Board that currently exists under the Kyoto Protocol.

Article 6.8 offers a formal framework for sustainable development and climate cooperation between countries, where no trade is involved, i.e., non-market approaches (NMAs), such as development aid. It aims to create synergies, enhance existing cooperation, and facilitate coordination and implementation of the NMAs. There is a consensus by all Parties that Article 6.8 is an essential part for the success of Article 6 as it counterbalances market approaches.

The technical question that was raised during the negotiations was how to account for trade between countries with different types of NDCs with the fact that some set targets on emissions budget are across multiple years and others for a particular level in a single target year. Significant divergence was also observed over key details such as accounting rules of transfers of emissions reductions between Parties. Article 6 is one of the most debated negotiation issues, and Parties are expected to put forth more efforts to conclude negotiations, issue decision on guidance for cooperative approaches at COP 26 and to explore the possibility of developing a work program after COP 26 to provide further guidance on items that were not concluded in COP 25. It is also expected that the guidance accommodates the diversity of NDCs and other key pending issues. Parties further stressed the importance of ensuring the completion of Articles 6.2, 6.4, and 6.8 on a parallel manner as they are interrelated and cannot be dealt with separately. Also, there have been proposals to have a share of proceeds from the activities under Article 6 mechanisms to be used to cover the costs of adaptation, similar to the idea of the share of proceeds from the Clean Development Mechanism (CDM) that goes towards the Adaptation Fund under the Kyoto Protocol. Nevertheless, the provisions under Article 6 are linked to transparency of reporting under Article 13.

TRANSPARENCY OF ACTION AND SUPPORT

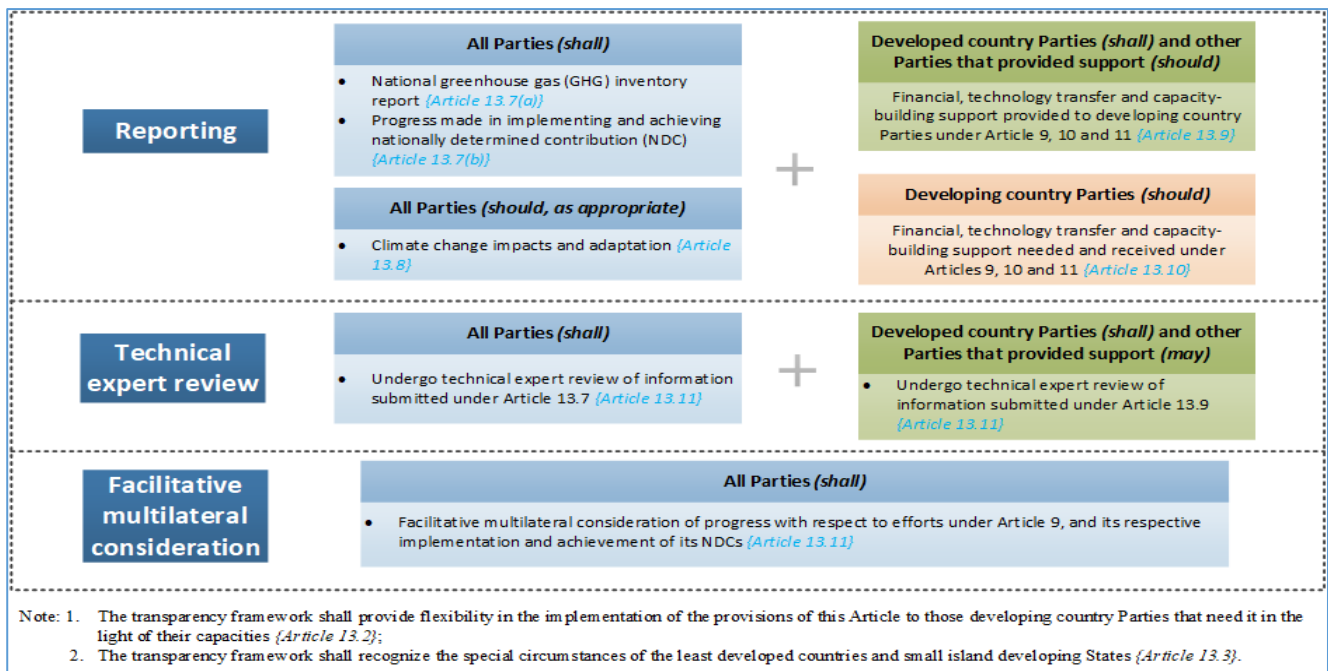
Article 13 of the Agreement established an Enhanced Transparency Framework (ETF) for action and support using common modalities, procedures, and guidelines (MPGs), with built-in flexibility. The ETF is intended to consider Parties’ different capacities and builds upon Parties’ collective experience in implementing transparency arrangements under the Convention. The ETF can hence be seen as a compromise arrangement that seeks to address the wish of developed countries to have a common transparency framework applicable to all Parties and the determination of developing countries that differentiation still be reflected. The ETF by both intent and design, is not a new transparency framework, but rather, it is an enhancement of the existing measurement, reporting and verification (MRV) arrangements and other transparency arrangements under the Convention. This was made explicit in Article 13, paragraphs 3 and 4, of the Paris Agreement.

Similar to the arrangements under the Convention, the ETF also has three components: reporting; technical expert review; and the facilitative multilateral consideration (see Figure 1).

Figure 1 Enhanced Transparency Mechanism

¹⁰ Asian Development Bank, 2020.

¹¹ Ibid



Source: UNFCCC. Article 13 of the Paris Agreement, Decision 18/CMA.1.

The purpose of the ETF with respect to the transparency of support is to provide clarity on finance and technology transfer and capacity-building support provided by developed country Parties to developing country Parties under the Convention and the Paris Agreement. The former are required to provide information on financial, technology transfer and capacity-building support provided to the latter. Developing countries are expected (but not required) to provide information, to the extent possible as available and as applicable, on financial, technology transfer and capacity-building support needed and received. All Parties are also required to report a common set of information (i.e., mandatory) regularly relating to national GHG inventories and NDCs progress tracking and implementation. However, other set of information may be provided (i.e., not mandatory) by Parties relating to climate change impacts and adaptation, as pursuant to decision 18/CMA.1, annex, chapter IV¹². this information is to be communicated every two years in the form of BTRs, except for LDCs and SIDS, which may communicate the information at their discretion. The first BTR (together with national GHG inventory reports) are to be submitted by Parties by 31 December 2024. Information reported by Parties will undergo a mandatory technical expert review, except for information reported pursuant to decision 18/CMA.1, annex, chapter IV¹³ which may undergo a voluntary review. All Parties are also required to participate, after the technical expert reviews, in a facilitative, multilateral consideration of progress with respect to efforts under Article 9 of the Paris agreement, i.e., efforts related to climate finance. Reporting under the ETF would thus provide a collective overview of information on support provided/received, NDC progress and implementation as well as national GHG inventories, however, BTRs will not inform the first global stocktake in 2023 as the first reports are to be submitted a year later.

The impact of the ETF on climate action reporting obligations of Parties under the UNFCCC and the Paris Agreement is significant, particularly for Arab countries. In comparison with the existing reporting requirements for non-Annex I, the ETF represents a significant scaling up of Arab countries' reporting requirements to the UNFCCC. These obligations with respect to national GHG inventories are more frequent, rigorous and detailed which will necessitate that Arab countries considerably scale up their capacities to meet the new reporting requisites. Capacity constraints can be a barrier to reporting information that is accurate, complete, and consistent, as well as timely. Capacity constraints can include the lack of legal and policy frameworks, technical or scientific knowledge, human and/or financial resources, as well as gaps in specific institutional functions (e.g., a formulation of an inventory team). Arab Countries are already struggling with

¹² Decision18/CMA.1, Chapter IV. https://unfccc.int/sites/default/files/resource/cma2018_3_add2_new_advance.pdf.

Box 1 Climate Finance Flows to the Arab Region

Arab States continue to face various challenges in accessing climate finance, and there has been a large gap in finance needed for climate action in the region. Total quantified climate finance needs by 13 out of 22 Arab States amounted to USD 436 – 478 billion by the year 2030; based on country submissions to the UNFCCC *up through 2020*. However, Climate finance flows into the region are estimated to be between USD 5.1–7.4 billion a year, with international finance flows estimated at USD 3.6 – 4.9 billion annually and private sector flows amounting to only USD 1.5 – 2.5 billion a year and are largely concentrated in renewable energy investments. Furthermore, the region received 8.5 times more debt than grants, and 3.5 times more support for mitigation than adaptation between 2013 and 2019.

Source: UNFCCC, LAS, ESCWA, Technical Assessment of Climate Finance for the Arab States (2021).

fulfilling their reporting requirements under the current reporting framework which demands multiple types of national reports to be submitted regularly. Due to the current insufficient capacities and financial resources, some Arab countries did not yet complete their present reporting cycle. Nonetheless, a significant degree of flexibility continues to exist for developing countries under the ETF that distinguishes their reporting obligations in a differentiated manner from those applicable to developed countries. Therefore, Arab countries could make use of the flexibility provided which is nationally determined while pursuing efforts to improve their existing capacities on reporting.

LONG-TERM CLIMATE FINANCE GOAL

At COP 16 in Cancun in 2010, developed countries committed to mobilising USD 100 billion annually by 2020 to support climate actions in developing countries¹⁴. Also, during COP 16, Parties decided to establish the Green Climate Fund (GCF) in order to scale up the provision of long-term financing for developing countries¹⁵. The Standing Committee on Finance (SCF) was established as well to assist the COP in its functions with respect to the mobilization, delivery, and verification of long-term finance.

According to Article 9, paragraph 1 “developed country Parties shall provide financial resources to assist developing country parties with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention”. However, there is a gap in fulfilling the USD 100 billion goal as well as an imbalance between finance for mitigation and that for adaptation. With the Paris Agreement, a five-year extension has been obtained to reach the USD 100 billion goal, and a new quantified goal will be set for the period after 2025¹⁶. There also remain many pending negotiation issues on finance related to the definition of climate finance and transparency of financial support, agreeing on the new collective and quantified finance goal, and issuing the COP guidance to operating entities of the financial mechanism.

LOSS AND DAMAGE

Loss and damage are anchored in Article 8 of the Paris Agreement recognizing the importance of “averting, minimizing and addressing loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events”. The Warsaw International Mechanism (WIM) serves as the main vehicle for loss and damage (L&D) under the UNFCCC process and the COP, and it has an Executive Committee implementing the work plan via thematic expert groups. The current work plan was endorsed by COP 23 in 2017 for five years comprising five strategic work streams, as shown in *Figure 2* where activities are carried out through five expert groups on risk management, displacement, slow onset events, non-economic

¹⁴ UNFCCC, 2011. <https://unfccc.int/tools/cancun/financial-technology-and-capacity-building-support/new-long-term-funding-arrangements/index.html#c294>

¹⁵ Ibid

¹⁶ Decision 1/CP.21, paragraph 53. <https://unfccc.int/resource/docs/2015/cop21/eng/10a01.pdf>

losses, and action and support¹⁷. The last three groups were launched in 2020 during the 12th meeting of the Executive Committee of the WIM¹⁸.

During Climate Dialogues 2020, the Santiago Network was launched in order to catalyze technical assistance for averting, minimize and addressing L&D at local, national and regional levels in developing countries that are particularly vulnerable to the adverse impacts of climate change¹⁹. Several developing country Parties emphasized that the network should respond to a wide range of Parties' needs such as data analysis, risk assessment, policy development, and accessing finance for implementing L&D projects, in addition to providing "match-making service" tailored to each country's needs and priorities²⁰. The request for new finance for L&D has been reiterated throughout several climate dialogues/conferences with developing countries requesting developed countries to provide "adequate, easily accessible, scaled up, new and additional, predictable finance, technology and capacity building" to assist the former in responding to loss and damage associated with the adverse impacts of climate change, "including extreme weather events and slow onset events"²¹. Another concern by developing countries is that there has been more focus on enhancing knowledge and strengthening dialogue about L&D, with less progress on increasing action to enable developing countries to address L&D locally and nationally²². L&D will be part of the technical assessment component of the first global stocktake process on the Paris Agreement in 2023. In this regard, the Executive Committee of WIM is responsible for preparing synthesis reports that feed into the assessment component, and these reports would include information on progress related to the strategic work streams²³. L&D can be also informed by the reporting conducted under the Sendai Framework for Disaster Risk Reduction (DRR)²⁴. For example, target D of the Framework provides information on disaster damage to critical infrastructure and disruption of basic services, among which the health and educational facilities that could be linked to the thematic area "b", on non-economic losses²⁵. Similarly, target G on the availability of and access to multi-hazard early warning systems and disaster risk information and assessments can be related to thematic area "c" on risk management. Many approaches exist for addressing L&D associated with the adverse effects of climate change, including extreme events and slow onset events, which thus need to be considered at the upcoming COPs.

Figure 2 Strategic work streams of the five-year rolling work plan of the Executive Committee of WIM

¹⁷ UNFCCC, 2020b.

¹⁸ Twelfth meeting of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts 12–16 October 2020.

¹⁹ UNFCCC, 2020c. Decision 2/CMA.2 pp.4-9.

²⁰ UNFCCC Climate Dialogues. 3 December 2020. Open Session on Developing the Santiago Network for Loss and Damage.

²¹ Submission by State of Palestine on behalf of the Group of 77 and China On: The Review of the WIM and the Report of the WIM Executive Committee. 7 December 2019, COP25, Madrid.

²² Thomas et al, 2020.

²³ See *The Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts Synthesis report for the technical assessment component of the first global stocktake*, 5 May 2022,

https://unfccc.int/sites/default/files/resource/ExCom_SR_GST_cleared.pdf

²⁴ Ibid, page 39

²⁵ UNDRR, 2015.

a. Slow Onset Events

Enhanced cooperation and facilitation in relation to slow onset events which refer to risks and impacts associated with: increasing temperatures; desertification; loss of biodiversity; land and forest degradation; glacial retreat and related impacts; ocean acidification; sea level rise; and salinization.

b. Non-Economic Losses

- Enhanced cooperation and facilitation in relation to non-economic losses (e.g. loss of life, health, territory, cultural heritage, loss of biodiversity and ecosystem services).

c. Risk Management

- Comprehensive risk management approaches (including assessment, reduction, transfer and retention) to build long term resilience of countries, vulnerable populations and communities.

d. Human Mobility

- Enhanced cooperation and facilitation in relation to human mobility, including migration, displacement and planned relocation.

e. Action & Support

- Enhanced cooperation and facilitation in relation to action and support, including finance, technology and capacity-building.

Source: UNFCCC Online Guide to Loss and Damage, 2020.

IMPACT OF RESPONSE MEASURES

The impact of implementation of response measures is understood as the effects arising from the implementation of mitigation policies, programmes and actions, “in-jurisdiction” and “out-of-jurisdiction” or cross-border impacts, taken by Parties under the Convention, the Kyoto Protocol and the Paris Agreement to combat climate change. The achievement of the 2°C goal of the Paris Agreement (and even more so the 1.5°C) requires enhanced ambition and effective implementation of GHG mitigation abatement policies and actions. It is thus imperative to assess, analyze, address and report these cross-border environmental, social and economic impacts. These impacts could be positive or negative, therefore the Convention, the Kyoto Protocol and the Paris Agreement seek to minimize the negative and maximize the positive impacts of implementation of mitigation policies and actions.

The UNFCCC (Article 4) as well as the Kyoto Protocol (Article 2 and Article 3, paragraph 14) have called to implement policies and measures to minimize the adverse economic, social and environmental impacts of implementation of response measures on Parties, especially developing country Parties. Article 4, paragraph 15, of the Paris Agreement and relevant decisions have noted that Parties may be affected not only by climate change but also by the impacts of the measures taken in response to it, acknowledging the associated positive and negative impacts. It was also highlighted that response measures should be understood in the broader context of the transition towards low greenhouse gas emissions and climate-resilient development and Parties should cooperate to promote a supportive and inclusive international economic system that will lead to sustainable economic growth and development in all Parties.

In Cancun in 2010, at the COP 16, a forum on the impact of the implementation of response measures was set up with the objective of improving the understanding of the impacts of response measures in various areas including the assessment and analysis of the impacts, economic diversification, and the just transition of the workforce. At COP 24 in Katowice, the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI) was established to support the work of the forum on the impact of the implementation of response measures. A 6-year work plan was developed by the KCI which addresses four key pillars (a) economic diversification and transformation; (b) just transition of the workforce and the creation of decent work and quality jobs; (c) assessing and analyzing the impacts of the implementation of response measures; and (d) facilitating the development of tools and methodologies to assess the impacts of the implementation of response measures. As part of their work programme, the Forum on the Impacts of Response Measures and the KCI assess and analyze sector-specific case studies on the impacts of implementation of

response measures on economic diversification and transformation and just transition, including experiences and challenges on assessments and analysis with a view to promoting economic diversification and transformation.

This agenda item of the Paris Agreement highlights the concerns of the oil-exporting developing countries about the negative economic impacts of decarbonization on their economies. Other developing countries have also raised concerns in relation to sectors such as agriculture and tourism, especially from trade-related measures and impacts of carbon taxes that could lead to trade restrictions on some goods and on access to international markets. Other key sectors identified by Parties include energy, waste, forestry, transport, maritime and health. The issue of impacts of response measures is mainly focused on estimating the costs and benefits of mitigation, in particular with estimating economic and welfare impacts resulting from actions to prevent climate change taken by one country or a number of countries.

It has been stressed during the negotiations that there is an utmost need for exchange of experience, best practices and lessons learnt on assessing the impacts of the implementation of response measures in supporting economic diversification and transformation including on capacity building and support by relevant international organizations, academia, civil society, governments and private sector. There is also a need for understanding economic diversification and transformation as it relates to: (a) financing and technical needs; (b) the role of technology and innovation; (c) increasing private sector investment flows; (d) trends and mitigation of stranded assets; and (e) divestment policies.

Analytical tools and economic models need to be utilized by Parties for assessing the economic impacts of response measures including shifting to potential new industries and businesses. The economic impacts are mainly related to relative prices, market access, competitiveness, trade and investment patterns, internalizing carbon costs, fuel costs, growth/reduction in different sectors, etc. Most economic models, however, tend to overstate their costs, and none can accurately predict these impacts on a country basis.²⁶ Other impacts of response measures are the social impacts such as household income, jobs and job quality, health effects, need for retraining, etc. The environmental impacts could be due to GHG emissions, air, soil and water pollution, biodiversity, carbon leakage, land use change, deforestation, etc. There is an urgent need to develop tools to assess the quantitative and qualitative impacts of response measures in the Arab countries.

Although the importance of assessing the impact of response measures is widely recognized by developing countries, only a few have undertaken comprehensive assessments, and those that have been done are limited to an assessment of the overall impact on the economy (using GDP), with an emphasis on the fossil fuel sector. However, there are many other impacts that should be investigated through such assessment; for example, impacts on employment and jobs, on competitiveness and other socioeconomic factors, and on the environment.

SECTION TWO: UPDATES ON STATUS OF CLIMATE NEGOTIATIONS UNDER PARIS AGREEMENT

This section provides updates on climate negotiations since COP 25 held in 2019 until Bonn Climate Change Conference in 2022 including the climate dialogues held throughout 2020, the 2021 sessions of the Subsidiary Bodies and COP 26.

OUTCOMES OF COP 25

The COP 25 took place under the Presidency of the Government of Chile in Madrid with the support of the Government of Spain from 2 to 13 December 2019. The COP was the longest on record with more than two weeks of tense negotiations with nearly 27,000 delegates participating to finalize the rulebook of the Paris Agreement²⁷. Progress was achieved on a few matters such as on the review of the WIM on loss and damage, as it was agreed that an expert group on action and support will be established by end of 2020 as well as the

²⁶ UNFCCC, 2016a.

²⁷ IISD ENB, 2019.

Santiago Network for averting, minimizing and addressing L&D to catalyse technical assistance. In addition, the COP 25 adopted the enhanced five-year Lima Work Programme and its gender action plan. Some outcomes were also reached on other matters including implementation of the Technology Mechanism, extension of the work of the Paris committee on capacity-building and the formulation of the National Adaptation Plans (NAPs).

On the other hand, several issues remained unresolved including Article 6, common timeframes for NDCs, long-term finance and the ETF. Parties were unable to agree on guidance on cooperative approaches under Article 6.2, rules, modalities and procedures for the mechanism established by Article 6.4, and the work programme under the framework for non-market approaches referred to in Article 6.8. Regarding long term finance, no decision was reached by Parties on whether and how the work programme on this agenda item should continue post-2020. It is recognized that the USD 100 billion goal was not met by 2020, and negotiations thus need to continue to determine how to mobilize and account for climate finance for developing countries. On the transparency mechanism, reporting tables, flexibility and other reporting details related to the ETF under the Paris Agreement remain under debate. New BTR requirements under the ETF will also need to be submitted by all Parties in 2024. Among other remaining negotiation challenges to address, and which are also of major concern to the Arab region are adaptation, impacts of response measures and economic diversification, recognition and accounting for adaptation and mitigation co-benefits. Thereby, all these remaining subjects were left to be dealt with in 2020 through informal discussions and dialogues.

2020 CLIMATE DIALOGUES

Due to the COVID-19 pandemic imposing unprecedented global challenges, the COP 26 led by the United Kingdom presidency was postponed to 2021. However, the work continued in 2020 through June 2021 via virtual settings where two main UNFCCC virtual series of events took place, namely, the June Momentum and the Climate Dialogues.

1. June Momentum

From 1 to 10 June 2020, a series of online events were organized by the UNFCCC under the guidance of the chairs of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI). Twenty-five sessions took place between closed and open meetings of constituted bodies and additional events. The June Momentum was not designed to replace the formal negotiations and therefore no decisions were envisaged to be taken during these discussions²⁸. This June Momentum was convened as a platform for Parties and other stakeholders to advance the technical discussions and to continue exchanging and sharing experiences, views and information in order to facilitate progress in the UNFCCC process towards climate action during 2020 in preparation for the COP 26. Many topics were covered including adaptation, mitigation, climate science, finance, technology, capacity-building, transparency, gender, action on climate empowerment, sustainable recovery, and the review and submission of the NDCs.

During the June Momentum meetings, the incoming UK Presidency of COP 26 highlighted that mitigation, transparency, nature-based solutions, adaptation, and finance will be the key areas of thematic focus during the COP. The UK also reiterated its commitment to doubling its international climate finance for achieving concrete progress in implementation of Paris Agreement. Further on the finance issue, it was highlighted that the share of the of the Least Developed Countries (LDCs) of total climate finance remains small and inadequate to meet their current climate plans²⁹. Also, there were discussions on mobilizing domestic finance for NDC implementation, including green bonds, green funds, leveraging private and blended financing, and mainstreaming climate change into national development plans and programmes. Regarding the review of the NDCs, Chile, Norway and Rwanda, shared their experiences in updating and revising their NDCs for submission in 2020. Calls for submitting enhanced and updated NDCs with a higher level of ambition by end of 2020 were echoed through different sessions. Adaptation was one of the most important topics for developing countries, and especially for LDCs as they are most vulnerable to climate change and currently suffering from the COVID-19 socio-economic crises. Those countries expressed challenges in preparing and

²⁸ UNFCCC, 2020a.

²⁹ IISD ENB, 2020a.

implementing the NAPs due to lack of capacities and resources. On this matter, the Green Climate Fund (GCF) offered their technical support to the LDCs on the NAP development and for preparing funding proposals, noting that 32 LDC adaptation planning proposals have been already approved³⁰.

Sustainable and green recovery from COVID-19 pandemic was highlighted throughout the June Momentum sessions in 2020. A dedicated session on finance and sustainable investment for recovery convened on the first day, and another session on advancing the NAPs and climate-resilient recovery under COVID-19 took place on the last day of the Momentum. There were calls and recommendations to align the NDCs implementation with the economic recovery plans.

The youth groups were actively engaged and their role in advancing climate action was highlighted by the SBSTA chair. The June Momentum also hosted the launch of the Technical Examination Process on Adaptation (TEP-A). The 2020 TEP-A focusses on issues related to education and training, public participation and youth engagement to enhance adaptation action. Another launch was also conducted for the “Race to Zero Campaign” by the UNFCCC High-Level Champions. The campaign aims to mobilise a coalition of net zero initiatives representing 449 cities, 992 businesses, 38 investors and 505 universities.

2. *Climate Dialogues 2020*

Building on the experience of the June Momentum, another series of online events, namely, the UN Climate Change Dialogues, took place at the end of 2020. The Climate Dialogues were conducted under the guidance of the SBI and SBSTA Chairs, the Chilean Presidency of COP 25, and the incoming UK Presidency of COP 26. The dialogues included nearly 75 open and closed sessions. Similar to the June Momentum, there were no formal negotiations or decision making in these Dialogues as agreed to focus instead on advancing technical issues and discussions related to various agenda items. Outstanding and complex issues such as Article 6, transparency, finance, and common time frames for NDCs were discussed in closed sessions. Other important topics covered throughout the dialogues were mainly on adaptation, climate finance, loss and damage, NDCs, Koronivia Joint Work on Agriculture (KJWA), land and oceans, innovation and technology, education, and gender among other issues.

Article 6 remains a major debatable issue of the Paris Agreement; in particular paragraphs 6.2, 6.4 and 6.8, including the procedure for the transition from the Clean Development Mechanism (CDM) under the Kyoto Protocol to Article 6. However, discussions remained at an abstract level with three closed sessions on Article 6. The SBSTA Chair proposed organizing more expert meetings in 2021 with the aim to advance negotiations on pending issues of the Article 6 and reach a consensus on during the COP 26 at Glasgow. Another complication was related to Article 13 which establishes the ETF. Parties expressed their needs and priorities to enhance their capabilities to accommodate the transition from the current measurement, reporting and verification (MRV) arrangements under the Convention to the ETF under the Paris Agreement with the submission of the BTR by December 2024. Consequently, more guidance is needed on differences between reporting guidelines in the Biennial Update Report (BUR) and the BTR. In this regard, developing countries also highlighted constraints related to institutional mechanisms, data gaps and software inadequacy, training of in-country experts, and providing sector-specific capacity building³¹.

Finance issues were deliberated among Parties, the Secretariat and stakeholders in several sessions. COP 26 Presidency highlighted that the importance of making adaptation finance more predictable, accessible, and effective is a priority, and assured that the UK will continue to call on donors to increase support for adaptation, especially in grant-equivalent terms. The Organization for Economic Cooperation and Development (OECD) highlighted that USD 78.9 billion had been mobilized by 2018 as part of the USD100 billion climate finance goal with finance for mitigation representing 70% and 21% for adaptation³². Many developing countries underlined that a higher share of finance mobilized from developed countries is in the form of loans increasing the debt burden of the Global South. Developing countries also echoed the need for more financial resources to be directed for adaptation; as well as the need to mobilize finance to avert, minimize, and address L&D. The Standing Committee on Finance (SCF) announced that the next SCF Forum would be on Nature-based

³⁰ Ibid

³¹ IISD ENB, 2020b.

³² UNFCCC Climate Dialogues. In-session Workshop on Long-term Climate Finance 27 November 2020.

Solutions (NBS)³³, and the first report on determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement is expected for mid-2021. On adaptation, the Adaptation Committee highlighted that they are currently working on methodologies for reviewing the adequacy and effectiveness of adaptation and support. Other reiterated finance issues included the definition of climate finance, accounting of climate finance, mobilizing private finance, accessing climate finance, and challenges and opportunities related to recovery from the COVID-19 pandemic.

3. 2021 Sessions of the UNFCCC Subsidiary Bodies

The UN climate change subsidiary bodies, SBSTA and SBI, convened for the first time since the outbreak of the COVID-19 pandemic in virtual settings during 31 May – 17 June 2021 for their intersessional meeting which normally takes place in Bonn, Germany. Many agenda items were discussed including matters related to climate finance, Article 6 (carbon markets and non-market mechanisms), adaptation, periodic review of the long-term temperature goal, loss and damage, global stocktake, common timeframes for NDCs, response measures, transparency (reporting under the ETF), Koronivia joint work on agriculture, and the way forward to COP 26. Informal notes were produced for each of the topics discussed, and both SB Chairs issued one informal note referencing each of the other informal notes prepared by co-facilitators on individual draft agenda items. Many Parties emphasized that these informal notes are not to be used as a basis for negotiations or decision-making³⁴.

Discussions were kept informal with no decisions to be made until Parties meet in person. As there were many technical difficulties faced by several participating parties, little progress was made on key agenda items. At the center of discussions was the USD 100 billion climate finance goal which failed to be delivered by developed country parties. COP 26 Presidency highlighted the slow progress on major agenda items such as Article 6. Many Parties called for political support to resolve outstanding issues on Article 6, and in light of this, informal ministerial consultations were decided to take place onwards which will be led by Norway and Singapore Ministers.

OUTCOMES OF COP 26

The COP 26 took place under the Presidency of the Government of the United Kingdom in Glasgow from 31 October to 13 November 2021. The conference started with a World Leaders Summit on 1 and 2 November, and resumed on 8 and 9 November, gathering 120 leaders who delivered their statements outlining national climate efforts and needs for raising ambition on mitigation, adaptation, and finance. Many leaders stressed the importance of adapting to the impacts of climate change already happening; as well as mobilizing financial resources to address losses and damages associated with climate change. Leaders also outlined national emissions reduction and net-zero targets.

A main outcome of COP 26 was the ‘Glasgow Climate Pact’ comprising agreed items on eight issues/themes as outlined in *Figure 3*. Another major outcome was the completion of the Paris Rulebook on items related to carbon markets, the ETF, common timeframes for NDCs and common formats for countries to regularly report on progress. Additionally, there were many pledges and initiatives announced on forests, methane, coal and fossil fuels, transport, private finance including, inter alia, the Global Methane Pledge, US-China joint declaration, and the Glasgow Financial Alliance for Net Zero.

COP 26 recognized the failure to deliver the USD 100 billion goal annually by 2020 and the imbalance between finance for mitigation and adaptation. Some new pledges were made to the Adaptation Fund (USD 351.6 million), and developed countries reaffirmed the continuation of the existing collective finance goal through 2025, and that discussions will continue for a new collective “quantified post-2025 goal”. As adaptation was very much stressed during negotiations, the Glasgow–Sharm el-Sheikh work programme was launched to operationalize the global goal on adaptation. Regarding common timeframes, Parties are encouraged to

³³ The dates of the Forum are yet to be decided during the next SCF meeting during 17-20 May 2021.

³⁴ IISD ENB, 2021.

communicate in 2025 a NDC with an end date of 2035, in 2030 a NDC with an end date of 2040, and so forth every five years thereafter.

Figure 3 Highlights from Glasgow Climate Pact



Source: Compiled by ESCWA from decision -/CMA.3 Glasgow Climate Pact

SECTION THREE: NATIONAL REPORTING OF ARAB STATES UNDER THE PARIS AGREEMENT AND MONITORING ADAPTATION

This section provides information on the status of submission of key national reports by Arab States to the convention and under Paris Agreement. It also summarizes commitments, priorities and needs outlined in new/updated NDCs submitted by Arab States. As mentioned in the introduction of this working paper, this section addresses the issue of monitoring and assessing progress on adaptation in the context of the GGA in response to the request by the Arab Group.

NATIONAL REPORTING UNDER THE PARIS AGREEMENT

Parties to the agreement are requested to submit nationally determined contributions (NDCs) to reflect national commitments towards achieving climate change mitigation and adaptation targets. Parties were also requested to communicate or update their first NDC by 2020 and submit updated NDCs reflecting higher levels of ambition every five years thereafter. In addition to the NDCs, Parties are also requested to report on progress in meeting their NDC commitments through a range of reports including national communications (NCs), biennial update report (BUR), the new BTR as of 2024, and NAPs for developing countries. All these reports, except the BTR, shall feed into the first global stocktake of the Paris Agreement in 2023.

NC reports are a type of regular reporting which include information on GHG inventories and adaptation in addition to any information the Party finds relevant to include. The NC is submitted every four years following the completion of the first NC³⁵. The BUR provides updates on national GHG emissions reported in NCs, including a national inventory report with associated methodologies and information on mitigation actions, needs and support received, and it is submitted every two years.

The required information of national reports and the timetable for their submission differs between Annex I and non-Annex I Parties according to the principle of “common but differentiated responsibilities” under the convention. For example, both groups should submit NC’s and biennial reports, but in different timeframes. Annex I Parties are additionally required to submit annual GHG national inventory reports (NIR) covering emissions and removals of direct GHGs from five sectors; namely, energy; industrial processes and product use; agriculture; land use, land-use change and forestry (LULUCF); and waste. Non-Annex I Parties submit their NAPs as a process to identify priority activities responding to their urgent and immediate needs for adaptation to climate change.

NATIONAL REPORTING UNDER THE PARIS AGREEMENT BY ARAB STATES

Table 2 shows the status of submission of different national reports by Arab States to the Convention and as part of reporting under the Paris Agreement. 21 out of 22 Arab States have made submissions of different reports. 19 States submitted their intended nationally determined contributions (INDCs) during 2015 before the Paris Agreement entered into force, in 2016, which were then transferred to first NDCs for the respective States that ratified the Agreement. In addition, two other States submitted their 1st NDC at a later stage; hence all Arab States, except one, have made their INDC or 1st NDC submission during the period 2015 – 2020 outlining their commitment to decrease emissions and adapt to climate change, as well as an articulation of their needs. As of September 2022, 17 Arab States submitted new/updated NDCs as required by the Agreement that NDCs are submitted every five years to the UNFCCC.

Most Arab States have submitted their first and second NC reports as shown in Table 2. There is gap in BUR reporting among most Arab States which could be a reflection of inadequate capacities in measuring, reporting and verifying (MRV) of emissions. The greatest gap exists in the reporting of NAPs. As of September 2022, 38 developing countries submitted their NAPs including 3 Arab States³⁶, and some Arab countries have

³⁵ UNFCCC, n.d. (c)

³⁶ UNFCCC NAP Central.

initiated their NAP process such as Jordan and Bahrain³⁷. It is important to mention that 6 Arab States (Comoros, Djibouti, Mauritania, Somalia, Sudan, and Yemen) submitted their National Adaptation Programmes of Action (NAPA) between 2004 and 2013.

³⁷ Reported by countries' representatives during the "Virtual workshop for the MENA Region to enhance understanding on the process and provisions for NDCs". 26-28 October 2020.

Table 2 Submissions of INDCs, NDCs, NCs, BURs, and NAPs by Arab States as of September 2022

Country	INDC	1 st NDC	Updated/ New NDC	NC 1	NC 2	NC 3	NC 4	BUR 1	BUR 2	BUR 3	NAP
Algeria	✓ (Sep. 2015)	✓ (Oct. 2016)	-	✓ (April 2001)	✓ (Nov. 2010)	-	-	-	-	-	-
Bahrain	✓ (Nov. 2015)	✓ (Dec. 2016)	✓ (Oct. 2021)	✓ (April 2005)	✓ (March 2012)	✓ (Oct. 2020)	-	-	-	-	-
Comoros	✓ (Sep. 2015)	✓ (Nov. 2016)	✓ (Nov. 2021)	✓ (April 2003)	✓ (June 2013)	-	-	-	-	-	-
Djibouti	✓ (Oct. 2015)	✓ (Nov. 2016)	-	✓ (June 2002)	✓ (Feb. 2014)	-	-	-	-	-	-
Egypt	✓ (Nov. 2015)	✓ (June 2017)	✓ (July 2022)	✓ (July 1999)	✓ (June 2010)	✓ (Nov. 2016)	-	✓ (Dec. 2019)	-	-	-
Iraq	✓ (Dec. 2015)	-	✓ ³⁸ (Oct. 2021)	✓ (Dec. 2015) ³⁹	-	-	-	-	-	-	-
Jordan	✓ (Sep. 2015)	✓ (Nov. 2015)	✓ (Oct. 2021)	✓ (March 1997)	✓ (Dec. 2009)	✓ (Dec. 2014)	-	✓ (Nov. 2017)	✓ (June 2021)	-	-
Kuwait	✓ (Nov. 2015)	✓ (April 2018)	✓ (Oct. 2021)	✓ (Nov. 2012)	✓ (July 2019)	-	-	✓ (Sep. 2019)	-	-	✓ (Feb. 2021)
Lebanon	✓ (Sep. 2015)	✓ (Feb. 2020)	✓ (March 2021)	✓ (Nov. 1999) + Update	✓ (Feb. 2011)	✓ (Nov. 2016)	-	✓ (Oct. 2015)	✓ (Oct. 2017)	✓ (Oct. 2019)	-
Libya	-	-	-	-	-	-	-	-	-	-	-
Mauritania	✓ (Sep. 2015)	✓ (Feb. 2017)	✓ (Oct. 2021)	✓ (July 2002)	✓ (Dec. 2008)	✓ (Oct. 2014)	✓ (Sep. 2019)	✓ (March 2016)	✓ (Feb. 2021)	-	-
Morocco	✓ (June 2015)	✓ (Sep. 2016)	✓ (June 2021)	✓ (Nov. 2001)	✓ (Nov. 2010)	✓ (May 2016)	✓ (Dec. 2021)	✓ (May 2016)	✓ (Dec. 2019)	✓ (April 2022)	-
Oman	✓ (Oct. 2015)	✓ (May 2019)	✓ (July 2021)	✓ (Oct. 2013)	✓ (Dec. 2019)	-	-	✓ (Dec. 2019)	-	-	-

³⁸ Iraq's INDC was not transferred to the NDC registry. Iraq has an INDC and a 1st NDC.

³⁹ Revised NC1 August 2017, but original submission in Dec. 2015.

State of Palestine	-	✓ ⁴⁰ (August 2017)	✓ (Oct. 2021)	✓ (Nov. 2016)	-	-	-	-	-	-	✓ (Nov. 2016)
Qatar	✓ (Nov. 2015)	✓ (June 2017)	✓ (August 2021)	✓ (June 2011)	-	-	-	-	-	-	-
Saudi Arabia	✓ (Nov. 2015)	✓ (Nov. 2016)	✓ (Oct. 2021)	✓ (Nov. 2005)	✓ (Oct. 2011)	✓ (Dec. 2016)	✓ (March 2022)	✓ (April 2018)	-	-	-
Somalia	✓ (Nov. 2015)	✓ (April 2016)	✓ (July 2021)	✓ (Jan. 2019)	-	-	-	-	-	-	-
Syrian Arab Republic	-	✓ ⁴¹ (Nov. 2018)	-	✓ (Dec. 2010)	-	-	-	-	-	-	-
The Sudan	✓ (Nov. 2015)	✓ (August 2017)	✓ (May 2021)	✓ (June 2003)	✓ (Nov. 2013)	-	-	-	-	-	✓ (Sep. 2016)
Tunisia	✓ (Sep. 2015)	✓ (Feb. 2017)	✓ (Oct. 2021)	✓ (Oct. 2001)	✓ (Feb. 2014)	✓ (June 2019)	-	✓ (Dec. 2014)	✓ (Dec. 2016)	-	-
United Arab Emirates	✓ (Nov. 2015)	✓ (Sep. 2016)	✓ ⁴² (Dec. 2020)	✓ (Jan. 2007)	✓ (April 2010)	✓ (Aug. 2013)	✓ (May 2018) ⁴³	-	-	-	-
Yemen	✓ ⁴⁴ (Oct. 2015)	-	-	✓ (Oct. 2001)	✓ (June 2013)	✓ (Oct. 2018) ⁴⁵	-	✓ (Oct. 2018)	-	-	-

Source: compiled by ESCWA⁴⁶.

Note: dates indicated refer to dates of submission to UNFCCC portals.

⁴⁰ State of Palestine submitted its 1st NDC in 2017.

⁴¹ Syrian Arab Republic submitted its 1st NDC in 2018.

⁴² The United Arab Emirates also updated its second NDC in September 2022

⁴³ Revised NC4 Jan. 2019 but original submission in May 2018.

⁴⁴ Yemen's INDC was not transferred to the NDC registry, so Yemen has an INDC and not a 1st NDC.

⁴⁵ Revised NC3 Dec. 2018 but original submission in Oct. 2018.

⁴⁶ Sources: UNFCCC NDC Registry <https://www4.unfccc.int/sites/ndcstaging/Pages/Home.aspx>; UNFCCC INDCs Submissions <https://www4.unfccc.int/sites/submissions/INDC/Submission%20Pages/submissions.aspx>; UNFCCC NCs Submissions <https://unfccc.int/non-annex-I-NCs>; UNFCCC BURs Submissions from non-Annex I Parties <https://unfccc.int/BURs>; UNFCCC NAP Central <https://www4.unfccc.int/sites/NAPC/Pages/national-adaptation-plans.aspx>

SNAPSHOT ON NEW/UPDATED ARAB NDCS

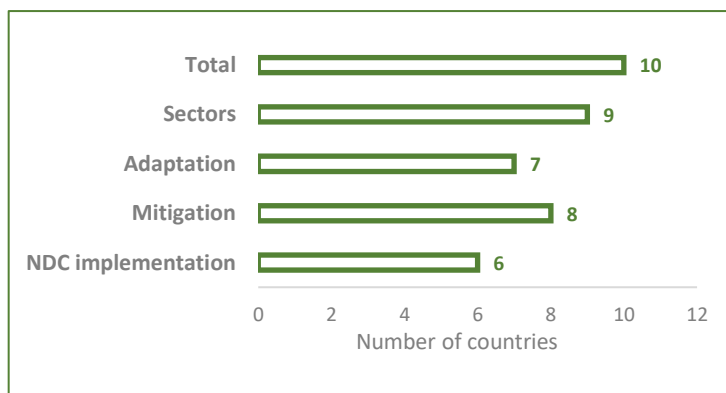
17 Arab States communicated their updated/new NDCs with revised targets and actions as of September 2022, and many show enhanced ambition towards mitigation targets compared to their initial NDCs. This ambition is reflected in increase in the level of reduction of greenhouse gases (GHG) emissions which is evident in the NDCs of nine Arab States. Moreover, almost all updated/new NDCs specify overall GHG emissions reductions by a target year conditional and/or non-conditional international support, with some referencing net-zero goals. Mitigation measures by sector or area are also defined, such as renewable energy, energy efficiency, transport, buildings, industry, agriculture, land use, land-use change, and forestry (LULUCF), desalination, and waste and wastewater management.

Most Arab countries addressed the impacts of climate change on socio-economic sectors with some referencing vulnerability assessments. All updated/new Arab State NDCs include an adaptation component where information is provided to varying extent on adaptation challenges and needs, including sectoral vulnerabilities and priority adaptation measures. All, but two Arab States, reference opportunities for adaptation and mitigation co-benefits. Water and agriculture sectors continue to be the main priority areas for adaptation in the region, with coastal zone management, biodiversity, health, urban areas and infrastructure, and tourism also referenced. The water sector is identified as the most vulnerable sector to climate change across the NDCs, with communicated adaptation actions covering water resource conservation, wastewater reuse, desalination, rainwater harvesting, early warning systems and water sector policy and governance.

The implementation period or timeframe for NDCs is crucial for the review cycle, and most updated/new NDCs specify a timeframe up to 2030. In comparison to initial NDCs, many of the updated/new include quantitative information on emissions and national mitigation contributions as well as adaptation. More Arab States included cost estimates for adaptation measures and projects per sector in their new/updated NDCs.

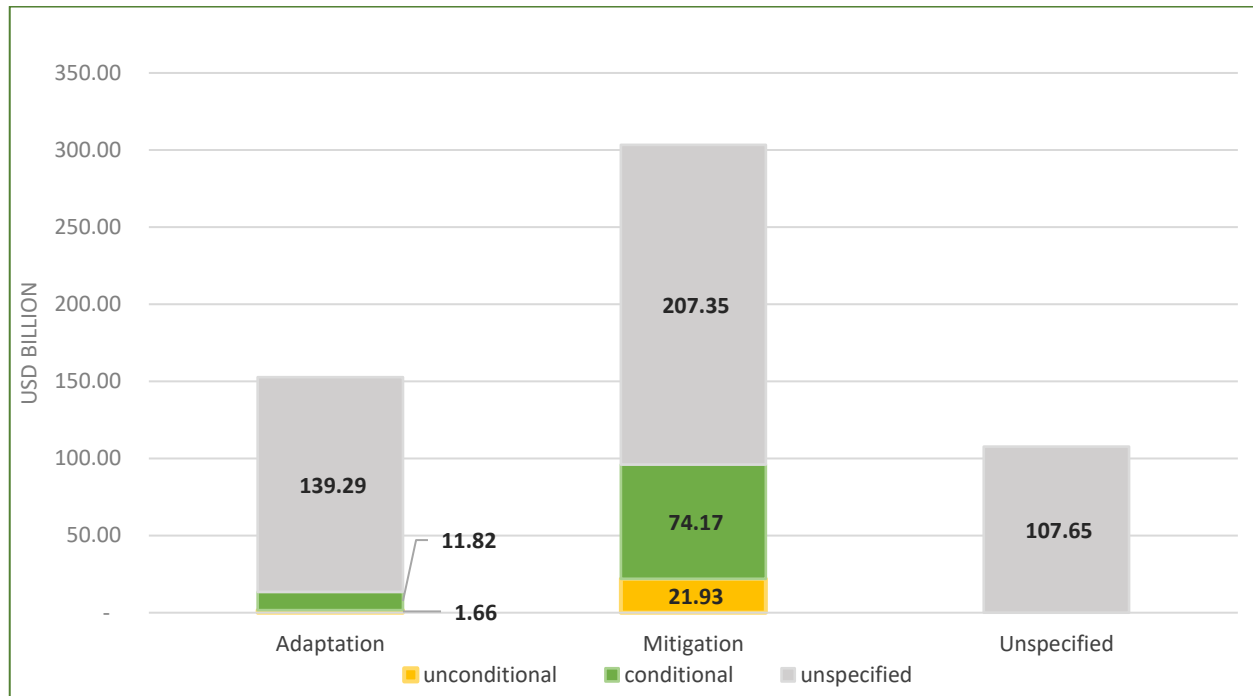
Figure 4 shows a total of 10 Arab States (Comoros, Egypt, Iraq, Jordan, Mauritania, Morocco, the State of Palestine, Somalia, the Sudan and Tunisia) which included costed needs for sectors, adaptation, mitigation, and/or total cost for NDC implementation in their respective NDC. Based on the costed climate finance needs of these countries, the region needs a total of \$564 billion until the year 2030. A large share of this amount is conditional on public foreign support or external finance, particularly to meet mitigation targets, with less than 5 per cent of costed needs estimated to come from domestic sources (see Figure 5). Of this total amount, three Arab countries (Egypt, Iraq and Morocco) account for \$425 billion of the total support requested, accounting for 75 per cent of the total.

Figure 4 Arab new/updated NDCs with costed needs



Source: Compiled by ESCWA.

Figure 5 Costed climate finance needs in the Arab region



Costed needs are based on the updated NDCs of 10 Arab countries. Source: Compiled by ESCWA.

The NDCs also describe technology and capacity building needs. Some examples on technologies are climate-smart technologies for agriculture, irrigation, water saving and harvesting technologies, electric vehicles as well as technologies for application of renewable energy. The countries further discuss their capacity building needs on the technical and institutional levels, and the common needs that can be highlighted are:

- ❖ Scientific knowledge and tools for collecting and analysing climate data;
- ❖ Technical capacities for reporting requirements under the ETF;
- ❖ National stakeholders' capacities for utilizing the international cooperative mechanisms under Article 6 of the Paris Agreement; and
- ❖ Institutional capacities between line ministries to enable implementation and monitoring of the NDCs (with respect to measures/projects on mitigation, adaptation, and co-benefits).

MONITORING ADAPTATION

Overview of Different Dimensions of Adaptation Monitoring

The GGA is not as straightforward as the mitigation temperature goal. Measuring adaptation is far more complex, and indicators for adaptation are not as clear for measuring adaptive capacity, resilience, and vulnerability to climate change. To date, there is no unified universal monitoring and evaluation system for adaptation. As was shown in Table 1, information on adaptation is fragmented and reported in various communications and formats under the Paris Agreement. Nonetheless, few developing countries have submitted their NAPs, yet this may not reflect that many countries are already proceeding with adaptation planning. Many countries' actions towards sustainable development contribute also to adaptation, and such information is reported by countries under relevant SDGs, such as SDG 13 dedicated for climate action.

In the Paris Agreement, “Parties acknowledge that adaptation action should follow a country-driven approach” (Article 7, paragraph 5). In this context, countries tend to track adaptation on the sectoral level through assessing implementation of policy measures which are monitored by sector-specific indicators, such as in agriculture and water sectors. Adaptation is also monitored on project and programme levels through performance indicators and targets which are designed to track the implementation process on adaptation and to assess the project’s/programme’s outcomes. Here, projects and programmes are often appraised against designed criteria to meet funding requirements, such as for the GCF, the Global Environment Facility (GEF) and the Adaptation Fund⁴⁷.

The LDC Expert Group (LEG), as requested by COP, developed the NAP technical guideline to guide LDCs in formulating their adaptation plans⁴⁸. According to the NAP guideline, element four, countries are guided to develop a national monitoring and evaluation (M&E) system based on which the NAP process will be assessed. The guideline also proposes that countries identify areas of focus in order to narrow down the M&E process, and, accordingly, specific metrics would be developed to assess adaptation progress in the identified areas⁴⁹. The metrics should cover all steps of programme development and implementation including the following five types⁵⁰:

- **Process Metrics:** to assess leadership and to measure courses of action to achieve a goal
- **Input Metrics:** to measure tangible quantities put into a process to achieve a goal
- **Output Metrics:** to measure the products and services delivered, new skills and knowledge developed
- **Outcome/ Result-Based Metrics:** to measure results that stem directly from the actions of the programme and the influence that participants or activities have outside the programme (unintended outcomes)
- **Impact Metrics:** to measure long-term consequences of outcomes. These may only be measurable long after a project is over, such as contributions towards resilient society and transformed economic and social systems

A NAP should be updated periodically by countries along with a systematic collection and review of information and data involving different stakeholders and sectors. Although “reporting, monitoring and review” is an element of NAP, the guideline does not include a unified methodology for monitoring the implementation of NAPs, nor it defines adaptation metrics to harmonize assessment of national adaptation needs, plans and outcomes⁵¹.

The IPCC’s Fifth Assessment Report (AR5) discusses three main uses of adaptation metrics: to determine needs of adaptation, to measure and track the process of implementing adaptive actions, and to measure effectiveness of adaptation⁵². Several vulnerability metrics have been established as vulnerability is considered central to assessing adaptation needs. The Paris Agreement and the Convention emphasize that countries, especially non-Annex I countries, communicate information about their vulnerability to adverse climate change impacts including national assessment of vulnerability and identifying vulnerable areas and groups⁵³.

Some countries have established resource allocation metrics which provide guidance on the quality of countries’ proposals for funding projects from global climate funds such as the Adaptation Fund⁵⁴. The Adaptation Fund tracks progress in project implementation through a project/programme performance report that is prepared by the implementing entity of the host country. The entity provides specific indicators and align them with the project’s objectives, outcomes and outputs. As such indicators could be very project-specific, nevertheless they can crosscut multiple sectors. For example, the project “Increasing the Resilience of Poor and Vulnerable Communities to

⁴⁷ UNFCCC, 2019.

⁴⁸ UNFCCC. (2011). Report of the Conference of the Parties on its seventeenth session, held in Durban from 28 November to 11 December 2011. FCCC/CP/2011/9/Add.1

⁴⁹ UNFCCC LEG. (2012). Technical guidelines for the national adaptation plan process

⁵⁰ Ibid. Note: the above metrics areas are cited in the LEG technical guideline from the United States National Research Council (2005).

⁵¹ Ibid.

⁵² Noble et al., 2014. IPCC AR5.

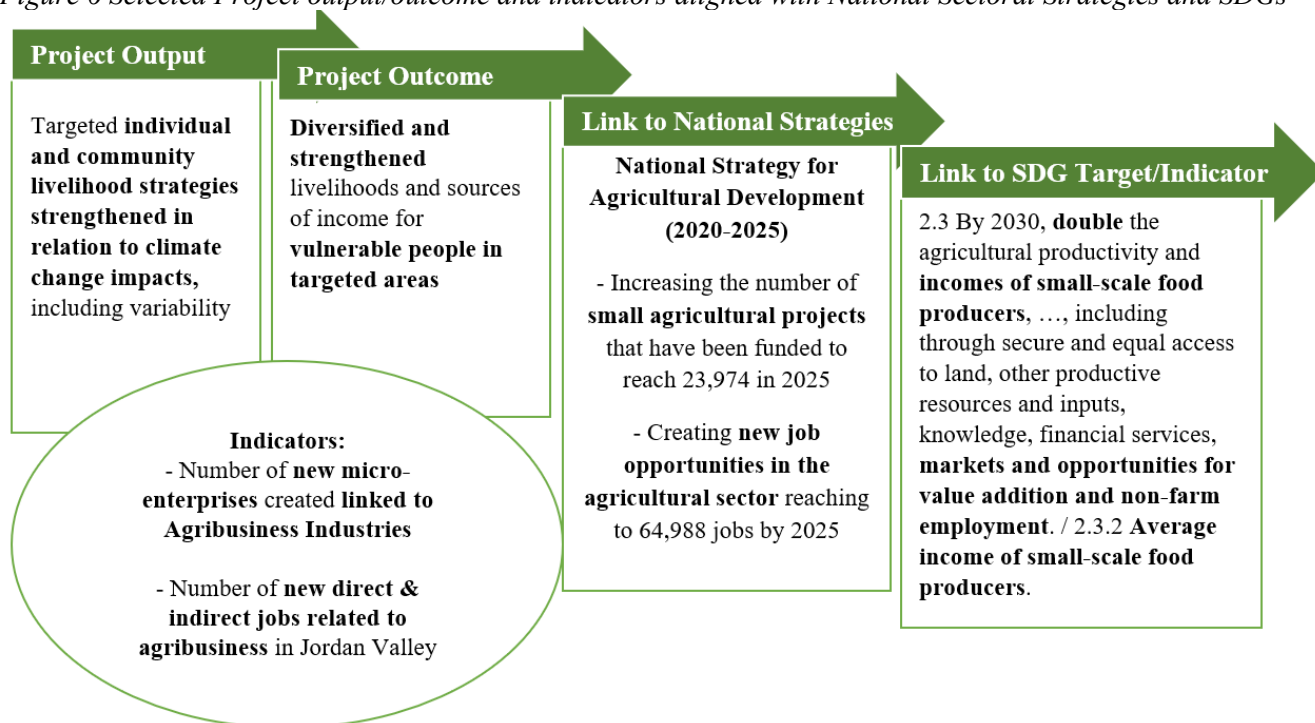
⁵³ Refer to Article 7 and Decision 17/CP.8

⁵⁴ Noble et al., 2014. IPCC AR5.

Climate Change Impacts in Jordan through Implementing Innovative Projects in Water and Agriculture in Support of Adaptation to Climate Change” includes water-and agriculture-related indicators. The project aims to enhance sustainable wastewater reuse activities and on-farm integrated agriculture in Wadi Mousa as a means of adapting to climate change.

Figure 6 presents selected project outcomes/output and corresponding indicators per the project performance report⁵⁵. Those outcomes and indicators are linked to Jordan’s National Water Strategy (2016-2025) and the National Strategy for Agricultural Development (2020-2025) and then further to SDG targets and indicators.

Figure 6 Selected Project output/output and indicators aligned with National Sectoral Strategies and SDGs



Source: Compiled by ESCWA.⁵⁶

This example illustrates the alignment of project-specific adaptation outcomes with national sectoral strategies and global targets that may not have been developed per adaptation needs at national scale. This alignment implies that adaptation measures could be mainstreamed in national planning as well as in the sustainable development agenda. With all such information available on adaptation, according to the Subsidiary Bodies, i.e., SBSTA and SBI, it has been a challenging task to aggregate project- and national-level outputs and outcomes of adaptation in order to capture global progress towards the GGA⁵⁷. The latter is rounded on key questions for the information collection and preparation component and the technical assessment component of the first global stocktake related to adaptation (see Box 2). There are three main sources that are utilized to gather needed information to answer these questions in the synthesis report of the UNFCCC Secretariat which are synthesis reports prepared by: 1) Adaptation Committee, 2) LEG, and 3) Executive Committee of WIM. On one hand there is progress towards collecting information on adaptation, efforts, needs, priorities and challenges, yet on the other hand, there are

⁵⁵ Adaptation Fund, n.d.

⁵⁶ Information compiled from Adaptation Fund, National Water Strategy (2016-2025), National Agricultural Development Strategy (2020-2025) and UNDESA.

⁵⁷ UNFCCC, 2019.

methodological challenges in reviewing and evaluating the adequacy and effectiveness of adaptation⁵⁸. This issue is key to be addresses in the upcoming COPs; especially that one of the objectives of the Glasgow–Sharm work programme is to enhance understanding of the GGA, including of the methodologies, indicators, data and metrics,

Box 2 Adaptation-related questions provided by the Chairs of the subsidiary bodies for the global

(Information collection and preparation component)

1. What are the **observed and projected changes** in the global climate system and biosphere?
2. What are the global levels of **climate risks**, observed and potential impacts and **vulnerability of human and ecological systems** caused by climate change and at what temporal scales?
3. What is the state of **adaptation efforts, support, experience, and priorities**?
4. What are the **support needs of developing country Parties** and to what extent has progress been made towards assessing the support needs of developing country Parties?
5. To what extent has progress been made towards enhancing the **adequacy and effectiveness of adaptation and support provided** for adaptation?
6. What is the **overall progress made in achieving the GGA**, how do **national adaptation efforts** contribute to this goal?
What work on **methodologies**, including **metrics**, will be needed to better understand that progress and what is further needed?
7. How can Parties increase the **ability to adapt** to the adverse impacts of climate change and foster **climate resilience** and **low GHG emissions** development, in a manner that does not threaten **food production**?
8. To what extent do adaptation efforts of Parties ensure an **adequate adaptation response** according to the temperature limits identified by the Paris Agreement?

Source: UNFCCC, 2022. Synthesis report for the technical assessment component of the first global stocktake. State of adaptation efforts, experiences, and priorities.

needs and support needed for assessing progress towards it⁵⁹.

Measuring Adaptive Capacity in the Arab Region

The GGA, as articulated in the Paris Agreement, is grounded on three main components: vulnerability, adaptive capacity, and resilience. According to the IPCC's definitions, one of the determinants of vulnerability is the adaptive capacity of a system, and the adaptive capacity contributes to the system's resilience. Understanding the vulnerability of a certain system is the first step to be informed about adaptation needs and how to enhance adaptive capacity for a resilient system. Nevertheless, vulnerability assessment is foundational for informing climate-related decision-making processes through defining risks posed by climatic changes, and thus identify measures and actions to cope with such

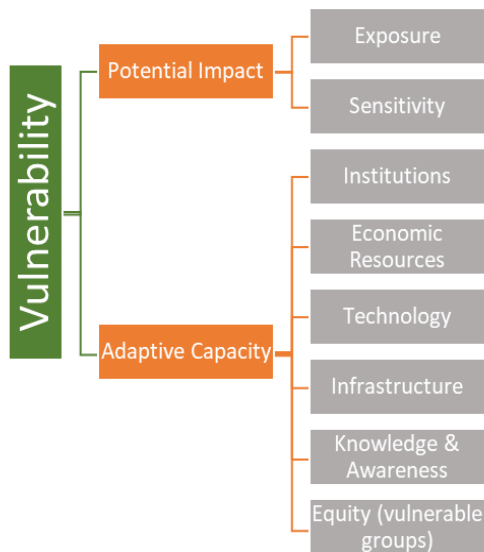
The regional initiative for the assessment of climate change impacts on water resources and socio-economic vulnerability in the Arab Region (RICCAR) carried out an integrated vulnerability assessment for five sectors, namely water, biodiversity and ecosystems, agriculture, infrastructure and human settlements, and people. The

⁵⁸ UNFCCC, 2022. Synthesis report for the technical assessment component of the first global stocktake. State of adaptation efforts, experiences and priorities.

⁵⁹ Ibid.

applied vulnerability assessment methodology is based on an understanding of vulnerability as a function of a system’s climate change exposure, sensitivity, and adaptive capacity to cope with climate change effects, following the approach of the IPCC in its Fourth Assessment Report (AR4) and as illustrated in Figure 7.

Figure 7 RICCAR Integrated Vulnerability Assessment Methodology



Source: ESCWA et al. 2017⁶⁰.

Of the two components of the integrated vulnerability assessment, adaptive capacity is more likely to influence vulnerability. While the respective contributions of potential impact (the aggregated result of exposure combined with sensitivity) and adaptive capacity to vulnerability were weighted equally in the assessment, adaptive capacity often reveals a stronger correlation with vulnerability. This suggests that the ability of mankind to influence the future is stronger than that of climate change and environmental stressors. The IPCC in its fourth assessment report also suggested that non-climate stresses, such as poverty and other socio-economic factors, can increase vulnerability to climate change by reducing resilience and can also reduce adaptive capacity. Looking closely at the adaptive capacity composite indicators, they are 27 indicators categorized into the six dimensions and developed under RICCAR as shown in Table 3.

Table 3 List of adaptive capacity indicators in RICCAR Integrated Vulnerability Assessment

Dimension	Name of Indicator
Institutions	Governance index
	Protected areas
	Disaster risk reduction committees

⁶⁰ Integrated Vulnerability Assessment: Arab Regional Application. RICCAR Technical Note, Beirut, E/ESCWA/SDPD/2017/RICCAR/TechnicalNote.2, p. 17

Box 3 Definitions

Vulnerability: the degree to which a system is susceptible to, and unable to cope with or adapt to, adverse effects of climate change, including climate variability and extremes; it is a function of the character, magnitude, and rate of climate change and variation to which a system is exposed, the sensitivity and adaptive capacity of that system.

Adaptation: the adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.

Resilience: the ability of a social or ecological system to absorb disturbances while retaining the same basic structure and ways of functioning, the capacity for self-organisation, and the capacity to adapt naturally to stress and change.

Source: IPCC AR4. *Climate Change 2007 - Impacts, Adaptation and Vulnerability*.

Economic Resources	GDP per capita
	Age dependency ratio
	Official Development Assistance
	Food imports as percentage of merchandise exports
Technology	Number of scientific and technical journal articles
	Information and communication technologies index
Infrastructure	Access to electricity
	Energy consumption
	Road density
	Health index
	Areas served by dams
	Areas equipped for irrigation
	Access to improved water
	Access to improved sanitation
	Desalination capacity
	Fossil groundwater
	Environment performance index
Knowledge & Awareness	E-Government development index
	Enrolment in tertiary education
	Adult literacy rate
Equity	Female-to-male unemployment rate
	Years of health lost due to disability
	Female-to-male literacy ratio
	Migrants/refugees index

Source : ESCWA et al. 2017.

Data on these indicators were utilized to assess the adaptive capacity in five main sectors and nine subsectors: Water (water availability), Biodiversity and Ecosystems (area covered by forests; area covered by wetlands), Agriculture (water available for crops; water available for livestock), Infrastructure and Human Settlements (inland flooding area), and People (water available for drinking; health conditions due to heat stress and employment rate for the agriculture sector). RICCAR shows, to some extent, the feasibility to assess adaptation-related indicators to extrapolate the adaptive capacity of the Arab region on the sector level. Also, on the sub-national level, RICCAR's framework can be utilized to measure the adaptive capacity of a certain sector, geographic area and the population in that area. This is illustrated in **Error! Reference source not found.** showing a recent study under RICCAR.

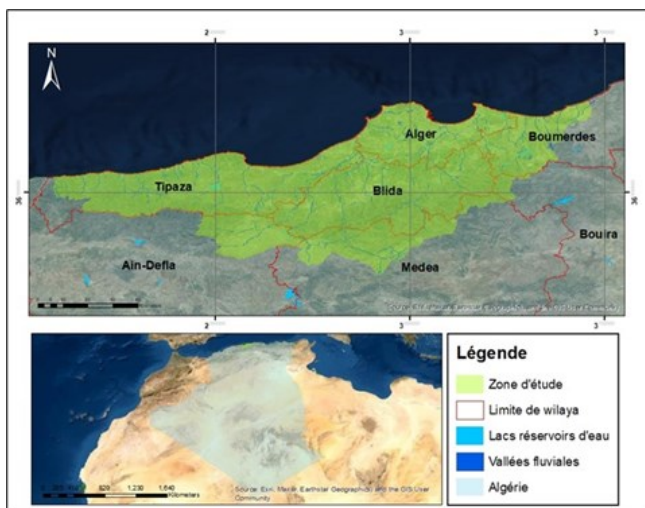
It is evident that there are valid approaches to measuring adaptation whether on regional, national and/or sub-national levels. However, there is an urgent need for development of and to reach a consensus on a set of adaptation metrics or a unified monitoring and evaluation system/plan under UNFCCC arrangements in order to inform the discussions on the GGA under the Paris Agreement. At the national level, adaptation actions need to be integrated and mainstreamed in national planning and aligned with the SDGs and the Sendai Framework through aligning common/similar indicators. RICCAR's framework can be useful to inform the discussions on the development of a measurement and monitoring methodology for the GGA. This also implies that further scientific studies and consultations need to accelerate the process of operationalizing the GGA, and this will be central to the upcoming COPs.

Box 4 Adaptive Capacity of the Agriculture Sector in Algerois Watershed

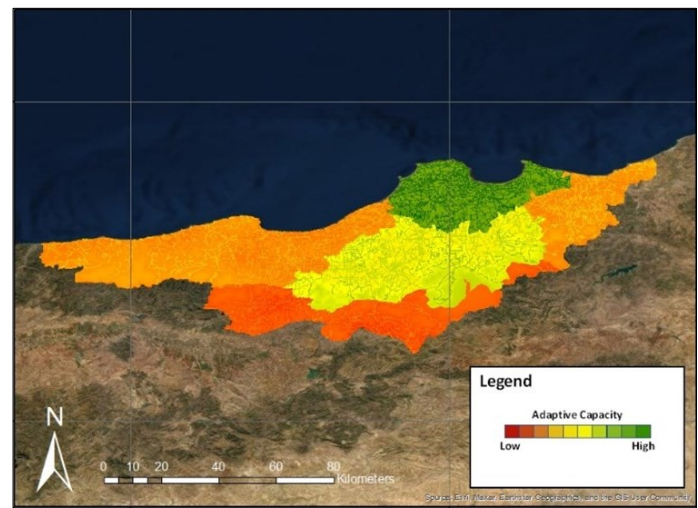
Within RICCAR’s framework, ESCWA conducted a recent vulnerability assessment for the Agriculture Sector in Algerois Watershed, Algeria. From the three components of vulnerability assessment (exposure, sensitivity, and adaptive capacity), the adaptive capacity component is measured against identified set of indicators at a sub-local and local levels. First, data were obtained from multiple sources, including Algeria's National Office of Statistics and the ministry of water and water scarcity to assess their relevance to the agriculture sector and the three vulnerability components. Adaptability is dependent on a variety of interrelated variables as such, adaptation and development indicators are fundamentally connected. For instance, water use, and efficiency are linked to management and infrastructure. A population that is in better health, has a high percentage of literacy, access to finance, and social security is better able to adjust to the consequences of a changing climate. 17 adaptive capacity indicators, listed below, which comprise the composite indicator were selected based on elements significant to the agriculture sector in the Algerois watershed which can improve adaptability. Demographic and economic data were considered.

Access to improved sanitation	Access to improved drinking water	Road network density	Access to healthcare	Access to electricity
Access to natural gas	Student-teacher ratio	Number of schools	Adult Literacy Rate	Number of farmers
Small & medium-sized enterprises (SMEs)	Distribution of registrations in the commercial register	Distribution of postal institutions	Rural and urban housing ensure the distribution	Access and use of agricultural machinery
Facebook users	Women to men Literacy ratio	Distribution of farmers (women’s share)		

Areas with a high agricultural adaptive capacity are prepared to cope with future changes and are less likely to suffer from climate change impacts. Approximately 58% of the study area indicated low adaptive capacity of which 26% indicated very low. Conversely, areas of high adaptive capacity represent 42% of the study area; mostly located in urban areas.



Map of the Study Area



Adaptive Capacity Composite Indicator - Result

Source: ESCWA (forthcoming), *Directives de gestion des bassins versants et de leur résilience à l'épreuve du climat Bassins Versants Algérois*.

SECTION FOUR: ENHANCED CLIMATE ACTION IN THE ARAB REGION AND THE WAY FORWARD

MENA CLIMATE WEEK 2022

The first Middle East and North Africa (MENA) Climate Week was held from 28 to 31 March 2022 in Dubai, United Arab Emirates. The sessions were focused around three main themes:

- National actions and economy wide approaches – national planning in key sectors,
- Integrated approaches for climate-resilient development – adaptation and resilience building; especially in fragile communities, and
- Seizing transformation opportunities - technology innovations and breakthrough solutions.

As a step towards COP 27, the MENA Climate Week hosted 161 events on various topics and themes including but not limited to energy transition, long-term national planning, green recovery, climate finance, resilience, climate security, adaptation, food and water security, disaster risk management, role of youth in national climate plans, digitalization, and technology⁶¹. The sessions recognized climate risks and the need for a low-emission and highly resilient development as well as the need for climate finance and capacity building support.

Also, as part of the MENA Climate Week, ESCWA in partnership with the League of Arab States and the UNFCCC organized a consultation on the Arab Climate Finance Access and Mobilization Strategy⁶². The consultation provided an overview of the global and regional states of climate finance in the context of the UNFCCC and the Paris Agreement, and some highlights from the Technical Assessment of Climate Finance for Arab States⁶³. The event engaged regional stakeholders in the identification of priority climate finance needs and interventions in the aim to improve access to financial instruments with a special focus on financing adaptation as a regional priority. In addition, ESCWA in partnership with the League of Arab States, the United Nations Environment Programme, the United Nations Educational, Scientific and Cultural Organization and the Arab Negotiation Group held the 14th Regional Training Workshop on Capacity Development for Climate Change Negotiations for the Arab Countries for two consecutive days during the MENA Climate Week⁶⁴. Discussions covered the latest outcomes of negotiations at COP 26 related to the Glasgow Climate Pact and decisions on issues related to adaptation, mitigation, finance, and technology. Discussions further focused on complex negotiations issues including Article 6 on market and non-market mechanisms and Article 13 on the ETF. Participants discussed national capacity building needs for implementing the outcome decisions of COP 26 and preparations for COP 27.

AN ARAB CLIMATE FINANCE STRATEGY

Glasgow Climate Pact has noted the failure in mobilizing USD 100 billion annually by 2020 to developing countries, thereby climate finance remains a major challenge for enhancing climate action globally and in the Arab region. In the efforts to overcome this challenge, an Arab Climate Finance Access and Mobilization Strategy is being finalized to be launched soon. The strategy lies under the needs-based finance project that was initiated in response to the request of the COP 23 and thereafter COP 26 that the UNFCCC secretariat explore ways and means to assist developing country Parties in assessing their climate finance needs and priorities and translating them

⁶¹ MENA Climate Week 2022. (2022), Output Report.

https://unfccc.int/sites/default/files/resource/MENACW22_OutputReport_18052022.pdf

⁶² Link to the event <https://www.unescwa.org/events/needs-based-finance-strategy>

⁶³ Link to technical assessment https://unfccc.int/sites/default/files/resource/UNFCCC_NBF_TA_AS_final.pdf

⁶⁴ Link to the workshop <https://www.unescwa.org/events/14th-regional-workshop-capacity-development-climate-change-negotiations>

into action⁶⁵. In this context, the technical secretariat the League of Arab States, UNFCCC secretariat and ESCWA are finalizing the strategy. The strategy is informed by the Technical Assessment of Climate Finance for Arab States⁶⁶ which outlines the climate finance flows into the region and needs expressed by countries based on their national reports under the convention and the Paris Agreement. The key objectives of the strategy are to:

- (a) Scale up climate finance and attract climate-related investments in the region,
- (b) Enhance individual, institutional, and systemic capacities to mobilize and access climate finance,
- (c) Reduce challenges and barriers experienced by member States in accessing climate finance from various sources, including through enhanced cooperation within the region, and
- (d) Scale up solutions for multi-country collaborations given understanding of local contexts.

ROAD TO COP 27

In order to prepare for the forthcoming COP 27 in Sharm el-Sheikh, delegates from more than hundred Parties to the Paris Agreement gathered in Bonn from 6 to 16 June 2022 at the 56th session of the UNFCCC Subsidiary Bodies. A major focus of the discussions related to the "urgent need" for more ambitious emissions reduction in this "critical decade" to avoid disastrous warming of more over 1.5 °C, as outlined in the Glasgow Climate Pact. However, the discussions were not fruitful in terms of agreeing on the details of a work programme on mitigation ambition to be launched at COP 27, so a workshop on the programme will take place ahead of COP. On the other hand, Parties progressed on matters related to Article 6 and agreed on forthcoming technical workshops to finalize new processes for Article 6 operationalization. Parties participated in the first technical dialogue of the Global Stocktake process which will conclude in COP 28 in the United Arab Emirates to assess collective progress toward the Paris Agreement. The outcomes of the Global Stocktake will inform the next round of Parties' emission reduction targets for 2035 and 2040, as well as new efforts to adapt to the effects of climate change and increase financial and technical resources to assist developing countries.

Developing countries were united in their demand for a finance facility for loss and damage and that finance for loss and damage to be on the agenda of COP 27, yet discussions were poorly progressing. Another important aspect of Bonn discussions was the Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation. Two technical workshops were carried out which identified priorities for future workshops with a focus on climate science where the work of the IPCC to be integrated to help comprehend global risks and solutions, as well as the importance of regional information and knowledge. Finance was a main subject across many discussions including those on raising ambition, adaptation, and loss and damage. There was also a technical expert dialogue on the new collective quantified goal on climate finance which will replace the USD 100 billion annual goal that is still to be met.

It is important to highlight that the Bonn negotiations were centered on the IPCC's sixth assessment report which enhanced the science-policy interface by providing scientific understanding of the urgent need and opportunity for climate action. As the Bonn session concluded, Parties agreed to send a number of "informal notes" which will serve as a framework towards Sharm el-Sheikh. In principle, negotiations have shifted to implementation despite that many procedural issues remain unresolved, so there is burden on COP 27 Presidency to accomplish some of the biggest issues such as adaptation and access to climate finance. The Presidency announced, at Bonn, that several thematic days will be organized, including on finance, loss and damage and disaster risk reduction, water, decarbonization, science, ocean, and biodiversity and that Africa will be featured as a crosscutting element. Furthermore, water will be central at COP 27 as the Egyptian Presidency announced a water initiative titled

⁶⁵ UNFCCC decision 6/CP.23, para. 10; decision 4/CP.26, para. 22

⁶⁶ UNFCCC, LAS, ESCWA (2022) Technical Assessment of Climate Finance in the Arab States. Available at https://unfccc.int/sites/default/files/resource/UNFCCC_NBF_TA_AS_final.pdf

Box 5 Towards COP27: Arab Regional Forum on Climate Finance

ESCWA hosted the Arab Regional Forum on Climate Initiatives to Finance Climate Action and the SDGs in September 2022, one of five regional forums being organized by the Egyptian Presidency of COP 27, the UN Climate Change High-level Champions, and the five United Nations Regional Commissions. The forums are coordinated under the leadership of the United Nations Deputy Secretary General as a coherent set of regional preparatory events on climate finance leading up to COP27.

The Arab Regional Forum explored the climate finance needs of Arab States for ensuring water, energy and food security under changing climate conditions. Investable projects that can accelerate climate action were showcased by member States, namely, Algeria, Egypt, Iraq, Oman, Jordan., and Tunisia. The discussions focused on innovative forms of finance and regional initiatives that can create opportunities for private sector investment, blended finance, and bilateral support.

Highlights from key messages:

- Adequate and predictable climate finance is key to the achievement of the Paris Agreement and the SDGs. Negotiations in the upcoming COP should therefore push for mobilizing resources from the public and the private sector to close the enormous climate financing gap;
- Many countries in the Arab region are facing rising debt burdens, limiting their fiscal space and ability to commit to climate action. More grant-based and concessional climate finance is therefore needed;
- More financing for climate change adaptation is needed in the Arab region, albeit not at the expense of support for climate mitigation. In particular, support for climate adaptation should consider the cross-cutting nature of adaptation, taking a water-energy-food nexus approach.

Source: ESCWA, 2022. <https://www.unescwa.org/events/towards-cop27-arab-regional-forum-climate-finance>

“Action for Water Adaptation and Resilience” (AWARE), and many United Nations organizations will be contributing to deliver on areas of, among others, water adaptation and co-benefits, water-related climate finance, and water-related hazards by 2030.

RECOMMENDATIONS FOR ENHANCED CLIMATE ACTION IN THE ARAB REGION

Arab countries will need to enhance technical understanding and capacities on various issues in the climate agenda, consolidate common positions, engage with other regional and negotiation groups to mobilise support for common Arab positions and proposals for solutions to the outstanding issues in climate change negotiations. The region is at advantage to reinforce its position and the need for implementing solutions as COP 27 and COP 28 are to be hosted in the Arab region. In this regard, the following are the recommended actions to be considered by the Arab Group, in the context of negotiations and policymaking:

- Enhance technical capacities on key subjects and outstanding negotiation issues in preparation for the forthcoming COP 27 and COP 28 such as Article 6 and transparency mechanism (GHG inventory, new IPCC guidelines, tracking progress on NDCs, flexibility arrangements, etc.), the GGA, loss and damage, finance, implementation of NDCs, among other issues.
- Evaluate the usefulness of existing vulnerability assessments in contributing to the assessment of the GGA in its three components: vulnerability, adaptive capacity, and resilience and to develop new indicators or enhance existing ones to establish adaptation metrics around these three components in different socio-economic sectors.

- Within the framework of the Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation, define mechanisms to measure progress of implementation of adaptation policies and NAPs at national level to inform the global stocktake.
- Enhance capacity on finance needs assessment of adaptation and mitigation projects to have a better estimate of financial support needed for climate finance flows and to inform the review process of the NDCs.
- Integrate adaptation planning and monitoring in national development planning and monitoring on the sectoral level to facilitate assessment of national adaptation actions and efforts contributing to the global goal on adaptation.
- Improve understanding of impact of response measures to climate change and develop assessment and quantitative analysis models of the impacts in key sectors using economic modelling with the support of national and regional concerned organizations.
- Mainstream the Sustainable Development Goals, the Paris Agreement on climate change, and the Sendai Framework on disaster risk reduction in national development planning and policies to enable providing integrated solutions to address crises caused by pandemics, disasters, and climate change.

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