**Scene setter**

In a letter to Ministers, the incoming UAE COP28 Presidency gave a sense of its priorities, especially a focus on scaling-up of renewables and innovative technology, the extra-UNFCCC dimensions of the global goal on adaptation, the reform of the international financial institutions (IFIs), and the operationalization of the funding arrangements to ‘address’ loss and damage.

Last year, following the Glasgow Climate Pact only 24 Parties had submitted an updated NDC ahead of COP27. At the time, the NDC Synthesis Report confirmed that, in line with the presented commitments, GHG emissions would peak by 2030, but they would not decrease at the level and pace required to keep the 1.5°C within reach. This year, and upon the formal conclusion of the ‘Fit-for-55’ the EU will be in a position to submit its updated NDC. However, it seems unlikely that there will be additional communications or updates of NDCs by other major emitters.

The mounting pressure towards the reform of IFIs and the mobilisation of more finance via new financial and fiscal instruments may generate some positive signals early in the year, which could facilitate COP28 discussions. However, the challenge to deliver the USD 100bn.

On the bilateral track, your visit to the UAE in January helped create a positive spirit of engagement with the UAE. This reverberated also in the last EU-UAE Senior Official Meeting held on 6 March, where interest in strengthening bilateral cooperation was reiterated. Securing a technical follow-up is our priority to start putting flesh on a more concrete collaboration.

**Key Messages**

**General messages**

- The context for COP28 is an extremely challenging one. The Glasgow COP delivered a powerful recommitment to the Paris Agreement goals. But since, Parties have made little progress and we are at risk of not keeping the 1.5°C within reach.
- We need an ambitious outcome at COP28. Last year we saw important steps forward, most notably on loss and damage, but there was not enough progress on our overall mitigation ambition. We also need to make headway in our work to align global financial flows to global climate needs, and the upcoming summit in Paris, this June will be a key moment to discuss that.
- The Global Stocktake is the “main event” for COP28 and will reveal both the ambition and the implementation gaps in a way that should drive more action. But the GST also carries a risk that Parties begin to focus on the next round of NDCs, and a new finance goal, and not what remains to be done NOW, in the current decade.
- Maintaining momentum in the near term and confidence in the Paris Agreement over the longer term requires new narratives, that are grounded in the science and experience of implementation, but still offer hope that the worst impacts can still avoided.
• EU has the experience in driving a green energy transition at home through Fit for 55, REPower EU and our work on the Green Deal Industrial Plan. This year, and upon the formal conclusion of the 'Fit-for-55' the EU will be in a position to submit its updated NDC.

• But there is also a role for the UAE and the region to demonstrate that petro-states and the global oil and gas sector can be part of the lead to a transition to net zero.

• How do you plan to mobilise countries around mitigation ambition and implementation at COP 28? What are the specific initiatives and announcements that you foresee for your COP Presidency or the Leaders Segment?

Mitigation

• COP28 needs to drive momentum for ambition but also for implementation. Countries need to design and communicate the Long-term strategies towards climate neutrality and update their NDCs in line with 1.5°C, but they also must demonstrate how they are implementing them.

• Implementation accelerates ambition by revealing opportunities to do more, driving financial investment, spurring policy and technological innovation, and creating the opportunities for more international partnerships, trade and investment.

• We need to reflect on sectoral action, identifying best practice policies and measures, and how to dismantle barriers to the transition.

• We expect strong signals from the mitigation work programme and the Ministerial Roundtable on pre-2023 Ambition, including by following up on Parties implementation of agreed sectoral benchmarks and plurilateral initiatives, by encouraging them to communicate progress towards the phase out of fossil fuel subsidies, the phase down of unabated coal, the acceleration to clean and just transition to renewable energy as well as other initiatives such as the Global Methane Pledge, the JETPs, etc.

• COP 28 should also reflect key milestones, such as the peaking of global emissions by 2025 the latest, and aspirational targets, such as the phase out of all “unabated” fossil fuels sending the right signals.

On the Global Stocktake

• On mitigation, the GST could summarise specific sectoral policy recommendations that inform the design of the next round of NDCs and LTS as well as how to accelerate the implementation of key solutions presented by the IPCC and other relevant reports from international organisations such as IEA and IRENA. Against the backdrop of the MWP, we would also need to set expectations at least from major emitters, to provide absolute emission targets and include all sectors and gases.

• On adaptation, we’ll need to reflect on the progress made towards the Global Goal on Adaptation (GGA) and the results achieved at national/ regional level. In order to enhance action and support, more focus is needed in mainstreaming adaptation in national processes and policies. The GST outcome should enable Parties to take stock of past efforts to increase resilience and implement adaptation action while
increasing ambitions at all steps of the adaptation policy cycle (risk assessments, planning, monitoring and evaluating).

- **On finance**, the GST should signal a major shift of the global economy, financial markets, and investments by considering recommendations that Parties and non-Parties could take e.g., aligning fiscal spending with Paris agreement objectives, and by identifying a framework(s) of indicators, tools, and tracking systems that could support countries and private actors to monitor the implementation of these objectives, respectful of national circumstances.

- There are other **cross-cutting areas** like just transition or equity that need to be considered within or across different tracks. On Loss and Damage, signals can be provided to Parties and outside organisations to either increase their level of preparedness to climate impacts or increase their level of support and cooperation.

**Finance**

- With regards to the **delivery of the 100bn goal and the doubling of adaptation finance**, the EU and its MSs have been and remain committed to deliver their fair share and will continue channelling of climate finance to developing countries through different programmes and projects.
- Making financial flows consistent with Paris goals is key to meeting the climate mitigation and adaptation goals and therefore close the implementation gaps.
- It requires bringing about a fundamental transformation of all economies and a major shift in the structure of the global economy, financial markets, and investments to enable more ambition, and support the mobilization of more means of implementation which in turn also enables more ambition.
- We expect a decision to be taken on the new post 2025 quantified goal in 2024. In Dubai we should capture progress on some qualitative aspects of the goal which are key to reflect on how to mobilize climate finance from a floor of USD 100 billion/year, with sources, innovative tools and alignment of all financial flows at its heart.

**Loss and Damage**

- In Dubai we expect to see the full operationalisation of the Santiago Network, including a selection of the host and election of the members of the advisory board.
- The historic decision on Loss and Damage funding arrangements, including a fund, sent a strong signal of solidarity with the most vulnerable. There is a lot of work to be carried out this year in the Transitional Committee. To deliver, we need to focus on the most vulnerable, building on and complementing existing sources, funds, processes and initiatives to ensure better coordination and close identified gaps in the existing landscape.
- Expanding sources of funding is an essential part of the decision. This includes discussing the broadening of the contributors’ base, were all countries that are in position to do so – incl. emerging economies should contribute, as well as identifying innovative sources of funding.
- We also need a specific focus on broader L&D-mosaic and targeted solutions. A fund alone will not be the silver bullet. We need multiple solutions to respond to the variety of challenges for specific regions and different vulnerabilities.
Adaptation

- The EU is committed to the Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation (GGA), and developing a framework for the GGA for adoption in Dubai.
- We are looking forward to having frank conversations around targets and indicators, including on how to work with the existing ones, how they are framed, what they imply. And we need to be mindful of the diverse range of adaptation priorities, challenges and opportunities around the world.

On EU-UAE Bilateral Cooperation

- Recall the fruitful exchanges held in Abu Dhabi and reiterate readiness to reinforce bilateral cooperation on green transition and decarbonisation. We see major potential for EU-UAE cooperation.

This could open interesting avenues for triangular cooperation on sustainable development and green transition in particular in Africa and the Middle East.
- Mention interest in sharing expertise and know-how on adaptation to climate change, especially nature-based solutions, water (including desalination), climate risk reduction and mitigation measures.
- Invite teams to follow-up at technical level and explore possible joint initiatives.