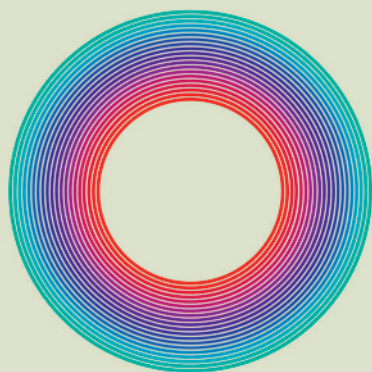


# United Nations Framework Convention on Climate Change COP20 and CMP10

State of the Negotiations



**LIMA COP20 | CMP10**

UN CLIMATE CHANGE CONFERENCE 2014

1-12 December 2014, Lima, Peru



ORGANISATION  
INTERNATIONALE DE  
**la francophonie**

INSTITUT DE LA FRANCOPHONIE  
POUR LE DÉVELOPPEMENT DURABLE  
**IFDD**



## Drafting Committee and Editorial Committee



### Publication Director

Fatimata Dia, Director, IFDD

### Editorial Management

Stéphane Pouffary, ENERGIES 2050

### Coordination

Rajae Chafil, IFDD

Stéphane Pouffary, ENERGIES 2050

Caroline De Vit

### Authors (French version)

Stéphane Pouffary, ENERGIES 2050

Caroline De Vit

Heather Rogers, ENERGIES 2050

Frédéric Gagnon-Lebrun, IISD

Tosi Mpanu-Mpanu, Democratic Republic of Congo

### Contributors

Philippine Waterkeyn, ENERGIES 2050

Nathanaël Merabli, ENERGIES 2050

### Review

Caroline De Vit

Heather Rogers, ENERGIES 2050

Stéphane Pouffary, ENERGIES 2050

Rajae Chafil, IFDD

Seyni Nafo, Mali

Alexandre Gellé

Guillaume Delaboulaye, ENERGIES 2050

Emeline Brando, ENERGIES 2050

### Institut de la Francophonie pour le développement durable (IFDD) – Publication team

Fatimata Dia

Rajae Chafil

Louis-Noël Jail

Faouzia Abdoulhalik

Marilyne Laurendeau

Issa Bado

### Design and production

Danielle Lambert, Code Jaune, [codejaune@videotron.ca](mailto:codejaune@videotron.ca)

### Translation from French to English

Sue Esplan, Garder Irlande, [sue.esplan@saret.ie](mailto:sue.esplan@saret.ie)

*This summary document has been prepared by ENERGIES 2050 on behalf of the Institut de la Francophonie pour le Développement Durable (IFDD). It does not necessarily represent the viewpoint of one or other of these organisations, nor that of the presidency of the COP20.*

ISBN: 978-2-89481-175-7

ISBN web version: 978-2-89481-176-4

*This Summary for policymakers and the full version of the Guide to the Negotiations no. 15 (United Nations Framework Convention on Climate Change - COP20 and CMP10) can be accessed online at <http://www.ifdd.francophonie.org/ressources/ressources-pub.php?id=13>*

© Institut de la Francophonie pour le développement durable (IFDD), 2014

56 rue Saint-Pierre, 3e étage, Quebec City (Quebec) G1K 4A1, Canada

Telephone: 418 692-5727 - Fax: 418 692-5644

[ifdd@francophonie.org](mailto:ifdd@francophonie.org) - [www.ifdd.francophonie.org](http://www.ifdd.francophonie.org)

This guide has been printed using vegetable inks on recycled paper.

PRINTED IN CANADA: 10 Novembre 2014



# United Nations Framework Convention on Climate Change COP20 and CMP10

State to the Negotiations

1-12 December 2014  
Lima, Peru



ORGANISATION  
INTERNATIONALE DE  
**la francophonie**

INSTITUT DE LA FRANCOPHONIE  
POUR LE DÉVELOPPEMENT DURABLE  
**IFDD**



## HOW TO USE THIS GUIDE

The authors of this guide have sought ease of reading for readers with various degrees of knowledge of the negotiation process and different negotiating forums. The document is organised around descriptive sections and detailed analyses supplemented by fact sheets and summary tables.

Part 1 of this work summarises information relating to the general context of the Lima Conference through a history of the negotiations since the Rio Summit in 1992. It also reports on the outcome of the Warsaw Conference in 2013 and intersession negotiation sessions in 2014. The reader will find a table listing the various meetings since the adoption of the United Nations Framework Convention on Climate Change (UNFCCC) which are referred to in the guide. The intention of the first section is to put into perspective the main negotiating issues of the 20th Conference of the Parties to the UNFCCC (COP20) and the 10th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 10), both of which are being held in Lima on 1-12 December 2014. This is followed by detailed discussion on the issues that will be discussed at the COP20 and the CMP10. To assist the reader, a Summary Table below lists the main topics that will be examined during the Lima Conference, with cross-references to the agendas of the various decision-making bodies, subsidiary bodies and the Ad Hoc Working Group on the Durban Platform.

Part 2 analyses in detail the negotiations under the Durban Platform (Section 2.1) and the permanent subsidiary bodies (Section 2.2). The guide concludes with a reminder of the expectations of the Lima Conference.

Several fact sheets are located at the end of the guide (Part 3), which can provide a useful reference for the reader. These sheets are referred to in the relevant sections. The sheets present among other things the institutional aspects of the negotiation process, the main coalitions present and UNFCCC side discussion forums. Lastly, terminology sheets presenting the French and equivalent English vocabulary specific to the climate change negotiations and the abbreviations and acronyms currently used under the negotiations are included at the end of the guide.

Regarding references to UNFCCC documents, only the document numbers are given, in order to facilitate reading. The documents referred to can be accessed very easily on the UNFCCC website using these numbers<sup>1</sup>. Sheet 11 explains the numbering of UNFCCC documents in detail.

---

1. <http://unfccc.int/documentation/items/2643.php>.

## FOREWORD FROM THE DIRECTOR OF THE IFDD

On the road to Paris 2015 to adopt a Post-2020 Climate Agreement, the 20<sup>th</sup> Conference of the Parties to the United Nations Framework Convention on Climate Change and the 10<sup>th</sup> Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol, being held in Lima, are looking decisive in achieving an ambitious objective in combating greenhouse gas emissions.

- The acceleration of the ratification of the Doha Amendment for after Kyoto,
- The implementation of results from Warsaw on finalising the draft text for the future 2015 agreement, the operating mechanisms of the Green Climate Fund, managing loss and damage from climate change, the REDD+, the Adaptation Committee and the Climate Technology Centre and Network,
- Clear and precise modalities for preparing planned contributions decided nationally through adaptation/mitigation projects conceived in the various socio-economic development sectors,

mainly form the major challenges and issues on which the Lima negotiations should make positive moves forward to mark the path to an agreement that is potentially already accepted by all categories of development players throughout the world.

Huge numbers of these players attended the Climate Summit in September, called by the United Nations Secretary General and made up of announcements for political, technical and financial commitments to low-carbon activities and the promotion of renewable energies; they have shown the way with this all-out effort. The Climate Summit has breathed new life into the negotiation process by putting the policies and the players from the business world and civil society in the firing line, to accelerate making the necessary decision for urgent actions to combat the adverse effects of climate change on sustainable development.

There is room for hope, therefore!!

In the recently-published Fifth IPCC Report, the experts and scientists have indicated and specified the strategic guidelines to be scrutinised rapidly to control the consequences of climate change in time. Development players have gradually started to become globally aware of the topic in constructing sustainable development policies incorporating practical and useful ways and means for the desired strategic changes.

This annual guide that you are accustomed to receiving shortly before the Conferences of the Parties is the contribution that the International Organisation of the Francophonie, through its subsidiary body IFDD, makes available to negotiators for active, enlightened participation in Lima, a meeting which we hope will finalise the adoption of principles and base documents to rise to the challenge of Paris 2015.

PLEASANT READING AND ENJOY THE MEETING!!!

Fatimata DIA



## Summary table of the main issues which will be examined during the Lima Conference

Section	Main issues for consideration	Session agenda items <sup>2</sup>					Page
		COP	CMP	SBSTA	SBI	ADP	
2.1	ISSUES OF THE DURBAN PLATFORM						23
2.1.1	Work Stream 2: pre-2020 period					3b	24
2.1.2	Work Stream 1: post-2020 period					3a	33
2.2	ISSUES OF PERMANENT SUBSIDIARY BODIES						50
2.2.1	Developed country commitments/targets under the Convention			13			51
2.2.2	The work programme aiming to improve understanding of the diversity of Nationally Appropriate Mitigation Measures (NAMA)				5		54
2.2.3	Measuring, Reporting and Verification (MRV)						57
	National communications of Parties included in Annex I of the Convention, biennial reports and report of GHG inventory data	13	9a		3		
	National communications from Parties not included in Annex I to the Convention	14			4		
	Work programme on the revision of guidelines for the examination of biennial reports and national communications, including the examination of national inventories of developed country Parties			10a			
	Methodologies for reporting on financial information for Parties included in Annex I to the Convention			10b			
	Common metrics to calculate the carbon dioxide equivalent for greenhouse gases			10c			
	Revision of the reporting guidelines on annual inventories for Parties included in Annex I to the Convention				3d		
	Emissions from fuel used for international aviation and maritime transport			10d			

2. COP: Conference of the Parties to the United Nations Framework Convention on Climate Change.

CMP: Conference of Parties acting as a Reunion of Parties to the Kyoto Protocol.

SBSTA: Subsidiary Body for Scientific and Technological Advice.

SBI: Subsidiary Body for Implementation.

ADP: Ad Hoc Working Group on the Durban Platform for Enhanced Action.

Section	Main issues for consideration	Session agenda items <sup>2</sup>					Page
		COP	CMP	SBSTA	SBI	ADP	
2.2.4	<b>Issues regarding market-based and non-market-based approaches</b>						61
	Joint implementation (JI)		5				
	The revision of the guidelines of JI				6b		
	Modalities to accelerate the issuance, transfer and acquisition of ERU during the second commitment period				6c		
	Clean development mechanism (CDM)		4		6a		
	The Revision of the modalities and procedures of the CDM				6d		
	Procedures, mechanisms and institutional arrangements for appealing the decisions of the CDM Executive Board						
	New Market Mechanism (NMM)			12c			
	Framework for Various Approaches (FVA)			12a			
	Non-market-based Approaches (NMA)			12b			
2.2.5	<b>Reduction of emissions from deforestation and forest degradation (REDD+)</b>						74
	Methodological guidelines for activities to reduce emissions from deforestation and degradation of forests and the role of the conservation and sustainable management of forests and the boosting of forest carbon stocks in developing countries			6			
2.2.6	<b>Agriculture</b>						79
2.2.7	<b>Response measures</b>		12	9	14		81
2.2.8	<b>Adapting to climate change</b>						85
	The issues concerning the least developed countries (LDC)	16b			7		
	Nairobi Work Programme on impacts, vulnerability and adaptation to climate change			3			
	National adaptation plans				9		
2.2.9	<b>Loss and damage</b>						92
	Warsaw international mechanism on loss and damage	8		7	10		
2.2.10	<b>Finance</b>						96
	Second review of the Adaptation Fund		7b		11a		
	Finance issues dealt with by the Standing Committee on Finance	12b					



Section	Main issues for consideration	Session agenda items <sup>2</sup>					Page
		COP	CMP	SBSTA	SBI	ADP	
	Finance issues dealt with by the Green Climate Fund	12c					
	Fifth review of the financial mechanism of the Convention	12e					
2.2.11	<b>Technology transfer</b>						111
	Annual report of the Technology Executive Committee and the Climate Technology Centre and Network	9a		5	12a		
	Poznań strategic programme on technology transfer				12b		
2.2.12	<b>Capacity building</b>	15	11		13		114
2.2.13	<b>The 2013-2015 review</b>	10		8c	15		116
2.2.14	<b>Research and systematic observation</b>			8b			117
2.2.15	<b>Questions relating to the mechanisms provided for by the Kyoto Protocol</b>						120
	Impacts of applying Decisions 2/CMP.7 to 4/CMP.7 and 1/CMP.8 on previous decisions on methodological considerations related to the Kyoto Protocol, especially with respect to Articles 5, 7 and 8 of the Kyoto Protocol.			11a			
	Clarification of the Doha Amendment to the Kyoto Protocol		10	11b			
	Activities relating to the Land Use, Land Use Changes and Forestry activities under Article 3, paragraphs 3 and 4 of the Kyoto Protocol and the Clean Development Mechanism			11c			
	Implications of the inclusion of reforestation of lands with forest in exhaustion as afforestation and reforestation clean development mechanism project activities			11d			
2.2.16	<b>Taking gender into account in the negotiations on the different topics</b>	17			16		125



# TABLE OF CONTENTS

How to use this guide	iv
Foreword from the Director of the IFDD	v
Summary table of the main issues which will be examined during the Lima Conference	vii
<b>INTRODUCTION</b>	<b>1</b>
<b>Part 1. Historical summary of climate change negotiations, including the report on Warsaw</b>	<b>9</b>
1.1 Negotiation framework	10
1.2 The Bali Action Plan	13
1.3 Copenhagen Accord	14
1.4 The Cancún Agreements	15
1.5 The Durban Platform	15
1.6 The Doha Climate Gateway	16
1.7 From Warsaw to Lima	16
<b>Part 2. The main negotiation issues</b>	<b>23</b>
2.1 Issues of the Durban Platform	23
2.1.1 Work stream 2: pre-2020 period	24
2.1.2 Work stream 1: the post-2020 period	33
2.2 The issues handled by the subsidiary bodies and other institutions of the Convention	50
2.2.1 Commitments/targets of developed countries under the Convention (SBSTA)	51
2.2.2 Programme of work aimed at improving the understanding of the diversity of Nationally Appropriate Mitigation Actions (NAMA) (SBI)	54
2.2.3 Measuring, Reporting and Verification (MRV)	57
2.2.4 Issues regarding market-based and non-market-based approaches	61
2.2.5 The reduction of emissions from deforestation and forest degradation (REDD+) (SBSTA)	74
2.2.6 Agriculture (SBSTA)	79
2.2.7 The response measures (SBSTA and SBI)	81
2.2.8 Adapting to climate change	85
2.2.9 Losses and damage (SBSTA and SBI)	92
2.2.10 Finance	96
2.2.11 Technology transfer	111
2.2.12 Capacity-building (SBI)	114
2.2.13 The 2013-2015 review (SBSTA and SBI)	116
2.2.14 Research and systematic observation (SBSTA)	117
2.2.15 Questions relating to the mechanisms provided for by the Kyoto Protocol	120
2.2.16 Taking gender into account in the negotiations on the different topics	125

Expectations of the Lima Conference	129
<b>Part 3. Fact sheets</b>	131
Sheet 1. Timeline of important milestones in the negotiations on climate change	131
Sheet 2. United Nations Framework Convention on Climate Change (UNFCCC)	133
Sheet 3. Kyoto Protocol	134
Sheet 4. The Durban Platform	136
Sheet 5. UNFCCC structure and the role of the main decision-making bodies	137
Sheet 6. The Parties to the Convention and the Protocol	139
Sheet 7. The regional groups and the main negotiation coalitions	141
Sheet 8. Positions of main countries and negotiation coalitions	145
Sheet 9. UNFCCC side discussion forums	154
Sheet 10. Basic information on the Kyoto Protocol flexibility mechanisms	158
Sheet 11. UNFCCC and Kyoto Protocol document listings	161
Sheet 12. Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC)	162
Sheet 13. Abbreviations and acronyms	166
Sheet 14. Lexicon	170
Sheet 15. Thematic glossary	171
<b>Bibliography</b>	179
<b>List of Tables</b>	
Table 1: History of Conferences and Meetings of the Parties and of Subsidiary Bodies and Working Groups of the Convention and the Kyoto Protocol	4
Table 2: Subsidiary and specialist bodies	138
Table 3: Kyoto Protocol flexibility mechanisms	160
<b>List of Boxes</b>	
Box 1: The Bali Action Plan	13
Box 2: The role of cities in the combat against and adaptation to climate change and the negotiations of the UNFCCC: a willingness to act and an invitation to be ambitious	17
Box 3: Progress made at the 2014 Climate Summit	20
Box 4: New UNFCCC initiatives to share information on concrete action helping to raise pre-2020 ambition	27
Box 5: Post-2015 development process and links with the UNFCCC negotiations	34
Box 6: Intended Nationally Determined Contributions (INDC) for the post-2020 period	40
Box 7: Warsaw framework for REDD+	75
Box 8: The international mechanism of Warsaw on damages and losses	93
<b>List of Figures</b>	
Figure 1: Chronology of negotiations and framework for negotiations	12
Figure 2: GHG emission reduction targets of developed countries compared with 1990, including the LULUCF sector	52
Figure 3: The parties included in Annex I (September 2014)	139
Figure 4: UN Member countries or Parties to the UNFCCC not included in Annex I (September 2014)	140

# INTRODUCTION

With a year to go until the adoption of a post-2020 climate agreement in Paris, the Lima Conference brings to mind the events preceding the Copenhagen Conference in 2009, which ended in an *a minima* agreement and entrenched national positions. In 2008, the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) was already being used as a scientific basis to call on the international community to take action. This report called for collective effort from developed countries to reduce their greenhouse gas (GHG) emissions by 25% to 40% below their 1990 levels by 2020, in order to limit the average temperature increase to 2°C<sup>3</sup>. In 2014, despite the strengthening of GHG mitigation policies and a decrease in emissions of almost 23% in 2012 compared to 1990 levels by Parties obligated under the Kyoto Protocol (i.e. developed countries except the United States)<sup>4</sup>, according to the Fifth IPCC Report, global anthropogenic GHG emissions were at their highest level in history between 2000 and 2010<sup>5</sup>. Even though the 2°C limit has become the goal to achieve since its adoption under the Copenhagen Accord, carbon dioxide (CO<sub>2</sub>) concentrations reached 400 parts per million (ppm) in 2013, i.e. the level at which CO<sub>2</sub> concentrations should have stabilised in order to increase the chances of limiting the global average temperature increase to between 2°C and 2.4°C<sup>6</sup>.

This fact brought hundreds of thousands of citizens onto the streets of the largest cities all over the world on 21 September this year. The aim behind this global demonstration was to call upon world leaders invited to New York by the Secretary-General of the United Nations, Ban Ki-moon, to take urgent action. Announced at Doha in 2012, the United Nations Climate Summit held on 23 September 2014 was intended to be a high-level political initiative to give new momentum to the negotiation process. After many technical issues were resolved at the Doha and Warsaw conferences, the process seemed to lack ambition and inspiration to take it forward to Lima and then Paris in 2015. The New York Climate Summit made it possible to reaffirm political will and to reveal a certain number of actions that could provide reassurance on the effectiveness of the future 2015 climate agreement. Prior to the New York Summit, the Abu Dhabi Summit (4-5 May 2014) and the High-Level Round Table under the Kyoto Protocol and ministerial dialogue on the Durban Platform (5-6 June 2014) offered a chance to prepare the ground for the Climate

---

3. IPCC, 2007.

4. [https://unfccc.int/files/meetings/bonn\\_jun\\_2014/application/pdf/4\\_june\\_kp\\_round\\_table\\_final.pdf](https://unfccc.int/files/meetings/bonn_jun_2014/application/pdf/4_june_kp_round_table_final.pdf).

5. <http://mitigation2014.org/>.

6. IPCC, 2007.

Summit by familiarising Ministers with the complexities of the negotiation process under the United Nations Framework Convention on Climate Change (UNFCCC).

The 20<sup>th</sup> Conference of the Parties to the UNFCCC (COP) and the 10th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP) being held from 1<sup>st</sup> to 12 December 2014 in Lima (Peru) now have the major responsibility of maintaining political momentum and achieving a credible outcome to the debates on a post-2020 agreement, which is to be adopted in Paris in 2015. The mandate of tasked with preparing this agreement, the Durban Platform, is however sufficiently broad in scope to allow differing interpretations of what could be considered a success in Lima. The decision to formalise the mode of negotiation in this forum by establishing a contact group in March 2014 is a first step towards concrete results for Lima and a means of ensuring transparency in the negotiations for many countries. Following the declarations made by world leaders in New York in September, which confirmed the political will of many countries, Lima is now an opportunity to capitalise on this political dialogue to benefit the technical negotiations. Lima also offers the chance to increase the number of countries which have ratified the Doha Amendment establishing the second commitment period for the Kyoto Protocol. This amendment ensures minimum mitigation efforts until 2020 from developed countries representing only 15% of global GHG emissions. To date, eighteen Parties have ratified this Protocol, including only two developed countries (as at 30 September 2014).

One of the priorities for Lima will be to find concrete solutions to close the gap between the GHG emissions pathway that corresponds to mitigation efforts pledged so far, and the pathway that is necessary to restrict the global temperature increase to 2°C by 2020. Imagination will be needed to close this gap, which amounts to 8 to 12 gigatonnes of CO<sub>2</sub> equivalent (GtCO<sub>2</sub>-eq), almost as much as the total emissions from the world energy supply sector<sup>7</sup>. Several organisations and coalitions used the New York Climate Summit as an opportunity to make their mitigation actions more visible. Although the emission reductions anticipated by these initiatives, which are sometimes specific to a particular sector or GHG, are not enough to close the gap by 2020 on their own, will they be enough to encourage countries to raise the ambition of their commitments?

With regard to the post-2020 period, the Intended Nationally Determined Contributions (INDCs), which were the subject of a hard-fought compromise in the final minutes of the Warsaw negotiations in 2013, raise more questions than answers. What form should they take? What legal force will they have? What level of transparency must they respect? How can equal efforts by the countries be ensured? Should they include financial contributions? The reluctance of some countries to reveal their INDC before 2015 is currently mainly due to the lack of answers to these questions. Now that China has overtaken Europe in CO<sub>2</sub> emissions per capita, expectations are growing from high GHG emitting developed countries and developing countries. Since Doha, the mobilisation of high-level policy makers aims to prevent any attempts from Parties to leave the negotiation table under the guise of needing national approval of the

7. PNUE, 2013a.

commitments to be made. Reaching an agreement on the scope of INDCs and the conditions surrounding them would subsequently enable Parties to present their INDC. It should be noted that it has not been possible to achieve such commitments for the post-2012 agreement provided for by the 2007 Bali Action Plan, and that this was an important contributing factor in the failure of the Copenhagen Conference in 2009.

The capitalisation of the Green Climate Fund (GCF) and the place given to mechanisms and institutions created under the auspices of the Bali Action Plan, such as the Warsaw International Mechanism for Loss and Damage or the Adaptation Committee, are also two major challenges for Lima. The pledges for finance amounting to almost 280 million US dollars announced at Warsaw have since been complemented by the commitment of fewer than 10 countries to provide 2.3 billion US dollars (see Box 3). One of the fundamental questions for Lima is to determine whether the GCF will be able to count on capitalisation of 10 billion US dollars, as many countries have called for, in order to move towards the target of mobilising 100 billion by 2020. The progress made in 2014 by the GCF Board on the Fund's operating modalities and the confirmation of the creation of a specific private sector facility will certainly reassure the most hesitant Parties, even though many questions remain unanswered. In New York this September, the commitments made by a number of financial institutions were a testimony to the wide variety of climate finance players. A coalition of institutional investors committed to "decarbonise" 100 billion US dollars by December 2015 and to measure the carbon footprint of at least 500 billion US dollars of investment. Furthermore, the other mechanisms created since the Cancún Conference in 2010, such as the GCF, the Technology Mechanism or the Adaptation Framework must find their role in the post-2020 agreement. This is already the subject of discussions within the subsidiary bodies responsible for making the final adjustments to these mechanisms.

With the aim of helping negotiators to better understand the challenges of the Lima Conference, this guide provides a brief history of the negotiations (Part 1) and an analysis of the main issues that will be discussed this year, based on the latest negotiation texts and country positions (Part 2). Table 1 below lists the various meetings since the adoption of the UNFCCC which are referred to in the guide.

Although this guide is intended especially for negotiators from member countries of the International Organisation of la Francophonie (OIF), we hope that it will also be useful to all other delegates. Fact sheets, boxes and additional sources of information will be useful reference points for new readers.

**TABLE 1.**  
**HISTORY OF CONFERENCES AND MEETINGS OF THE PARTIES AND OF**  
**SUBSIDIARY BODIES AND WORKING GROUPS OF THE CONVENTION AND**  
**THE KYOTO PROTOCOL**

1995	Geneva	Meetings of Subsidiary Bodies (SB-x): <ul style="list-style-type: none"><li>• Subsidiary Body for Implementation (SBI)</li><li>• Subsidiary Body for Scientific and Technological Advice (SBSTA)</li></ul>
	Berlin	First Conference of the Parties to the United Nations Framework Convention on Climate Change (COP1)
1996	Geneva	SB-2, SB-3 and SB-4 COP2
1997	Bonn Kyoto	SB-5, SB-6 and SB-7 COP3
1998	Bonn Buenos Aires	SB-8 COP4 SB-9
1999	Bonn Bonn	SB-10 COP5 SB-11
2000	Bonn Bonn and Lyon The Hague	SB-12 SB-13 COP6 SB-13 resumed
2001	Bonn  Marrakesh	COP6 resumed SB-14 COP 7 SB-15
2002	Bonn New Delhi	SB-16 COP8 SB-17
2003	Bonn Milan	SB-18 COP9 SB-19
2004	Bonn Buenos Aires	SB-20 COP10 SB-21



Guide to the negotiations UNFCCC - COP20 and CMP10

2005	Bonn Montreal	SB-22 COP11 First Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 1) SB-23
2006	Bonn  Nairobi	First session of the Ad Hoc Working Group on the further commitments for Annex I Parties under the Kyoto Protocol (AWG-KP 1) SB-24 COP12 CMP2 AWG-KP-2 SB-25
2007	Bonn  Vienna Bali	AWG-KP-3 SB-26 AWG-KP-4 COP13 CMP3 AWG-KP-4 resumed SB-27
2008	Bangkok  Bonn  Accra  Poznań	AWG-KP-5 First session of the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA-1) AWG-KP-5 resumed AWG-LCA-2 SB-28 AWG-KP-6 AWG-LCA-3 COP14 CMP4 AWG-KP-6 resumed AWG-LCA-4 SB-29
2009	Bonn  Bonn  Bonn Bangkok  Barcelona	AWG-KP-7 AWG-LCA-5 AWG-KP-8 AWG-LCA-6 SB-30 Informal meeting of the AWG KP Informal meeting of the AWG LCA AWG-KP-9 AWG-LCA-7 AWG-KP-9 resumed AWG-LCA-7 resumed

		Copenhagen	AWG-KP-10 AWG-LCA-8 SB-31 COP15 CMP5
History of Conferences and Meetings	2010	Bonn	AWG-KP-11 AWG-LCA-9
		Bonn	AWG-KP-12 AWG-LCA-10 SB-32
		Bonn	AWG-KP-13 AWG-LCA-11
		Tianjin	AWG-KP-14 AWG-LCA-12
		Cancún	AWG-KP-15 AWG-LCA-13 SB-33 COP16 CMP6
	2011	Bangkok	AWG-KP-16 AWG-LCA-14
		Bonn	AWG-KP-16 (continued) AWG-LCA-14 (continued) SB-34
		Panama	AWG-KP-16 (continued) AWG-LCA-14 (continued)
		Durban	AWG-KP-16 (continued) AWG-LCA-14 (continued) SB-35 COP17 CMP7
		Bonn	AWG-KP-17 AWG-LCA-15 First session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP-1) SB-36
	2012	Bangkok	AWG-KP-17 (continued) AWG-LCA-15 (continued) ADP-1 (continued - informal meeting)
		Doha	AWG-KP-17 (continued) AWG-LCA-15 (continued) ADP-1 (continued) SB-37 COP18 CMP8

Guide to the negotiations UNFCCC - COP20 and CMP10

2013	Bonn	ADP-2.1
	Bonn	ADP-2.2
		SB-38
	Warsaw	ADP-2.3
		SB-39
		COP19
		CRP-9

---

2014	Bonn	ADP-2.4
	Bonn	ADP-2.5
		SB-40
	Bonn	ADP-2.6
	Lima	ADP-3
		SB-41
		COP20
		CMP10

---



# **PART 1.**

## **HISTORICAL SUMMARY OF CLIMATE CHANGE NEGOTIATIONS, INCLUDING THE REPORT ON WARSAW**

Since the adoption in 1992 of the United Nations Framework Convention on Climate Change (UNFCCC) on the heels of the Rio Declaration, the threat from global warming for human beings and ecosystems has gradually been included in the international agenda (see Sheet 1 and Sheet 2). With the aim of finalising commitments made in Rio under the UNFCCC to stabilise greenhouse gas (GHG) emissions at a level that prevented dangerous anthropogenic interference with the climate system, the 3<sup>rd</sup> Conference of the Parties to the UNFCCC (COP3)<sup>8</sup> adopted the Kyoto Protocol in December 1997 (see Sheet 3). By virtue of this Protocol, the Parties included in Annex I of the UNFCCC<sup>9</sup> which have ratified the Protocol were obliged to reduce overall the emissions of six GHG by 5.2% compared with 1990 levels, in the first commitment period from 2008 to 2012.

The Parties continued with negotiations after 1997 on the more controversial items in the Protocol. The Marrakesh Accords adopted in 2001 subsequently adopted the operationalisation modalities for the Kyoto Protocol. However, the Protocol was only ratified in 2005 and its implementation was delayed in a few countries. Australia only ratified it in December 2007, for example. The United States, the world's second largest GHG emitter<sup>10</sup> after China, has never ratified the Protocol and is therefore not subject to any obligation to reduce GHG emissions under it.

With the aim of continuing to combat climate change after the first commitment period of the Kyoto Protocol (2008-2012) and formalising the contribution made by developing countries to mitigation and adaptation efforts thanks to support from developed countries, the Parties embarked on a dialogue about long-term

- 
8. The Conference of the Parties to the UNFCCC (COP) meets annually. Each conference is therefore referred to using the acronym COP x; Lima is the 20th conference and is therefore COP20. See Sheet 2 for an introduction to the UNFCCC.
  9. The UNFCCC Annex I countries designate developed countries whereas the non-Annex I countries designate developing countries.
  10. According to data from the World Resources Institute CAIT tool on national emissions in China and the United States in 2011. See: <http://cait2.wri.org>.

cooperation in 2005. A specific framework for negotiations on the post-2012 issues under the Convention was thus formed in 2007 (Ad Hoc Working Group on Long-term Cooperative Action – AWG-LCA) side by side with the Ad Hoc Working Group on the further commitments for Annex I Parties under the Kyoto Protocol (AWG-KP), which discusses the modalities of the second commitment period of the Kyoto Protocol. For this purpose, COP13 (2007) supplied a road map rolled out over two years. This is known as the Bali Action Plan

The Bali Action Plan aimed to reach an agreement in 2009 in Copenhagen on a post-2012 climate regime under the Convention. Having failed to reach a detailed agreement in Copenhagen, the Parties did however agree to move the negotiations forward on a post-2012 regime at the following COPs (in Cancún in 2010 and Durban in 2012) and then concluded negotiations in Doha in 2012 (see section 1.6). The outcome of Doha also includes the reaching of an agreement on the second commitment period under the Kyoto Protocol. With these decisions, the 18<sup>th</sup> Conference of the Parties (COP 18) to the UNFCCC and the 8th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP8) in Doha therefore brought the mandates of the Ad Hoc Working Group under the Convention (AWG-LCA) and the Ad Hoc Working Group under the Kyoto Protocol (AWG-KP) to an end.

Before describing briefly the history of the negotiations by analysing the main stages that are the Bali Action Plan (Section 1.2), the Copenhagen Accord (Section 1.3), the Cancún Agreements (Section 1.4) and the Durban Platform (Section 1.5), the Doha Climate Gateway (Section 1.6) and the outcome of Warsaw (Section 1.7), section 1.1 will enlighten the reader on the current structure of negotiations and its evolution during each of these stages.

## 1.1 Negotiation framework

After the adoption of the Kyoto Protocol, technical discussions on climate change took place mainly under the auspices of two permanent bodies, namely:

- **the Subsidiary Body for Implementation (SBI)**, mandated to advise the COP and CMP on improving the effective application of the Convention and the Kyoto Protocol
- **the Subsidiary Body for Scientific and Technological Advice (SBSTA)** which advises the COP/CMP on scientific and technical issues which are specific to or shared by them

To date, these two bodies are responsible for examining technical questions in support of the work of the COP and the CMP (see Sheet 5)<sup>11</sup>. As previously stated, from 2007 to 2012 two working groups have made efforts towards the renewal of the

11. <http://unfccc.int/6241>.

Kyoto Protocol and the implementation of the Bali Action Plan. These two groups are:

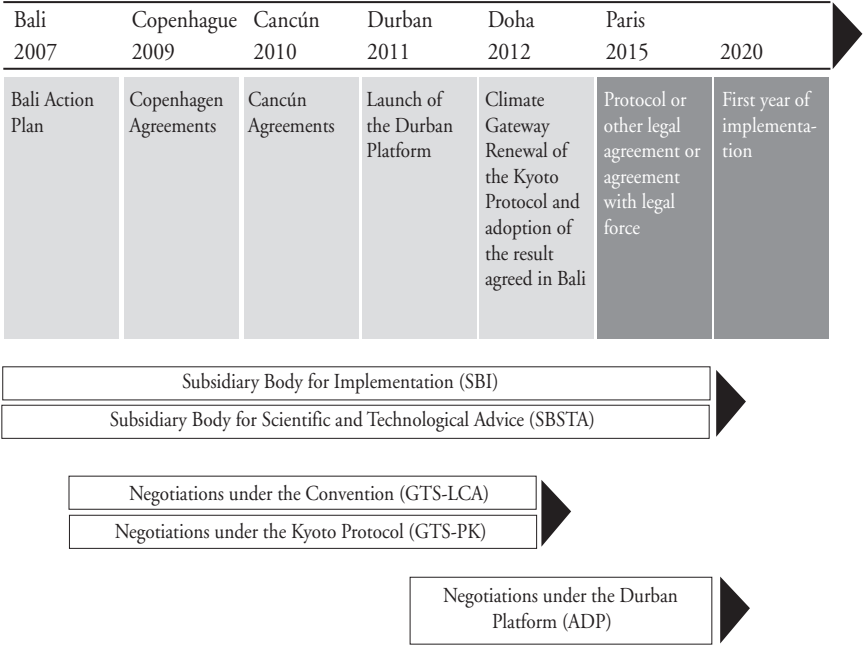
- **Ad Hoc Working Group on the further commitments for Annex B Parties under the Kyoto Protocol (AWG-KP)**<sup>12</sup>: this group was established in 2005 to facilitate the negotiations on the commitments of Annex I Parties for the second commitment period that commenced in 2013. These negotiations covered new targets for Annex B Parties under the Kyoto Protocol and how to achieve them, for example market mechanisms<sup>13</sup>.
- **Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA)**: Acknowledging the need to enhance the implementation of the Convention, mainly by making it easier to analyse cooperation approaches in respect of sustainable development, adaptation, and technological potential, the *Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention* was instigated in 2005 during the Montreal Conference (COP 11). This two-year process uniting all the Parties to the Convention was subsequently made official as the AWG-LCA in Bali in December 2007<sup>14</sup>.

After Doha marked the end of the mandate of these two working groups, the Parties to the UNFCCC continued with negotiations in 2013 under the SBI, SBSTA and the **Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP)**. Set up in 2011 in Durban, this new working group started its mandate in 2012 with the aim of adopting an agreement by 2015 that should be implemented in 2020. The decision to create the Durban Platform marks the start of a new and significant chapter in the collective effort by Parties to combat climate change. In fact, with the difficulty of keeping discussions going under a multilateral climate regime since Copenhagen in 2009, the Durban Platform opened a more inclusive climate regime transcending the traditional lines separating the so-called "developed" and "developing" countries<sup>15</sup>.

The mandate of the ADP is to enable the adoption of a new protocol, another legal instrument or an agreed outcome with legal force by virtue of the Convention, which will be applicable to all the Parties. As shown in Figure 1, this agreement should be adopted by 2015 for implementation in 2020.

- 
12. By virtue of article 3.9 of the Kyoto Protocol, following Decision 1/CMP.1, Study of paragraph 9 of Article 3 of the Kyoto Protocol on the commitments of the Annex I Parties for the following periods.
  13. The Kyoto Protocol's Annex B is a list of Parties which have made quantified commitments to reducing or limiting GHG emissions.
  14. Decision 1/CP.13.
  15. IISD, 2014a.

**FIGURE 1 :  
CHRONOLOGY OF NEGOTIATIONS AND FRAMEWORK FOR  
NEGOTIATIONS**





## 1.2 The Bali Action Plan

The Bali Conference delegates applied themselves to establishing a multilateral cooperation framework for the post-2012 period in an atmosphere of conciliation and awareness-raising that was widely publicised in the media. Their efforts produced an agreement on a two-year negotiation process – the Bali Action Plan. The Bali Action Plan is a set of decisions emanating from the "*Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention*", initiated during the Montreal Conference (2005). The Action Plan forms a coherent basis for negotiations with a view to adopting an "agreed outcome", i.e. a post-2012 climate regime (see Box 1Box 1).

A change in formulation was one of the most significant developments instigated by the Bali Action Plan. For the first time, the terms "developed" and "developing" countries replaced the terms "Parties included in Annex I" and "non-Annex I Parties". This new order extended the perspective to new combinations and effort levels for the countries. Another innovation of the Bali Action Plan was to link the mitigation efforts of developing countries to financial and technological support from developed countries.

### BOX 1 THE BALI ACTION PLAN

The Bali Action Plan launch a negotiation process than ended in 2012 in Doha and since 2006, numerous decisions have been based on its four constituent componens:

#### Mitigation

Mitigation was shown clearly as one of the most thorny issues during the plenary closing session in Bali. The United States, Canada and other Parties favoured tough language on developing countries' actions and commitments; the Group of 77 and China (G-77/China) sought greater emphasis on a discourse dealing more with the commitments of Annex I Parties.

Notwithstanding these different views, the Parties agreed to consider the following elements:

- "measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified GHG emission limitation and reduction objectives, by all developed country Parties, while ensuring the comparability of efforts among them, taking into account differences in their national circumstances; and
- nationally appropriate mitigation actions by developing country Parties in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner".

### Adaptation

The decision was taken to examine international cooperation in supporting the urgent application of various adaptation actions, given the immediate needs of developing countries particularly vulnerable to the adverse effects of climate change, mainly the Least Developed Countries (LDC), the Small Island Developing States (SIDS) and the African countries.

### Technology development and transfer

Effective mechanisms and significant resources to eliminate obstacles and provide financial incentives are envisaged to promote access by developing country Parties to environmentally sound technologies at affordable cost. These discussions cover the financing of these technologies and the intellectual property rights. The issues are also discussed in other forums such as the World Trade Organisation (WTO).

### Financing

The Bali Action Plan links the mitigation actions of developing countries to financial and technological support from developed countries. Such financial support is also necessary to help developing countries to adapt to the adverse effects of climate change. The Bali Action Plan thus sets out the bases for the financial framework to support developing countries in their mitigation and adaptation efforts.

## 1.3 Copenhagen Accord

The two negotiating processes, firstly under the Kyoto Protocol (AWG-KP) and secondly under the Convention (AWG-LCA), were charged with endorsing the main components of a post-2012 climate regime at the Copenhagen Conference in December 2009. Unable to put such a regime into place in Copenhagen, a political agreement in the form of a high-level declaration by a few States was finally reached: 141 Parties indicated their association with the Copenhagen Accord<sup>16</sup>. Despite not being legally binding, note that the Copenhagen Accord includes the two principal GHG emitters in the battle against climate change, namely China and the United States.

The Accord underlines the political desire of States associated with the agreement to address climate change in accordance with the principle of common but differentiated responsibilities and respective capabilities. Noted by the COP15<sup>17</sup>, the Copenhagen Accord clarifies certain aspects of the negotiations, like the long-term GHG emission reduction targets and financing. The developed countries committed to collective financing objectives of 100 billion US dollars per year until 2020. This Accord also served as the basis for negotiations leading to the Cancún Agreements.

16. <http://unfccc.int/5262>.

17. Decision 2/CP.15.

## 1.4 The Cancún Agreements

Although the Parties had more modest expectations of the Cancún Conference (2010) than the Copenhagen Conference, Cancún resulted in a "balanced set" of decisions which the international community greeted with enthusiasm. The Cancún Agreements crystallised the progress in Copenhagen into a formal agreement and sent a political signal to continue the discussions on the second commitment period of the Kyoto Protocol. As a whole, they form a balanced set of decisions under the Convention and under the Protocol, accepted by all, except Bolivia.

The significant progress established by the Cancún Agreements mainly consists of the formal creation of institutions, such as the Green Climate Fund (GCF), the Adaptation Committee and the Climate Technology Centre and Network (CTCN). Other progress made includes setting up the register to facilitate support for Nationally Appropriate Mitigation Actions (NAMA) and the launch of the REDD+, which aims at Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) and includes the role of conservation, durable forestry management and development of forest carbon stocks in developing countries (the "+" in REDD+).

## 1.5 The Durban Platform

Although the Durban Conference in 2011 did not lead to the adoption of the outcome announced in the Bali Action plan, Durban gave the mandate required to negotiate a unique agreement under the auspices of the UNFCCC with the creation of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP). The Durban Conference thus launched "*a process to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties*", which should enter into force no later than 2020 and be led by the ADP. Also known as the Durban Platform, this process has made it possible to encourage the establishment of long-term cooperation involving all the countries. It thus represents significant progress in the central question of whether the developed countries or the developing countries should act first. One of the goals of the Platform is indeed "ensuring the highest possible mitigation *efforts by all Parties*"<sup>18</sup>.

This progress was not achieved without difficulty, as the announcements by Canada, Russia and Japan regarding their refusal to commit to a second commitment period under the Kyoto Protocol<sup>19</sup> provoked considerable controversy. However, by reaffirming the willingness to agree on a second commitment period under the Kyoto Protocol, the outcome of the Durban Conference was to finally strengthen trust between the Parties. It testifies to a universal political will to combat climate change with a constructive commitment by the most vulnerable countries and the initiative of

18. Decision 1/CP.17, para. 7.

19. Decision 1/CMP.7, Annex I.

China, which announced its willingness to commit to reducing its emissions from 2020 onwards under certain conditions, bringing with it other countries, including Brazil and South Africa<sup>20</sup>.

## 1.6 The Doha Climate Gateway

The Doha Climate Gateway, adopted in one fell swoop on the final evening of the 2012 Conference, refers to two major outcomes: the adoption of the second Kyoto Protocol period with the adoption of the "Doha Amendment" and the concluding of negotiations under the 2007 Bali Action Plan. The Parties thus brought the AWG-KP and AWG-LCA to an end. They had been launched in 2005 and 2007, respectively.

The Doha Conference therefore resulted in a certain streamlining of the UNFCCC negotiation process, as the ADP, SBI and SBSTA formed the three negotiation groups from 2013, compared to the five that existed in 2012. The Doha Decision reaffirms the ambition to adopt "*a protocol, another legal instrument or an agreement with legal force*" by 2015 and to make a negotiation text available before May 2015, the content of which will be discussed in Lima in 2014. One of the main advances of this Decision is an agreement on considering loss and damage through the setting up of an institutional mechanism to deal with loss and damage suffered in the developing countries which are particularly vulnerable to the adverse effects of climate change. The Doha Conference also determined the headquarters of the GCV (Green Climate Fund) - Songdo, South Korea.

With regard to the Kyoto Protocol, the second commitment period therefore started on 1 January 2013 and will conclude on 31 December 2020. Regarding its effective date, although the Doha Decision encourages countries to implement the second commitment period before the countries ratify it, the countries are free to choose from what date they will enforce it.

## 1.7 From Warsaw to Lima

However it is interpreted, it must be acknowledged that the Warsaw Conference did not match the level of the climate emergency. It did however lead to a series of important decisions which map out the route towards the Paris Conference in 2015 (COP21) and define the expectations for the Warsaw follow-up Conference in Lima in December 2014.

One of the advances made in Warsaw was to further clarify the modalities for preparing the draft negotiation text for 2015 and for the submission process for the Intended Nationally Determined Contributions (INDC) of the Parties to the

---

20. [www.ips.org/TV/cop17/basics-make-small-steps-towards-emission-reduction-deal/](http://www.ips.org/TV/cop17/basics-make-small-steps-towards-emission-reduction-deal/).

Convention (see section 2.1.2). The INDCs represent the climate efforts of the countries which will be included in the 2015 agreement. The Parties are invited to share their contributions well before the COP21 in Paris in order to enhance the clarity, transparency and understanding of these contributions. The Parties must also reach a mutual agreement on the information to be provided "*without prejudice to the legal nature of the contributions*"<sup>21</sup>. Even though a necessary consensus was reached on the term "contributions" in the final minutes of negotiations in Warsaw, it still has not resolved the issue of the differentiation between contributions from countries and their different levels of development and the differentiation of contributions for means of implementation (i.e. financial support, technology transfer and capacity-building). With regard to the ambition gap for the pre-2020 period, the Warsaw Decision invites the Parties to intensify their efforts to reduce it by cancelling, for example, the certified emission reductions (CER) (see section 2.1.1).

We note here the high mitigation potential of cities, which also offer many adaptation co-benefits (see Box 2 Box 2).

## BOX 2

### THE ROLE OF CITIES IN THE COMBAT AGAINST AND ADAPTATION TO CLIMATE CHANGE AND THE NEGOTIATIONS OF THE UNFCCC: A WILLINGNESS TO ACT AND AN INVITATION TO BE AMBITIOUS

The latest Assessment Report of the Intergovernmental Panel on Climate Change (IPCC - see Sheet 12) stated that "*many global risks of climate change are concentrated in urban areas*"<sup>22</sup>. This fact is all the more worrying given that half of the world's population lives in cities and that this proportion is rapidly and constantly growing. Cities are key players in the fight against climate change: on the one hand, a significant proportion of GHG emissions are concentrated there (over 75% of CO<sub>2</sub> emissions), but, on the other hand, they offer endless opportunities for actions whether in terms of mitigation or adaptation. The construction sector, for example, plays an important role, as it is the highest consumer of energy in the majority of cases and bearing in mind that at least a further 80 billion square metres are expected to be built by 2030<sup>23</sup>.

Local governments are in a strong position to contribute to the implementation of mitigation and adaptation actions. They have expertise in a wide range of sectors that have a big impact on climate (construction and public transport, waste management, urban planning, etc.) and an awareness-raising role to citizens<sup>24</sup>. These roles have also

21. Decision 1/CP.19.

22. IPCC Working Group II: [http://ipcc-wg2.gov/AR5/images/uploads/WG2AR5\\_SPM\\_FINAL.pdf](http://ipcc-wg2.gov/AR5/images/uploads/WG2AR5_SPM_FINAL.pdf); French translation (unofficial): [http://www.developpement-durable.gouv.fr/IMG/pdf/ONERC\\_Resume\\_decideurs\\_vol2\\_AR5\\_fr\\_non\\_officille\\_V3\\_Figures.pdf](http://www.developpement-durable.gouv.fr/IMG/pdf/ONERC_Resume_decideurs_vol2_AR5_fr_non_officille_V3_Figures.pdf).

23. [http://unfccc.int/files/bodies/awg/application/pdf/adp2.5\\_summary\\_forum.pdf](http://unfccc.int/files/bodies/awg/application/pdf/adp2.5_summary_forum.pdf).

24. <http://unfccc.int/8335>.

been recognised by the global development agenda; in particular, a section focused on sustainable cities was included in the final document of Rio+20 (see Box 5 Box 5)<sup>25</sup>.

### Cities showing the way forward

Many cities have already raised the ambition of their mitigation targets beyond those set by national governments<sup>26</sup>. It was in this spirit, at the UN Climate Summit in September 2014 (See Box 3 Box 3), that world mayors signed a pact<sup>27</sup>. Through this pact, over 2,000 cities committed to reduce their emissions and to build their resilience to climate change. Their mitigation targets, their adaptation plans and their progress must be declared transparently via the "Carbon Registry", respecting the new international "GHG Protocol" standard for GHG emissions on a local level<sup>28</sup>. This pact is based on several networks (particularly the "C40" Cities and United Cities and United Governments) as well as on the Nantes Declaration of Mayors and Subnational Leaders on Climate Change (Nantes, France, 2013), the Global Cities Covenant on Climate ("The Mexico City Pact") and the Durban adaptation Charter (2011).

### What role do cities have in the UNFCCC negotiations?

In 2013, the Warsaw Conference decided that human settlements must figure among the four priority areas of the Nairobi work programme on impacts, vulnerability and adaptation to climate change, particularly in the context of adaptation planning activities (see Section 2.2.8.1)<sup>29</sup>. The urban environment was also identified as a sector with a high potential for mitigation. The Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) held a meeting of technical experts in June 2014 in which Parties examined effective local emission reduction policies and obstacles to their execution and progress<sup>30</sup>. These discussions particularly addressed the importance of cooperation between cities, options to improve their access to climate finance (bearing in mind that few cities are currently solvent) and the need to increase recognition of sub-national actions in the UNFCCC process<sup>31</sup>. At the conclusion of this meeting the ADP 2-5 therefore proposed that city activities be considered by the Technology Executive Committee (TEC), Climate Technology Centre and Network

25. Rio+20 final document "The future we want", A/RES/66/288, para. 134-137: [www.un.org/fr/documents/view\\_doc.asp?symbol=A/RES/66/288](http://www.un.org/fr/documents/view_doc.asp?symbol=A/RES/66/288).
26. [www.iclei.org/details/article/global-mayors-compact-shows-unity-and-ambition-to-tackle-climate-change-1.html](http://www.iclei.org/details/article/global-mayors-compact-shows-unity-and-ambition-to-tackle-climate-change-1.html).
27. [www.iclei.org/fileadmin/user\\_upload/ICLEI\\_WS/Documents/advocacy/Climate\\_Summit\\_2014/Compact\\_of\\_Mayors\\_Doc.pdf](http://www.iclei.org/fileadmin/user_upload/ICLEI_WS/Documents/advocacy/Climate_Summit_2014/Compact_of_Mayors_Doc.pdf).
28. Carbon Registry <http://carbonn.org>; "Global Protocol on Community-scale GHG emissions" or GPC (developed by WRI, ICLEI and C40): [www.ghgprotocol.org/city-accounting](http://www.ghgprotocol.org/city-accounting).
29. Decision 17/CP.19, para. 4-5.
30. <http://unfccc.int/8170>; and meeting summary: [http://unfccc.int/files/bodies/awg/application/pdf/adp2.5\\_summary\\_tem\\_ue.pdf](http://unfccc.int/files/bodies/awg/application/pdf/adp2.5_summary_tem_ue.pdf).
31. IISD, 2014b.

(CTCN) and the Green Climate Fund (GCF)<sup>32</sup>. The Warsaw Conference also requested the ADP to facilitate the sharing of best practices of cities and sub-national authorities among the Parties<sup>33</sup>.

Despite the lack of concrete progress on financial issues, the agreement on the CTCN (Climate Technology Centre and Network) rules, which signals its operationalisation, and on the Warsaw International Mechanism for Loss and Damage were a positive signal towards the implementation of the Cancún Agreements and the Durban and Doha decisions. REDD+ was also the subject of numerous decisions of a technical nature, which now form the "*Warsaw Framework for REDD+*" (see Box 7 Box 7). REDD+ also attracted attention in Warsaw with the financing promises of almost 280 million US dollars. This amount marked a sharp contrast with the 6.9 million US dollars which were available to the GCF in December 2013. This figure greatly fuelled the loss of confidence among developed and developing countries, who deplored the 71% decrease in financing of climate-related activities in 2013<sup>34</sup>. Policymakers were thus asked to draw their attention to financial issues at Warsaw with the convening of a biennial high-level ministerial dialogue on climate finance which will meet every two years until 2020.

The first session of the ADP since Warsaw (Bonn, March 2014) provided a forum for refocusing attention on the Durban Platform and for settling the issue of the structure of ADP discussions. The establishment of a contact group, which was called for by several developing countries in order to accelerate the work of the ADP, seemed to restore a certain level of confidence required to resume negotiations after Warsaw. For some countries, such a group offers a minimum guarantee of transparency in discussions on the road to Lima. For others, it poses the risk of isolated discussions on issues such as mitigation, adaptation, technology development and transfer, etc. which would hold back the adoption of a unique agreement by the Paris conference more than facilitating one. Finally, this group was created a few months later in Bonn in June after countries promised new momentum for negotiations.

The Session held in Bonn in June 2014 took place in an unusual context, as a high-level ministerial round table on the Kyoto Protocol was held on 5 June and a high-level ministerial dialogue on the Durban Platform on 6 June, as planned in Warsaw. Both these high-level meetings overshadowed the negotiations of the subsidiary bodies, which, in parallel, made progress on many technical issues while emphasising the need for political will that would go beyond the scope of negotiations on other issues. The prospect of an agreement on agriculture would even seem possible after

32. ADP.2014.5.InformalNote.

33. Decision 1/CP.19, para. 5

34. IISD, 2013a.

several years of debate without a sign of a compromise (see section 2.2.6). Other issues, such as the work plan of the executive committee of the Mechanism for Loss and Damage (see section 2.2.9) or the non-carbon benefits of the REDD+ (see section 2.2.5), are more contentious and could require more time than that allocated in Lima.

On a ministerial level, the first dialogue on the Durban Platform aimed to raise the level of pre-2020 ambition and to give impetus to negotiations on the 2015 agreement. The round table aimed to evaluate the implementation of the Kyoto Protocol and to give ministers the chance to increase their quantified commitments to limit and reduce emissions. Although these discussions did not result in concrete decisions, many considered that they facilitated the exchange of views at the Climate Summit three months later in New York, by familiarising Ministers with the complexities of the ADP process.

The aim of the Climate Summit on 23 September 2014 was also to strengthen the political will of governments and to mobilise climate change initiatives and ambitions. The box below sets out the main issues of this Summit.

### BOX 3

#### PROGRESS MADE AT THE 2014 CLIMATE SUMMIT

Announced in Doha in 2012, the aim of the Climate Summit was to facilitate the adoption of a post-2020 climate agreement by 2015, even though it was not held under the auspices of the UNFCCC. It took place on 23 September in New York. On this occasion, the United Nations Secretary-General, Ban Ki moon, invited heads of government, directors of private companies and civil society representatives to set out ideas for ambitious actions to combat climate change.

Over 120 Heads of State accepted the invitation and announced their national commitments and ambition to reduce GHG emissions and provide financing. The main announcements made included the following<sup>35</sup>:

- The European Union countries committed to an emission reduction target of 40% of GHG (compared to 1990 levels) by 2030.
- The United States announced their willingness to show initiative with China in climate negotiations in order to contribute to raising the level of ambition for GHG mitigation.
- China committed to reduce its carbon intensity to 45% (compared to 2005 levels) by 2020 (a commitment that was already affirmed following the Cancún Accords<sup>36</sup>) and to double its financial support for South-South cooperation.

35. IISD, 2014c; and [www.un.org/climatechange/summit/2014/09/2014-climate-change-summary-chairs-summary/](http://www.un.org/climatechange/summit/2014/09/2014-climate-change-summary-chairs-summary/).

36. FCCC/SBI/2013/INF.12/Rev.2.



- Several countries announced their contributions to the Green Climate Fund (GCF), reaching a total of 2.3 billion US dollars, notably including 1 billion from France and 960 million from Germany<sup>37</sup>. Other countries committed to make announcements on climate finance in November 2014.

With regard to adaptation, Japan reaffirmed its support for the adaptation action of developing countries and pledged to train 14,000 people on adaptation issues over the course of the next three years. Some investors, insurers and financial regulatory agencies also unveiled an initiative aimed at establishing accounting practices that take into account climate-related risks.

Meanwhile, a coalition of over 160 institutions and subnational governments committed to divesting 50 billion US dollars from fossil fuel over the next five years and to reallocate these funds to renewable energy sources. Leading commercial banks also announced that they would issue 30 billion US dollars of Green Bonds by 2015. By the same token, oil and gas industry leaders, and governments, committed to identify the main sources of methane emissions and to reduce them by 2020. Finally, note that the new *Global Mayors Compact*, representing over 2,000 cities, committed to enhancing climate commitments thanks to new public and private funds (see Box 2).

Recalling the historic significance of such a Summit, the Secretary-General emphasized that never before had so many leaders gathered together to tackle the issue of climate change. This Summit helped to raise awareness, once again, among leaders and the world population of the pressing nature of the climate situation. It also offered a rare forum for high-level discussion outside the UNFCCC and managed to create new optimism in the UNFCCC process, as the world enters the finishing straight towards the conclusion of the Paris climate agreement in 2015.

The last ADP session before the Lima Conference (session ADP-2.6, October 2014, Bonn) suggests arduous negotiations for Lima. The differences in opinion between the Parties - and within the various groups and coalitions of Parties - have been heightened on certain issues relating to the 2015 agreement and the INDC, which could make it all the more difficult to find a compromise in Lima and produce a text for the post-2020 agreement by May 2015<sup>38</sup>. It is therefore up to the Lima Conference to make sufficient progress to secure the development of the text for the agreement according to the deadlines agreed by the Parties.

37. Other contributions include: South Korea 100 million, Switzerland 100 million, Denmark 70 million, Sweden 40 million, Norway 33 million, Mexico 10 million, Luxembourg 6.4 million, the Czech Republic 5.5 million.

38. IISD, 2014d.



## PART 2.

# THE MAIN NEGOTIATION ISSUES

In 2014, the issues at stake in the negotiations linked to the Convention and the Kyoto Protocol were discussed within the Durban Platform under the auspices of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) (section 2.1) and of the permanent subsidiary bodies (section 2.2), including the issues addressed by the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA).

### 2.1 Issues of the Durban Platform

For the Durban Conference (2011), the Parties had set themselves the goal of adopting the second commitment period of the Kyoto Protocol and of concluding the 2007 Bali Action Plan<sup>39</sup>. The debates eventually resulted in a final agreement at the last minute which created the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP)<sup>40</sup>, thereby stopping the negotiation process from collapsing<sup>41</sup>.

The aim of the ADP is to "*launch a process to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties*". In addition, it must also prepare a work plan<sup>42</sup> "*on enhancing mitigation ambition to identify and to explore options for a range of actions that can close the ambition gap with a view to ensuring the highest possible mitigation efforts by all Parties*"<sup>43</sup>. In order to achieve these two objectives, the ADP must prepare a new legal instrument under the Convention that is applicable to all Parties in 2015 and which should enter into force in 2020 - "Work stream 1" (WS1) - (Section 2.1.2), and raise the ambition of mitigation action in order to define and study a set of specific measures to reduce the ambition gap by 2020 - "Work stream 2" (WS2) - (Section 2.1.1). With a year to go until Paris, the 20th Conference of the Parties (COP20) in Lima should demonstrate progress towards the objective of reaching an agreement that matches the level of the climate emergency both for the pre-2020 and post-2020 periods.

Note that the Durban agreement intentionally avoided readopting the asymmetry contained in the Bali Action Plan between developed and developing countries, thus leaving open the issue of differentiation between the form, content and even the

---

39. FCCC/CP/2007/6/Add.1.

40. Decision 1/CP.17, para. 2-7.

41. UNDP, 2012.

42. Decision 1/CP.17, para. 2.

43. Decision 1/CP.17, para. 6.

legal nature of commitments applying to developed and developing countries. However, this possibility currently raises many fundamental questions, the answers to which will determine the nature and substance of this agreement. How can responsibilities in terms of commitments be balanced between developed and developing countries? What will be the legal nature of these commitments? How can the new agreement be prepared so that it is dynamic and in keeping with the imperatives of the climate emergency?

The Durban Platform is therefore different from the 1995 Berlin Mandate, which led to the adoption of the Kyoto Protocol<sup>44</sup>. The Berlin Mandate, in contrast to the Durban Platform, limited the agreement to allowing developed countries to make emission reduction commitments, expressly excluding the announcement of any commitments by developing countries. The Durban Platform established obligations that are applicable to all Parties signatory to the UNFCCC, which must make "*the highest possible mitigation efforts*". It is probably the most significant turning point made since Bali in 2007 which had already opened the way to differentiation between developed and developing countries, thus leaving aside the distinction between Parties included in Annex I and non-Annex I Parties.

Three ADP sessions took place this year, the first from 10 to 14 March (ADP-2.4), the second from 4 to 15 June, alongside the subsidiary body sessions, (ADP-2.5) and another from 20 to 25 October (ADP-2.6). The issues addressed during these sessions are analysed in the following sections.

### 2.1.1 Work stream 2: pre-2020 period

With the aim of closing the gap between the aggregate effect of the mitigation pledges for 2020 from Parties to the UNFCCC and the necessary emission pathways to limit the temperature increase to 2°C or 1.5°C, the Parties at the 17th Conference of the Parties (COP17) (Durban, December 2011) launched a work plan on enhancing mitigation ambition<sup>45</sup>. This work plan, also called "Work stream 2" (WS2) is intended to "*enhance mitigation ambition*" with the aim "*of ensuring the highest possible mitigation efforts by all Parties*"<sup>46</sup>.

The countries from the Alliance of Small Island States (AOSIS) placed particular emphasis on creating this work plan. For these countries, negotiating a future agreement that would not take effect until 2020 was only acceptable if measures were taken to raise the level of mitigation ambition before that date. This stance remains unchanged today, to the extent that several coalitions of developing countries regard greater political mobilisation in this process as essential. This would make it possible to confirm that developed countries are serious about reducing their emissions and create the climate of trust needed in the talks on the Paris agreement, held under

44. FCCC/CP/1995/7/Add.1.

45. Decision 1/CP.17

46. *Ibid.*

"Work stream 1" (WS1). Note that the work under WS2 will be inevitably influenced by work undertaken under the Work Programme on Clarification of Quantified Economy-Wide Emission Reduction Targets of Developed Country Parties (see Section 2.2.1).

The sense of urgency in the face of the temperature increases has now been heightened by the recent publication of the 5<sup>th</sup> Assessment Report of the Intergovernmental Panel on Climate Change (IPCC)<sup>47</sup>. Also of note is the 2013 Report of the United Nations Environment Programme (UNEP) which underlines the gap between needs and perspectives in terms of emissions reduction and informs the discussions of WS2. The Report estimates that the gap could be between 8 and 12 gigatonnes of carbon dioxide equivalent (GtCO<sub>2</sub>-eq) by 2020<sup>48</sup>. On a more promising note, the UNEP notes that *"the technical potential for reducing emissions to levels compatible with warming to 2 °C [...] is enough to close the gap between business-as-usual emission levels and levels that meet the 2° C target, but time is running out"*<sup>49</sup>. The challenge facing Parties is therefore to identify and implement policies and technologies which will make it possible to exploit this technical potential so that the gap can be closed by 2020.

The Warsaw COP19 (2013) was the forum for the Parties to reiterate that climate change posed an urgent threat and to stress that there was still a major gap between the Parties' mitigation pledges and the desired emission pathways<sup>50</sup>. Under the WS2, the Parties focused their efforts on concrete action which could be taken to close the gap between the ambition level of the Parties' mitigation efforts, as announced since the Cancún Agreements (2010)<sup>51</sup>, and the level required to limit the temperature increase to 1.5°C or 2°C. However, since last year, developing countries have been calling for discussions to also cover the means of implementation made available to developing countries and issues related to adaptation (section 2.1.2).

Since Doha (2012), talks have taken place based on a technical document, prepared and updated by the Secretariat<sup>52</sup>. This document reports on the mitigation benefits of certain actions, options and initiatives which could help to close the ambition gap. It describes the actions, options and initiatives with mitigation benefits categorised by activity (energy efficiency; renewable energy; fossil fuel subsidy reform; pollutants that have a high impact on climate such as hydrofluorocarbons – HFCs – and carbon black) and by economic sector (transport, including international aviation and shipping, land use, including forests and agriculture; waste, etc.). This document also compiles information on benefits besides mitigation, such as economic development, improvements in health, biodiversity improvements, security improvements, energy

47. IPCC Working Group III: [http://report.mitigation2014.org/spm/ipcc\\_wg3\\_ar5\\_summary-for-policymakers\\_approved.pdf](http://report.mitigation2014.org/spm/ipcc_wg3_ar5_summary-for-policymakers_approved.pdf).

48. UNDP, 2013a.

49. UNDP, 2013b.

50. IISD, 2013a.

51. Decision 1/CP.16

52. FCCC/TP/2014/3.

independence and reductions in public spending. Another important benefit is increasing climate change resilience and adaptation capacity, firstly through mitigation which therefore reduces the costs related to adaptation and by preserving land and forests. The document also talks of the barriers to implementing these actions and presents a list of financial barriers, technological barriers (for example, in the waste sector), methodological barriers (for example, the lack of data on and methodologies to quantify carbon sequestration in the forest sector), as well as capacity-related barriers or shortcomings in countries' regulatory and legislative frameworks.

The ADP session in Warsaw (ADP 2-3) and in Bonn (ADP 2-5) continued the debate on ways to increase the pre-2020 mitigation ambition level (section 2.1.1.1). The Parties were particularly focused on sectors which offer a particularly high mitigation potential, specifically in the context of a series of technical experts meetings (section 2.1.1.2). The Parties also tackled the thorny issue of improving finance, technology transfer and capacity-building under the WS2 (section 2.1.1.3). All these items will be the subject of intense discussions in Lima as, for many Parties, the 2015 agreement will be heavily influenced by the level of success of an agreement on the pre-2020 period (section 2.1.1.4).

### **2.1.1.1 Raise the level of ambition of existing mitigation goals and ensure that they are implemented**

With regard to increasing the ambition level of existing goals, several developing countries recall, as the Group of 77 and China (G-77/China) did in Warsaw (2013), that the first steps would be for the Parties included in Annex I to build on their commitments and for the Parties to the Kyoto Protocol to ratify the Doha Amendment. However, to date, none of the countries which have taken on commitments, even conditional ones, under the Cancún Agreements, have proposed to increase their commitments for 2020. Instead, the Warsaw COP saw some Parties lower their goals, as was the case of Japan, which is now committed to reducing its emissions by 3.8% compared to 2005 emission levels by 2020<sup>53</sup>. Furthermore, only 18 countries had ratified the Doha Amendment (as at 30 September 2014), yet 144 are required for the Amendment to enter into force<sup>54</sup>.

For its part, the European Union called for a work plan to be adopted with deadlines and concrete action<sup>55</sup>. To date, several developing countries have expressed their relative dissatisfaction at the progress made under this work plan due to the lack of focus on increasing developed countries' commitments. Discussions were held in 2014 in technical meetings focused on regional, international or sectoral initiatives with mitigation benefits.

53. IISD, 2013a.

54. <http://unfccc.int/7362>.

55. IISD, 2013a.

In Bonn (June 2014) a ministerial round table was held within the ADP in order to attract political attention to the need for raising ambition levels before 2020. Several Parties affirmed their commitment to the objectives announced since 2010 for the pre-2020 period<sup>56</sup>. With the aim of encouraging Parties to undertake concrete action to fulfil their commitments, Parties agreed to make countries' initiatives – as well as other initiatives related to topics discussed during the negotiation sessions – more visible on the UNFCCC website (see Box 4 Box 4)<sup>57</sup>. The purpose of this visibility is to inspire more countries to act, by helping them to learn from other countries and being able to make comparisons with one another, not only in terms of emissions but also concrete action that has been implemented.

#### **BOX 4.**

#### **NEW UNFCCC INITIATIVES TO SHARE INFORMATION ON CONCRETE ACTION HELPING TO RAISE PRE-2020 AMBITION**

In its drive to raise GHG emission mitigation ambition, the UNFCCC Secretariat set up new initiatives, following on from Warsaw (2013), to help Parties to familiarise themselves with action undertaken by other countries. In this respect, the following are noted:

- the virtual expo of initiatives and projects on topics discussed during the negotiation sessions, leading to GHG emission reductions<sup>58</sup>;
- a portal providing information on cooperative initiatives undertaken around the world by governments or the private sector<sup>59</sup>;
- a world map showing pre-2020 action taken by developed and developing countries<sup>60</sup>.

The work of the ADP on WS2 continued in October 2014 during the last ADP session before Lima. A new version of the draft text was the result. This should serve as a basis for negotiation towards a draft decision on increasing the pre-2020 ambition<sup>61</sup>. The text proposes, among other things, to call a *Forum on Accelerated Implementation of pre-2020 Climate Action* in June 2015 to consider the state of mitigation efforts undertaken by the Parties for the pre-2020 period<sup>62</sup>. Numerous Parties wish the

56. For more information: [www.unfccc.int/files/meetings/bonn\\_jun\\_2014/in-session/application/pdf/140610\\_dp\\_ministerial\\_summary\\_final.pdf](http://www.unfccc.int/files/meetings/bonn_jun_2014/in-session/application/pdf/140610_dp_ministerial_summary_final.pdf).

57. FCCC/ADP/2013/L.4.

58. [https://seors.unfccc.int/seors?session\\_id=ADP2.5VE](https://seors.unfccc.int/seors?session_id=ADP2.5VE).

59. <http://unfccc.int/7785>.

60. <http://unfccc.int/8167>.

61. [http://unfccc.int/files/meetings/bonn\\_oct\\_2014/in-session/application/pdf/adp2-6\\_i3\\_24oct2014t2100\\_dt.pdf](http://unfccc.int/files/meetings/bonn_oct_2014/in-session/application/pdf/adp2-6_i3_24oct2014t2100_dt.pdf).

62. *Ibid.*

work of the WS2 to continue after 2015, but opinions diverge on the objectives and duration of this approach. For example, China suggests, for the 2015-2020 period, a review programme for the execution of pre-2020 commitments, whereas AOSIS thinks that the work of WS2 must continue until the ambition gap is plugged<sup>63</sup>.

### 2.1.1.2 Intensify efforts on a national scale and by means of international cooperative initiatives

The Parties agree that there is significant mitigation potential which may be realised using measures and technologies that are relatively inexpensive. This was one of the conclusions of the UNEP Emissions Gap Report<sup>64</sup> and of the recent IPCC report<sup>65</sup>.

Faced with this realisation, the Parties decided to step up their work on these issues by organising a series of technical experts meetings (TEMs) in order to develop a list of policies and financial or economic measures that could break down the barriers preventing the implementation of these measures and the adoption of new technology so that countries are in a better position to raise the ambition of their actions by 2020<sup>66</sup>. Six technical experts meetings were held in 2014:

#### *Meeting of technical experts (TEM) on renewable energy (March 2014)*<sup>67</sup>

At this TEM, participants agreed on the very high potential of renewable energy sources and their role in raising mitigation ambition. However, their development appears to be constrained by a number of challenges, primarily the high cost of technology, lack of availability of financing, or even the lack of R&D tailored to local conditions. The panel of experts discussed concrete actions to be launched with regard to finance, technology, capacity-building to break down these barriers, such as enhanced collaboration between national, subnational and international entities. In addition, the attendees were invited to suggest action at the national level to exploit the potential of renewable energy. They specifically suggested that the UNFCCC Secretariat could help to enhance this potential by developing a platform for countries to record their policy successes.

#### *TEM on energy efficiency (March 2014)*<sup>68</sup>

The discussions at this TEM covered sharing experiences, lessons learned and future challenges in energy efficiency. Many Parties called attention to the need to

63. IISD, 2014d.

64. UNEP, 2012.

65. IPCC Working Group III: [http://report.mitigation2014.org/spm/ipcc\\_wg3\\_ar5\\_summary-for-policy-makers\\_approved.pdf](http://report.mitigation2014.org/spm/ipcc_wg3_ar5_summary-for-policy-makers_approved.pdf)

66. FCCC/ADP/2013/L.4.

67. <http://unfccc.int/8112>.

68. <http://unfccc.int/8113>.



have strong political will and coordination and collaboration among international and national policies. Participants also placed emphasis on the need for an integrated approach and enhancing technical and institutional capacities.

### *TEM on land use (June 2014)*<sup>69</sup>

At the TEM on unlocking mitigation opportunities offered by land use, productive discussions were held based on the fact that a quarter of global emissions are produced by excessive land use. Participants recognised that this topic should be an important element in the 2015 agreement. Some participants stress that better land use would maximise positive linkages between sustainable development and social inclusion. This requires high commitment from States. The options put forward included the restoration and reforestation of degraded land, the development of "smart agriculture" adapted to local ecosystems and reducing emissions from deforestation. In order to overcome the many challenges and barriers discussed by the participants, the important role of the private sector and civil society was highlighted.

### *TEM on urban environment (June 2014)*<sup>70</sup>

During this TEM, how to prepare cities to address climate change was debated. As the World Bank highlighted, the demographic explosion in urban areas, particularly in developing countries, makes these populations more vulnerable to the effects of climate change. Delegates pointed out that abundant opportunities exist and have already been taken by many cities or subnational authorities. The city of Malmö in Sweden, which is striving to become carbon neutral by 2020, was cited as an example. The many proposals put forward by attendees included low-carbon resilient development plans, improving creditworthiness of cities, promoting innovative economic instruments and encouraging public-private partnerships.

Two TEM also took place in October 2014 during the session of the ADP-2.6. The first meeting, on carbon capture, use and storage<sup>71</sup>, raised such questions as access to these technologies for the developing countries and the approach to be followed to deal with this topic under the Convention and the 2015 agreement. The second TEM, on actions to reduce GHG other than CO<sub>2</sub><sup>72</sup>, in particular relaunch the long-standing question of whether disposing of hydrofluorocarbons should be dealt with by virtue of the UNFCCC or the Montreal Protocol<sup>73</sup>. Whilst these meetings were, to a certain extent, eclipsed by the discussions of the ADP contact group, general consensus on the usefulness of TEM as a technical discussion forum on the possibilities of increasing the mitigation efforts emerged. This role is recognised

---

69. [http://unfccc.int/files/bodies/awg/application/pdf/adp2.5\\_summary\\_tem\\_lu.pdf](http://unfccc.int/files/bodies/awg/application/pdf/adp2.5_summary_tem_lu.pdf).

70. <http://unfccc.int/8404>.

71. <http://unfccc.int/8421>.

72. <http://unfccc.int/8420>.

73. IISD, 2014d.

in the draft text by the joint chairmen for a draft decision on increasing the pre-2020 ambition, produced following the October 2014 session<sup>74</sup>. Numerous Parties thus wish the TEM to continue - perhaps under the auspices of the Technology Mechanism - whilst making them more effective in contributing to the increase in mitigation efforts<sup>75</sup>.

During these expert meetings and the ensuing discussions, the countries also debated international cooperation initiatives and how they could help close the ambition gap and support national efforts. The potential contributions vary according to their objective (political discussions or implementation of concrete actions), the sectors concerned (energy, transport, etc.), the geographical scope and the type of participation (public or private sector, international, national, regional or local level). A list of these initiatives is available on the UNFCCC website. For example, the Clean Energy Ministerial round table promotes clean energy information exchange and capacity-building. Many countries also mentioned the Climate and Clean Air Coalition which, under the auspices of the UNEP, launches concrete projects to reduce emissions of carbon black and methane.

However, some developing countries, including the Like Minded Group of Developing Countries (LMDC) and India have stressed that any international cooperative initiative outside the UNFCCC, albeit welcome, cannot replace developed countries' quantified emission reduction objectives and should not create obligations for developing countries<sup>76</sup>.

### 2.1.1.3 Enhancing finance, technology transfer and capacity-building

The work plan was put into place, in theory, to raise the ambition of mitigation action. Some groups of countries, such as the AOSIS, the Independent Association of Latin America and the Caribbean (AILAC) and the European Union, want it to focus on concrete proposals for mitigation actions that could be taken by a large number of countries by 2020 and which could have a significant impact on the level of global mitigation. However, from 2013, some developing countries considered it helpful to expand the scope of the work plan, particularly to ensure that the issues of adaptation and means of implementation were not overlooked in the pre-2020 work plan, by

74. [http://unfccc.int/files/meetings/bonn\\_oct\\_2014/in-session/application/pdf/adp2-6\\_i3\\_24oct2014t2100\\_dt.pdf](http://unfccc.int/files/meetings/bonn_oct_2014/in-session/application/pdf/adp2-6_i3_24oct2014t2100_dt.pdf).

75. IISD, 2014d.

76. IISD, 2013a.

77. See for example: The Like Minded Group of Developing Countries: [http://unfccc.int/files/meetings/bonn\\_jun\\_2013/in-session/application/pdf/adp2-2\\_closing\\_plenary\\_statement\\_lmhc\\_pakistan.pdf](http://unfccc.int/files/meetings/bonn_jun_2013/in-session/application/pdf/adp2-2_closing_plenary_statement_lmhc_pakistan.pdf); the Arab Group: [http://unfccc.int/files/meetings/bonn\\_jun\\_2013/in-session/application/pdf/adp2-2\\_closing\\_plenary\\_statement\\_arab\\_group.pdf](http://unfccc.int/files/meetings/bonn_jun_2013/in-session/application/pdf/adp2-2_closing_plenary_statement_arab_group.pdf); and G-77/China: [http://unfccc.int/files/meetings/bonn\\_jun\\_2013/application/pdf/adp2-2\\_closing\\_plenary\\_statement\\_g77\\_china\\_fiji.pdf](http://unfccc.int/files/meetings/bonn_jun_2013/application/pdf/adp2-2_closing_plenary_statement_g77_china_fiji.pdf).

virtue of the principle of common but differentiated responsibilities<sup>77</sup>. Several developing countries are concerned that developed countries will fail to deliver on their responsibilities, involving them in their mitigation action without providing means of implementation. They also fear that the agreement will overlook adaptation issues. For these countries, adopting a broader definition of pre-2020 ambition is therefore a condition for many developing countries to contribute to collective mitigation efforts.

Thus, China, South Africa and the LMDC have, for example, urged for an increase of means of implementation for non-Annex I Parties<sup>78</sup>. These countries also called for transparency of the support provided through the Measuring, Reporting and Verifying (MRV) processes and the capitalisation of the Green Climate Fund (GCF). In concrete terms, for example, South Africa made a proposal for a portal to match financing with the support received<sup>79</sup>. One of the most contentious issues concerns a clear road map for long-term finance, in order to improve transparency of finance granted and its predictability (see Section Erreur ! Source du renvoi introuvable.).

Several developed countries, such as the European Union and the United States, acknowledged the importance of means of implementation and affirmed in their submissions that finance and capacity-building for countries which wished to take mitigation action was a priority issue<sup>80</sup>. They encouraged developing countries to create an environment conducive to investment to support mitigation, which would increase the chances of attracting finance, particularly from the private sector.

In its June 2014 conclusions, the ADP invited Parties to submit information on the options for action offering a high mitigation potential, including their benefits, costs, barriers to their implementation and strategies for finance, technology and capacity-building support for mitigation action<sup>81</sup>. The Parties also requested to continue the discussions with the Technology Executive Committee (TEC), the Climate Technology Centre and Network (CTCN) and the Green Climate Fund (GCF) in order to continue to benefit from their support in the context of this work plan, particularly during TEMs<sup>82</sup>.

#### 2.1.1.4 Next steps for the work plan

In Lima, it has been planned that the parties will consider a draft decision<sup>83</sup> that consolidates the progress made under WS2 and sets the basis for continuing work beyond the life of the ADP<sup>84</sup>. At the Bonn sessions in 2014, several Parties expressed

78. IISD, 2013a.

79. IISD, 2013a.

80. IISD, 2013a.

81. FCCC/ADP/2013/L.4/.

82. ADP.2014.5.InformalNote, para. 34.

83. ADP.2014.8.DraftText.

84. ADP.2014.9.InformalNote.

their concern about momentum in WS2<sup>85</sup>. The AOSIS called for political discussions, besides the technical meetings, in order to increase pressure on countries so that they show greater leadership in reducing GHG emissions by 2020. It is very likely that moving towards Paris, attention will instead shift to issues related to the Intended Nationally Determined Contributions (INDC) at the expense of pre-2020 ambition. The evaluations required to set the INDCs depend nevertheless on the efforts made by 2020; thus, the two issues cannot be addressed independently and the work under WS2 is important to the success of the Paris conference. Note also that several developing countries consider pre-2020 ambition from the largest emitting countries as a political prerequisite for giving their approval to the 2015 agreement.

All the same, the Parties seem to have already agreed on the usefulness of the TEMs to inspire their reflections and discussions among the Parties on ways to raise the ambition level<sup>86</sup>. In this respect, the Parties are very interested in continuing the TEMs beyond COP20.

In their reflection on the progress made under the ADP, the joint chairmen ask the Parties to consider certain questions relating to WS2 for Lima; these are indicated in the box below<sup>87</sup>.

Some expected the Summit organised by the Secretary-General of the United Nations in September (see Box 3 Box 3) to provide an opportunity for moving discussions for the ADP forward in 2014, but very few new announcements along the line of raising ambition were made last September. It remains to be seen the extent to which the political momentum on the issue of climate change created by the Summit will encourage Parties to make more ambitious announcements in Lima.

**MAIN ISSUES RELATING TO THE DURBAN PLATFORM FOR THE PRE-2020 PERIOD (WORKSTREAM 2)**

Which policies, practices and technologies can enhance ambition by Parties in a way that best fits their national circumstances?

What support can be offered to assist Parties, in particular developing country Parties, in addressing barriers and challenges in implementation of these policies, practices and technologies, and in considering ways to overcome these barriers?

How to provide incentives to Parties that have not yet announced a quantified economy-wide emission reduction target or mitigation action to do so as a matter of highest priority?

85. IISD, 2014a and IISD, 2014b.

86. ADP.2014.5.InformalNote, para. 27.

87. ADP.2014.5.InformalNote, para. 29.

How can the UNFCCC process assist Parties by catalysing implementation of action and enhancing their ambition? Should further engagement of the bodies under the Convention, specialised technical organisations, partnerships and observers be considered?

What will implementation of the work plan on enhancing mitigation ambition entail in 2015 and beyond?

Which elements from the pre-2020 work plan could contribute to the negotiations on the 2015 agreement? How can these elements be integrated into Work stream 1?

### 2.1.2 Work stream 1: the post-2020 period

One of the aims of the ADP is to develop a new legal instrument under the Convention that will be applicable to all Parties in 2015 and which should enter into force in 2010 (WS1). At the COP19 in Warsaw (2013), the Parties reaffirmed the decisions made in Durban (2011) and in Doha (2012) to consider elements for a draft text of the 2015 agreement no later than the COP20 in Lima, with a view to making available a negotiating text before May 2015<sup>88</sup>.

The final decision of the COP19 on the ADP clearly sets out the stages for the work programme to go through during the course of 2014 in order to reach this objective<sup>89</sup>. With regard to the post-2020 period, the Parties' efforts are focused on two main points: preparing the elements of a draft negotiating text of the 2015 Agreement for the COP20 (Section 2.1.2.1) and identifying the information that the Parties will provide when reporting on their Intended Nationally Determined Contributions (INDC), as well as the assessment process for these contributions (Box 6). The identification of options and political actions to raise pre-2020 ambition in accordance with the provisions of paragraphs 7 and 8 of Decision 1/CP.17 is covered in section 2.1.1.

Although it was important for many developing countries for the Warsaw Conference to lead to the establishment of clear deadlines by the ADP for submitting both mitigation and finance commitments, the final decision did not provide any details on a potential schedule for financial commitments. The Warsaw decision restricts consideration of financial aspects to those necessary to prepare the INDCs. The decision requests developed countries, the operating entities of the financial mechanism of the Convention and any other organisations in a position to do so to provide support for the preparation and submission of the INDCs as early as possible in 2014<sup>90</sup>.

88. Decision 2/CP.19, para. 9.

89. Decision 1/CP.19, para. 2 (a), (b) and (c).

90. Decision 1/CP.19, para. 2 (d).

It is also worth noting that 2015 will also see the adoption of a new post-2015 development agenda. The summit at which this agenda should be adopted will be held three months prior to the Paris COP (see Box 5).

#### **BOX 5**

#### **POST-2015 DEVELOPMENT PROCESS AND LINKS WITH THE UNFCCC NEGOTIATIONS**

2015 will feature not only the negotiations prior to the COP21 in Paris, aiming to formalise a new post-2020 climate agreement, but also the adoption of a post-2015 development agenda. This agenda will include the Sustainable Development Goals (SDG) which will follow on from the Millennium Development Goals (MDG), which conclude in 2015. 2014 is an important preparatory year for these two processes, which although officially separate address issues which are highly interconnected.

#### **The process for the adoption of the post-2015 development agenda**

The MDGs, which were adopted in 2000, aim to reduce extreme poverty and to improve education, equality between the sexes, health and the environment<sup>91</sup>. Although significant progress has been made, the General Assembly (GA) of the United Nations agreed in 2012, following the Sustainable development conference (Rio+20), to define SDGs that are universally applicable to all countries for the 2015-2030 period<sup>92</sup>. The SDGs will form part of the post-2015 development agenda of the UN, which will follow on from the MDGs and the objective of which is to improve the lives of populations and to protect the planet for the future generations<sup>93</sup>. This agenda is guided by Member States, and also counts on the involvement of civil society and the private sector. The UN is responsible for facilitating the process and its Secretary-General for supervising it.

The main work to design the SDGs has been carried out by the following groups so far:

- **High-level panel of eminent persons on the post-2015 development agenda** – This panel brings together representatives of civil society, the private sector, universities and local and national governments with the aim of preparing a vision for the post-2015 development agenda. Its May 2013 report presents recommendations, on which the other working groups have based themselves.
- **Open Working Group on Sustainable Development Goals** - it has thirty seats (shared by seventy member States). This group is tasked with preparing a proposal on the SDGs. Their work came to an end in July 2014 with the final document

91. [www.un.org/fr/millenniumgoals/bkgd.shtml](http://www.un.org/fr/millenniumgoals/bkgd.shtml).

92. Rio+20 final document "*The future we want*": [www.un.org/fr/documents/view\\_doc.asp?symbol=A/RES/66/288](http://www.un.org/fr/documents/view_doc.asp?symbol=A/RES/66/288).

93. [www.un.org/fr/millenniumgoals/beyond2015.shtml](http://www.un.org/fr/millenniumgoals/beyond2015.shtml).

proposing seventeen goals and 169 targets, such as "*by 2030, eradicate extreme poverty for all people everywhere*"<sup>94</sup>. Some of the proposed targets are quantitative, while others are qualitative.

- **Intergovernmental Committee of Experts on Sustainable Development Financing** – This is a group of experts from thirty countries, which submitted in August 2014 its report on options for an integrated sustainable development financing strategy, including national and international financing, whether public or private<sup>95</sup>. This report forms a basis for the adoption of a sustainable development financing framework in July 2015.
- **High-level Political Forum on Sustainable Development** - This is the main United Nations body on sustainable development, which supervises the implementation of the post-2015 development agenda and the SDGs<sup>96</sup>.

The process is currently at the intergovernmental negotiation stage. The Secretary-General of the United Nations will issue a report by the end of 2014 summarising the conclusions of the different types of work mentioned above. This overview will also take account of the technical reports of the Sustainable Development Solutions Network, thematic and national consultations and the global "MY World" survey, in which over five million citizens voted for development priorities (it should be noted that climate does not feature among the main priorities identified)<sup>97</sup>.

Member States should adopt the SDGs and the post-2015 development agenda at a summit in September 2015, i.e. three months before the COP21 in Paris.

#### Climate and the post-2015 development agenda

The issues of climate change and poverty are inextricably linked, to such an extent that a lack of action in one of the two areas would hamper progress in the other. In fact, the Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda states that "[...] *there is one trend – climate change – which will determine whether or not we can deliver on our ambitions [development]*"<sup>98</sup>. The closeness of the calendars for the UNFCCC and the post-2015 processes present an opportunity for the agreements on climate and those on development to mutually reinforce each other. At the UN Climate Summit (New York, 23 September 2014) world leaders recognised that climate action had to be an integral part of efforts undertaken to eradicate extreme poverty and to promote sustainable development (see Box 3)<sup>99</sup>.

94. A/68/970: [www.un.org/fr/ga/search/view\\_doc.asp?symbol=A/68/970](http://www.un.org/fr/ga/search/view_doc.asp?symbol=A/68/970); and <http://sustainabledevelopment.un.org/focussdgs.html>.

95. <http://sustainabledevelopment.un.org/content/documents/4588FINAL%20REPORT%20ICESDE.pdf>.

96. <http://sustainabledevelopment.un.org/index.php?menu=1556>.

97. Sustainable development solutions network: <http://unsdsn.org/resources/publications/an-action-agenda-for-sustainable-development/>; Consultations: [www.worldwewant2015.org/sitemap](http://www.worldwewant2015.org/sitemap); MY World survey: <http://data.myworld2015.org>.

98. [www.un.org/sg/management/pdf/HLP\\_P2015\\_Report.pdf](http://www.un.org/sg/management/pdf/HLP_P2015_Report.pdf).

99. [www.un.org/climatechange/summit/2014/09/2014-climate-change-summary-chairs-summary/](http://www.un.org/climatechange/summit/2014/09/2014-climate-change-summary-chairs-summary/).

The ambition level of the Parties to the COP to mitigate climate change and provide financial and technical support to developing countries will have a major impact on the achievement of the SDGs. Indeed, the latest Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) (see Sheet 12) asserts that climate change poses major risks for food security, health and economic development.

The question of whether climate issues should be included in the SDG has proven to be controversial, particularly in terms of the cross-cutting nature of this topic and of the need to avoid overlapping with the UNFCCC negotiations. The question raised was to decide whether it was preferable to give "climate" its own goal in the form of an SDG, which could support the one adopted by the UNFCCC, or to include it in the other more or less directly related SDGs?

In its final proposal on the SDGs, the Open Working Group opted for a specific climate goal (although it will also be mentioned under other themes), "*Take urgent action to combat climate change and its impacts*" while acknowledging that the UNFCCC is the primary forum for negotiations in this area<sup>100</sup>. The related targets mainly concern capacity-building relating to climate-change adaptation and mitigation, especially in LDCs, particularly through national plans and capitalisation of the Green Climate Fund (GCF)<sup>101</sup>. Apart from the reaffirmation of the commitment of developed country Parties to the UNFCCC to mobilise 100 billion US dollars each year by 2020 for the GCF, these targets are not quantitative. Many players consider that targets such as "*Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries*" are not sufficiently ambitious or concrete. Note that once the goals and targets have been finalised and adopted by Member States, the High-level political forum will be tasked with monitoring their implementation, particularly through voluntary reviews at the national level.

The negotiations between now and September 2014 will determine the final position of climate in the SDGs and in the post-2015 development agenda. It will also send a signal to negotiators for the COP in Paris, December 2015.

### 2.1.2.1 Preparation of the elements of a draft negotiating text of the 2015 Agreement for the COP20

This year's discussions on the 2015 agreement have been strongly defined by the holding of the high-level ministerial dialogue on the ADP of 6 June 2014 in Bonn. This dialogue made it possible to create political momentum that helped to advance the work of the experts under the ADP. In addition, the ADP contact group, created at the ADP 2-4 (March 2014) saw the light of day at the ADP 2-5 session (June 2014) and made it possible to structure discussions on the 2015 agreement.

100. A/68/970, goal 13, p.22: [www.un.org/fr/ga/search/view\\_doc.asp?symbol=A/68/970](http://www.un.org/fr/ga/search/view_doc.asp?symbol=A/68/970).

101. *Ibid.*



The high-level ministerial dialogue on the ADP, co-chaired by Marcin Korolec (Poland) and Manuel Pulgar-Vidal (Peru), President of the COP19 and President-Designate of the COP20, respectively, allowed Parties to address several issues with a political dimension, in particular those dealing with long-term aspects of the 2015 agreement. As indicated by the co-chairs conclusions<sup>102</sup>, the dialogue confirmed that the future agreement should be applicable to all Parties, be based on the INDCs and on science and cover all the essential building blocks, including mitigation, adaptation, finance, development, technology transfer, transparency, support and capacity-building. Furthermore, the agreement must respect the principles of the Convention, allow some flexibility and define approaches to review existing commitments. The ministers considered that trust was an essential element of the process and they singled out the Summit held by the Secretary-General of the United Nations on 23 September 2014, the initial mobilisation of funds for the Green Climate Fund (GCF) and the implementation of existing commitments as providing important opportunities for building on this trust<sup>103</sup>.

Strengthened by the political guidance received, the negotiators, within the contact group on the elements of the 2015 agreement, then held discussions on the various areas mentioned in the Durban Decision, namely, mitigation, adaptation, finance, technology development and transfer, transparency of action and support and capacity-building<sup>104</sup>. Discussions also addressed some connected issues, such as the review and assessment of INDCs. Furthermore, the Parties discussed the structure and overall functioning of the post-2020 agreement, in particular commitment cycles and future contributions<sup>105</sup>.

During the negotiations within the ADP in Bonn in October 2014, divergences already raised in these different areas widely persisted and in some cases were heightened. The Parties also did not agree on the method whereby the ADP should produce a negotiating text in Lima. Whereas numerous developing countries called for discussion groups to be formed to work in the negotiation texts for each component of the agreement, other countries such as Australia and Russia warned against this approach, considering that the negotiations on the form of the agreement were not yet sufficiently advanced<sup>106</sup>. This divergence over the approach to be followed risks generating a delayed start of negotiations in the ADP in Lima. The positions on many fundamental components of the agreement also remain divided, such as the approach for differentiating of Parties, the question of quantified objectives for the developed

102. [http://unfccc.int/files/meetings/bonn\\_jun\\_2014/in-session/application/pdf/140610\\_dp\\_ministerial\\_summary\\_final.pdf](http://unfccc.int/files/meetings/bonn_jun_2014/in-session/application/pdf/140610_dp_ministerial_summary_final.pdf).

103. *Ibid.*

104. 1/CP.17, para. 5.

105. ADP.2014.3.InformalNote.

106. IISD, 2014d and [www.twinside.org.sg/title2/climate/news/Bonn14/TWN\\_update6.pdf](http://www.twinside.org.sg/title2/climate/news/Bonn14/TWN_update6.pdf).

countries in terms of financial support and the scope of INDC (see box 6Box 6). Note that a document setting out the different options considered for the 2015 agreement will be available in Lima.

The Parties put forward proposals on the components of the future agreement including: the application of the principles of the Convention, mitigation ambition, transparency of action and support, strengthening adaptation, means of implementation, the legal form of the agreement and procedural and institutional provisions. Details on the implications for each of these elements are provided below.

### *The application of the principles of the Convention*

The Decision on the Durban Platform clearly established that the new agreement must be prepared under the Convention. However, this decision does not make any specific reference to the principles governing the Convention, such as the principle of equity (article 3.1), the principle of common but differentiated responsibilities and respective capacities (articles 3.1 and 4.1), the principle of precaution (article 3.3) and the principle of adequacy (article 4.3)<sup>107</sup>.

During the meetings of the ADP 2-4 and the ADP 2-5 (Bonn, March and June 2014) the majority of the Parties reiterated their commitment to the principles of the Convention and that they would be taken into account under the new agreement. In this respect, the 2015 agreement must continue to enhance the integral, effective and continuous implementation of the Convention and strengthen the multilateral regime based on rules under the Convention during the course of the post-2020 period. Egypt, on behalf of the Like Minded Group (LMDC), stated that the 2015 agreement must, however, avoid reinterpreting the principles of the Convention<sup>108</sup>.

The introduction of the notion of applicability to all Parties in the Durban Decision (2011) marks a major turning point in the negotiations under the Convention<sup>109</sup>. This turning point is by no means synonymous with abandoning the principles of the Convention; rather it reflects the global change that has been brought about on the geopolitical and economic level since the UNFCCC was adopted in 1992. This also includes the emergence of economic powers from within the G77/China, which have acquired substantial capacities and now emit levels of GHG that are sometimes higher than those by Parties included in Annex I.

Against this background, the debate on the principle of common but differentiated responsibilities therefore raises many questions about its interpretation and application. Some voices from developed countries are calling for this new 2015 agreement to be adapted dynamically to present and future circumstances in order to take account of the ever evolving capacities of countries. For these countries, the

107. <http://unfccc.int/resource/docs/convkp/convfr.pdf>.

108. IISD, 2014b.

109. IISD, 2014b and IISD, 2013b.

approach based on a binary division between Parties included in Annex I and those not included in Annex I is no longer consistent with the current global situation and cannot be used as the basis of the 2015 agreement.

One of the contributions to this debate was the search for indicators that could reflect the current context and future GHG projections. These indicators would be used to determine the proportion of emission reductions for each country based on their contribution to increasing global temperatures, taking into account a wide range of factors, such as population, gross domestic product (GDP), GDP per capita, national circumstances, the cost of the action, the effect of the impacts of climate change, as well as access to international markets and to natural resources. However, this approach has not led to a consensus among the Parties and this issue is therefore still on the negotiation table for Lima.

The principle of equity is enshrined in article 3.1 of the UNFCCC, which states that Parties must act "*on the basis of equity*". The Durban Decision recalls this principle both for developed and developing countries, that are invited to take urgent action "*consistent with science and on the basis of equity*"<sup>110</sup>. Developing countries have traditionally highlighted this principle to justify the distinction between mitigation action to be undertaken by developing countries and developed countries.

In order to satisfy the requirements for effectiveness and equity in the 2015 agreement, some countries have put forward a proposal for an equity reference framework. This equity reference framework originated in a proposal from Brazil that was initially submitted in 1997<sup>111</sup>. It aimed to promote a differentiation based on historical contributions to climate change rather than on current emission contributions. Each country defines their commitment on the national level based on their historical responsibility thanks to a methodology prepared by the IPCC which will guide the national consultation processes. This approach was then reinforced by the BASIC group in 2011<sup>112</sup> and it has continued to gain ground in climate negotiations, particularly through submissions from developing countries. This approach completes the debated INDC process by incorporating three elements: the definition of the collective effort required as informed by the global objective of restricting the temperature increase; a definition of relative fair effort for each Party and an assessment process for adequacy of commitments by Parties relative to their fair effort, as well as in their aggregate commitments compared to the required global effort<sup>113</sup>.

This proposal was echoed by the African Group, which suggests setting up an ex-ante process to assess commitments based on a temperature increase reference restriction (for example, 1.5°C or 2°C) and indicators, such as historical responsibility,

110. Decision 2/CP.17

111. FCCC/AGBM/1997/Misc.1/Add.3.

112. The BASIC Group: Brazil, South Africa, India and China; <http://gdrights.org/wp-content/uploads/2011/12/EASD-final.pdf>.

113. Ngwadla and Rajamani, 2014.

current capacity and future development needs<sup>114</sup>. This assessment would also take into account the increased cost for adaptation resulting from the lack of ambition of commitments. Although several other countries and groups are in favour of a multi-lateral assessment process to evaluate national contributions, disagreements remain on the parameters to be used<sup>115</sup>. Other countries, such as the LMDC are against the equity reference framework, considering that it could lead to commitments being made by countries which are Non-Annex I Parties<sup>116</sup>.

### *Mitigation ambition and differentiation of commitments*

One of the key issues of the ADP for the post-2020 period is to make sure that the level of ambition of countries' commitments is in line with what science requires, the aim being to ensure "*the highest possible mitigation efforts by all Parties*"<sup>117</sup>. In this spirit, the Warsaw decision invites all the Parties to initiate or intensify domestic preparations for their INDCs, without prejudice to the legal nature of the contributions (see Box 6 Box 6 on the INDCs)<sup>118</sup>. The submissions of these INDCs by the Parties will form a key element of the negotiations towards the Paris agreement. To this end, the INDCs must take into account the national and international processes and the requirements for completeness, transparency and ambition negotiated under the UNFCCC.

The announcement made by the European Union and the United States of their intention to have INDCs ready by the first quarter could help to build trust and encourage other Parties to submit their INDCs<sup>119</sup>. China has already announced that it intends to submit its INDCs in the first half of 2015<sup>120</sup>.

#### **BOX 6.**

#### **INTENDED NATIONALLY DETERMINED CONTRIBUTIONS (INDC) FOR THE POST-2020 PERIOD**

In Warsaw (2013), the Parties agreed to "initiate or intensify domestic preparations for their intended nationally determined contributions"<sup>121</sup> (INDC) for the post-2020 period. It is expected that Parties will submit their INDCs to the Secretariat before the COP in Paris and even from the first quarter of 2015 for those which are ready, so that Parties will have time to familiarise themselves with each other's contributions and to obtain clarification, where necessary.

114. African Group: [https://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_african\\_group\\_workstream\\_1\\_20131008.pdf](https://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_african_group_workstream_1_20131008.pdf).

115. IISD, 2014b.

116. Ngwadla and Rajamani, 2014.

117. Decision 1/CP.17, para. 7.

118. Decision 1.CP.19, para. 2 (b).

119. IISD, 2014b.

120. *Ibid.*

121. Decision 1/CP.19, para. 2 (b).

In Bonn (2014), the Parties addressed a series of questions aimed at clarifying the concept of the INDCs, which led to many disagreements on their definition and scope, the requirements for essential information to be provided, the submission of INDCs and the review and assessment process.

#### **Definition of the INDCs and their scope**

While many developed countries want the INDCs to be exclusively based on the mitigation goal, many developing countries and groups (in particular the African Group, the Independent Association of Latin America and the Caribbean (AILAC), the Like Minded Group of Developing Countries (LMDC) and the Group of Arab States) are pushing for the contributions to address mitigation, adaptation and means of implementation and for them to be related to finance and technology transfer objectives<sup>122</sup>.

The United States, while acknowledging that adaptation action and implementation are important, has preferred to focus on the importance of each country presenting a quantifiable contribution on mitigation. The main reason put forward is that it would probably be difficult to obtain information from all countries on these three elements by the Paris conference<sup>123</sup>.

China pointed out that in its view there was a need for developing countries to receive support to prepare their INDCs and called for differentiation between the contributions from developed countries and those from developing countries and for them to also take into account their sustainable development goals<sup>124</sup>.

#### **Submission of INDCs and information requirements**

Australia and Russia want to see simple modalities that are not embedded in the current reporting requirements under the Convention. Norway stated that mitigation contributions should be calculated precisely<sup>125</sup>. The African Group requested that developed countries' INDCs provide information on adaptation support and that developing countries provide information on nationally determined adaptation processes<sup>126</sup>. The LMDC prepared a draft decision text on the development of INDCs, specifying the information that Parties should provide<sup>127</sup>.

Finally, the information provided by a provisional document from the ADP 2-5 establishes a standard INDC format. The INDCs will give a clear account of national mitigation and adaptation efforts and action relating to finance, technology and capacity-building support<sup>128</sup>. The level of information provided will however depend on national circumstances.

122. IISD, 2013a.

123. IISD, 2014b.

124. *Ibid.*

125. *Ibid.*

126. *Ibid.*

127. *Ibid.*

128. ADP.2014.7.DraftText.

Note that the ADP-2.6 (October 2014) culminated in a new version of this draft document, clarify certain components more and adding some, for example, the proposal to organise workshops in 2015 to boost the transparency and communication of INDC<sup>129</sup>. Nevertheless, several countries, including the G-77/China, LMDC, Arab Group and African Group, do not view this document as reflecting sufficiently the various positions of the Parties<sup>130</sup>.

#### Review and assessment process

The issue of whether or not the INDCs should be assessed was also tackled in 2014, although a convergence of points of view was not possible. Many Parties were concerned that, without an assessment, this would lead to an a minima agreement in Paris, as there would be no mechanisms to ensure that the INDCs were in keeping with the overall objective of limiting the rise in the temperature of the globe.

Australia pressed for an INDC facilitative process to be set up to help Parties to understand the substance of all the Parties' INDCs<sup>131</sup>. Similarly, the United States discussed aspects of a "consultative period" including the presentation of contributions in the first quarter of 2015, the compilation of communications by the Secretariat and presentation by Parties of their contributions during the June 2014 session<sup>132</sup>.

Also note that, at the ADP sessions in 2014, the Parties, among other topics, debated the setting of a common long-term mitigation goal. Four main proposals seem to have been brought to the fore, namely<sup>133</sup>:

- a common mitigation goal expressed as a global average temperature rise limit (below 2°C to 1.5°C compared to pre-industrial levels). The AOSIS, the LDC Group and the African Group advocate, for example, a goal of 1.5°C<sup>134</sup>.
- a common goal expressed as a maximum concentration of GHGs in the atmosphere. In this respect, the United States has been wary of proposing quantified GHG reductions to the ADP<sup>135</sup>.

129. [http://unfccc.int/files/meetings/bonn\\_oct\\_2014/in-session/application/pdf/adp2-6\\_i3\\_24oct2014t1530.dt.pdf](http://unfccc.int/files/meetings/bonn_oct_2014/in-session/application/pdf/adp2-6_i3_24oct2014t1530.dt.pdf).

130. IISD, 2014d.

131. IISD, 2014b.

132. IISD, 2014b.

133. ADP.2014.6.NonPaper.

134. LDC Group: [https://unfccc.int/files/bodies/awg/application/pdf/submission\\_by\\_nepal\\_on\\_behalf\\_of\\_ldc\\_group\\_on\\_views\\_and\\_proposals\\_on\\_the\\_work\\_of\\_the\\_adp.pdf](https://unfccc.int/files/bodies/awg/application/pdf/submission_by_nepal_on_behalf_of_ldc_group_on_views_and_proposals_on_the_work_of_the_adp.pdf); African Group: [http://unfccc.int/files/bodies/application/pdf/adp\\_w1\\_elements\\_africangroup.pdf](http://unfccc.int/files/bodies/application/pdf/adp_w1_elements_africangroup.pdf).

135. United States: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/u.s.\\_submission\\_on\\_elements\\_of\\_the\\_2105\\_agreement.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/u.s._submission_on_elements_of_the_2105_agreement.pdf).

- a common goal expressed as a carbon budget (atmospheric space and development space to be divided among Parties). In this connection, South Africa proposes to allocate carbon budgets to Parties over a specified period of time with an average annual limit<sup>136</sup>.
- a common goal expressed as a global goal for emission reductions. For example, Japan has proposed a reduction of 50% by 2015 compared to 1990 levels (with a reduction of 80% for developed countries)<sup>137</sup>.

In this context, Lesotho has stated that it expects firm and ambitious decisions from heavily emitting countries to maintain the safety of vulnerable countries, whereas Norway takes the view that by implementing what has already been decided, increasing action in the short term and reaching an ambitious agreement in Paris, it is still possible to approach near-zero global emission levels by 2050<sup>138</sup>.

With regard to means of implementing mitigation commitments, some countries such as Liberia stated that mitigation contributions should not be accompanied by conditions<sup>139</sup>. Nevertheless, the majority of Parties (particularly India and the members of the LMDC) stated that, subject to additional means of implementation, developing countries could outline additional mitigation levels<sup>140</sup>. In this respect, Indonesia, with the Group of 77 and China (G-77/China), Thailand and Bolivia, called for the capitalisation of the GCF<sup>141</sup>. The Independent Association of Latin America and the Caribbean (AILAC) said that the agreement should also include "the right incentives" to encourage all Parties and particularly developing countries to take appropriate mitigation action<sup>142</sup>.

Another issue relating to the level of long-term ambition concerns the differentiation between types of mitigation commitments or contributions. The discussions between the Parties have resulted in two approaches. The first approach requires contributions to be selected voluntarily by each Party depending on their national circumstances and capacities. This flexible and bottom-up approach aims to encourage universal participation from all the Parties. For some countries, this means that Parties determine their own action themselves in accordance with their own national circumstances following a bottom-up approach, which would thus avoid international commitment ratification processes and would offer more incentives for their implementation.

---

136. South Africa: [http://unfccc.int/files/bodies/application/pdf/adp\\_indc\\_southafrica.pdf](http://unfccc.int/files/bodies/application/pdf/adp_indc_southafrica.pdf).

137. Japan: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_japan\\_workstream\\_1\\_and\\_2\\_20130910.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_japan_workstream_1_and_2_20130910.pdf).

138. IISD, 2014b.

139. *Ibid.*

140. *Ibid.*

141. *Ibid.*

142. *Ibid.*

For other countries, this approach would not help to raise common ambition, as the promises presented by the Parties to the UNFCCC demonstrate by leading us towards a global warming pathway of 3.8°C by the year 2100<sup>143</sup>. They therefore favour a top-down approach based on the latest scientific observations. This approach requires that developed countries take the lead through economy-wide absolute emission reduction goals, implemented on the national level and taking into account the comparability of efforts, that large economies adopt economy-wide absolute emission reductions and that developing countries take action or undertake commitments depending on their situation and capacities. Developing countries will have a choice between different options ranging from absolute limits on emissions to relative emission reductions, from intensity targets to nationally appropriate mitigation actions (NAMA), from low-emission development plans and strategies to sectoral mitigation plans and strategies.

### *Transparency of mitigation contributions and support*

All the Parties acknowledge that the new regime must be based on the principle of transparency and be supported by a robust Measuring, Reporting and Verification (MRV) system. Many Parties have defined transparency as an essential element of the 2015 agreement, as well as restoring trust and ensuring the environmental integrity of the agreement. Countries have therefore called for a rigorous regime of transparency and have stressed the importance of it being based on existing institutions and on reporting and accounting mechanisms under the Convention and the Kyoto Protocol. This discussion on transparency was structured in three parts as follows: transparency of action, transparency of support granted and used and support for implementation of MRV.

While underlining the need for a certain level of flexibility with respect to national situations and the nature of commitments, several Parties declared that the notion of post-2020 transparency must apply to all Parties (a stance supported by Canada, the European Union, Japan, Australia, Russia and New Zealand)<sup>144</sup>. Other countries such as the AILAC countries instead requested that methodologies be adapted to the different types of commitments<sup>145</sup>. Norway and other developed countries suggested that a MRV system should improve over time and be adapted to parties' commitments on mitigation and their respective capabilities<sup>146</sup>. For this to happen, AILAC highlighted the need to mobilise international aid to enhance countries' MRV capacities<sup>147</sup>.

143. Climate Action Tracker, 2013.

144. IISD, 2014b.

145. *Ibid.*

146. *Ibid.*

147. *Ibid.*



For many developing countries, transparency involves developed countries presenting clear, verifiable and additional emission reduction commitments in accordance with reporting provisions no less stringent than those under the Protocol and that are subject to a commitment compliance system<sup>148</sup>. China, for example, affirms that strict and common accounting rules should only apply to developed countries, while, for developing countries, transparency must take national circumstances into account, be non-punitive and respect national sovereignty<sup>149</sup>.

The Parties also dealt with accounting modalities for emission reductions linked to their mitigation commitments, which are also addressed by the work programme on quantified targets of developed countries (see section 2.2.1). These modalities include, for example, the application of strict rules for international use of units from market-based mechanisms to avoid double counting; accounting of emissions from the Land Use, Land Use changes and Forestry (LULUCF) sector; coverage by contributions or commitments from all sectors and GHG; usage of common indicators to measure GHG emissions; usage of minimum standards for MRV, such as guidelines on the GHG inventory from the Intergovernmental Panel on Climate Change (IPCC).

The issue of transparency also raises the question of the ex-ante and ex-post assessment of commitments. South Africa has thus proposed: a multilateral ex-ante INDC assessment process based on science and equity, thereby enabling ambition to be raised; a midterm assessment and automatic ex-post upward adjustments where appropriate<sup>150</sup>. This proposal is interesting as it looks ahead to the question on the duration of the period of commitment and takes into account the option of enhancing commitments during the course of a period of commitment.

### ***Strengthening adaptation***

Since the start of negotiations under the ADP, developing countries have been calling for adaptation to be considered in the same way as mitigation in the 2015 agreement. Recognising the need for the 2015 agreement to take adaptation fully into account, Parties have therefore started to define in more specific terms the way in which multilateral aspects of adaptation will be addressed and the way in which they relate to individual country action. For developing countries, the new agreement must give equal treatment to mitigation and adaptation.

As regards institutional arrangements, Parties disagree on whether new institutions should be created for adaptation or not. Canada's stance, which is representative of the view of several developed countries, is that the 2015 agreement should be based on the existing adaptation institutions, particularly on those set up under the Cancún Adaptation Framework, including the Adaptation Committee, national

---

148. *Ibid.*

149. *Ibid.*

150. *Ibid.*

adaptation plans and the Warsaw International Mechanism for Loss and Damage, as well as the GCF adaptation window<sup>151</sup>. Many developing countries take that view that new institutional arrangements should be put into place. These could take three different forms: a subsidiary body for adaptation similar to the other subsidiary bodies; a registry to record and showcase national adaptation actions and programmes, with the aim of enhancing international support and to identify progress and gaps in adaptation or enhancing the mandate of the Adaptation Committee, including to strengthen linkages with the Green Climate Fund (GCF) and other existing funds under the Convention<sup>152</sup>.

A clear consensus has not been reached by the Parties on the issue of loss and damage. Some countries have therefore called for this topic to be addressed under the international mechanism established in Warsaw, while others have urged for loss and damage to be fully integrated into the 2015 agreement.

With the aim of strengthening the recognition of adaptation, the African Group proposed a global adaptation goal which would be directly linked to the global mitigation goal and could therefore receive an equal amount of attention as the mitigation goal and be placed at the heart of the future agreement<sup>153</sup>. For South Africa, this global adaptation goal would demonstrate a common commitment to reduce vulnerability to climate change and would clearly link mitigation ambition and means of implementation<sup>154</sup>. Such a goal would make it possible, for example, to determine the means of implementation required to cover the costs of adaptation according to the various temperature increase scenarios.

During the last ADP session before Lima (Bonn, October 2014), the Parties reached consensus on the principle that adaptation must hold a major place in the 2015 agreement. Whilst the Parties managed to agree, during discussions, on certain key components - for example, the need to accelerate and improve the commitments to adaptation -, there were still divergences over certain issues, mainly on a global objective for adaptation and institutional arrangements<sup>155</sup>.

### ***Means of implementation: financial support, technology transfer and capacity reinforcement.***

The financial support for a development that is low in carbon and resilient to the negative effects of climate change, technological transfer and capacity-building has always occupied a central place in the discussions held under the Convention.

151. Canada: [http://unfccc.int/files/bodies/awg/application/pdf/presentation\\_du\\_canada\\_aupd\\_juin\\_2014.pdf](http://unfccc.int/files/bodies/awg/application/pdf/presentation_du_canada_aupd_juin_2014.pdf).

152. ADP.2014.6.NonPaper

153. African Group: [http://unfccc.int/files/bodies/awg/application/pdf/adp\\_2\\_african\\_group\\_29042013.pdf](http://unfccc.int/files/bodies/awg/application/pdf/adp_2_african_group_29042013.pdf)

154. IISD, 2014b.

155. IISD, 2014d.

In 2014, convergence was clearly designed on the question of the means of implementation. The idea to see the existing financial mechanism play a key role in the new agreement and to allow interested Parties to consider the improvements to be made, in particular the guidelines for its operation in the period post 2020, seems to be of a general consensus.

However, the Parties have expressed some differences on the level of financial commitments, the nature of them (i.e. political or legally binding), their sources as well as the contributors.

The developing countries insist for their part on the predictability of financing in order to enable them to develop long-term strategies. China has thus proposed annexing the specific amounts to be provided to the GCF by developed countries in the agreement of 2015<sup>156</sup>. Bolivia has even stated that the INDC of the developing countries forcibly depends on the support received from developed countries<sup>157</sup>. The countries of the African Group feel that any financial amount advanced by the developed countries should be in line with the objective of 2°C and rely on the estimates of the World Bank as well as on other studies<sup>158</sup>. Most of the developed countries themselves feel that all the Parties who are in a position to do so should provide financial support in the period post 2020 in order to support the countries which have the greatest need, in order to meet their obligations in the framework of the new agreement. So it is not only the sole responsibility of the countries listed in Annex II of the UNFCCC, but of all those who feel the desire. In addition, at the initiative of New Zealand, the majority of the developed countries refuse the objectives outlined for climate financing, of prescriptive options for mobilising financing and establishing of the distribution between mitigation and adaptation<sup>159</sup>.

Since these are sources of financing, the developing countries as a whole express a preference to see the financial support mainly come from public sources, with additional financing that may come from private and innovative sources. In certain specific regions such as the LDCs, the sources of financing will have to be essentially public in view of the limited potential of private investment.

The developing countries have also expressed a strong interest to give a key role to a reinforced technological Mechanism within the future agreement. Establishing a link between the financial support and the transfer of technology, Iran has called for the establishment of a window dedicated to technology within the GCF<sup>160</sup>. For China,

---

156. IISD, 2014b.

157. *Ibid.*

158. African Group: [unfccc.int/files/bodies/awg/application/pdf/adp2-5\\_submission\\_by\\_sudan\\_on\\_behalf\\_of\\_the\\_african\\_group\\_finance\\_20140610.pdf](http://unfccc.int/files/bodies/awg/application/pdf/adp2-5_submission_by_sudan_on_behalf_of_the_african_group_finance_20140610.pdf).

159. New Zealand: [http://unfccc.int/files/bodies/awg/application/pdf/new\\_zealand\\_submission\\_to\\_the\\_unfccc\\_on\\_the\\_adp\\_work\\_stream\\_1\\_-\\_elements\\_-\\_october\\_2014.pdf](http://unfccc.int/files/bodies/awg/application/pdf/new_zealand_submission_to_the_unfccc_on_the_adp_work_stream_1_-_elements_-_october_2014.pdf).

160. IISD, 2014b.

three elements of the agreement of 2015 should relate specifically to the issues of technology and the expected support of the developed countries: the development of quantifiable, comparable and transparent plans by the developed countries to support the development and transfer of technologies to developing countries, the development or strengthening of endogenous technologies, with the support of the developed countries, and the establishment on a global scale of a process of research and development<sup>161</sup>. The developing countries want to also accelerate capacity-building and thus enable the effective implementation of the 2015 Agreement. For example, AOSIS proposes a process oriented toward action to improve the effectiveness of the Durban Forum on Capacity-Building<sup>162</sup>.

With respect to the transparency of the support, the developed countries now recognise the opportunity of the support MRV. For the United States, those who provide and those that receive the financing for climate change will have to measure, report, and verify the flow of financing<sup>163</sup>.

### *The legal form of the agreement*

Decision 1/CP.17 offers three different legal forms for the agreement of 2015: "*A protocol, another legal instrument or an agreed outcome having the force of law under the Convention*". These three legal forms require different levels of constraints and commitments for countries who subscribe to them.

A protocol is generally accepted as being legally binding under international law<sup>164</sup>. A legally binding agreement is the highest expression of a strong political will. It is the manifestation of the desire of these countries to be held accountable by other Parties of the observance of the obligations emanating from this agreement. This is the case for example of the Kyoto Protocol which provides for penalties in the event of non-compliance of obligations.

A legal instrument may mean on the one hand that the instrument has been legally adopted by the COP in following the decision-making procedures and/or that the instrument is binding and therefore requires a ratification by the Signatory Parties within the meaning of international law.

Regarding the term "*agreed outcome with legal force*", a literary interpretation indicates that it is a result approved by the Parties. In other words such a treaty could simply consist of a set of formal decisions, similar to the Cancún Agreements. This concept thus opens the door to an agreement of a legal nature different from that of

161. *Ibid.*

162. IISD, 2014b.

163. United States: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/u.s.\\_submission\\_on\\_elements\\_of\\_the\\_2105\\_agreement.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/u.s._submission_on_elements_of_the_2105_agreement.pdf)

164. [http://treaties.un.org/Pages/Overview.aspx?path=overview/definition/page1\\_fr.xml#protocols](http://treaties.un.org/Pages/Overview.aspx?path=overview/definition/page1_fr.xml#protocols).

the instruments envisaged specifically in the Convention (a protocol, an amendment and/or an annex<sup>165</sup>), while enrolling however in the framework of the Convention. In this way, Durban was considering the possible inability of the Parties to reach an agreement legally.

Several countries, including Switzerland, the AOSIS countries, Malta, Indonesia and Bangladesh are in favour of legally binding commitments<sup>166</sup>. South Korea in turn said that the agreement should be an instrument based on rules, but without specifying their legal nature. This approach should allow a degree of flexibility to encourage broad participation. This proposal has been supported by the United States, which has noted that the countries should explain the legal character of their contribution, taking into account their national circumstances<sup>167</sup>. China in turn wishes that the legal form should be discussed once the substantive content of the future agreement will have been finalised<sup>168</sup>. Some countries, such as Brazil and those of AILAC, have even called upon the use of the compliance mechanism of the Kyoto Protocol as a starting point.

Faced with these differences, Venezuela has proposed the establishment of a contact group on the legal issues within the process of the ADP so as not to slow down the discussions on the issues of substance<sup>169</sup>.

### *The institutional provisions*

Although the Parties agree on the need for the agreement of 2015 to take into account the arrangements, institutions and existing processes arising from the Convention, there are different opinions on the scope of existing institutional arrangements.

As regards the role of the Conference of the Parties, the SBI Chair, of the SBSTA and other bodies and mechanisms, as well as the Secretariat, the countries are debating how the agreement of 2015 could ensure consistency and exploit the synergies with institutions and existing arrangements. Many developed countries have pleaded for the use of existing arrangements and institutional mechanisms. The Marshall Islands have particularly underscored the importance to include the adaptation and the losses and damages in the new agreement, and in particular the international mechanism of Warsaw on losses and damages (see section 2.2.9)<sup>170</sup>. However, given the uncertainty regarding the legal form of the agreement of 2015, China believes that it is too early to initiate a discussion on the future institutional provisions<sup>171</sup>.

165. Decision 1/CP.17

166. IISD, 2014b.

167. United States: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/u.s.\\_submission\\_on\\_elements\\_of\\_the\\_2105\\_agreement.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/u.s._submission_on_elements_of_the_2105_agreement.pdf).

168. IISD, 2014b.

169. Venezuela: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp2-5\\_submission\\_by\\_venezuela20140614.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp2-5_submission_by_venezuela20140614.pdf)

170. IISD, 2014b.

171. *Ibid.*

### MAIN ISSUES RELATED TO THE DURBAN PLATFORM FOR THE POST-2020 PERIOD (WORK STREAM 1)

How can we ensure that the agreement of 2015, in particular the aspects related to the identification of mitigation measures in the long-term, achieves a level of ambition consistent with the objective of 2°C ?

On what principles should this agreement be based?

What are the rules, the procedures and the mechanisms to be put in place to facilitate and assist the Parties to formulate and strengthen their INDC?

What will be the exact scope of the INDC of Parties? Is it limited to mitigation or must it include financial contributions?

How do we define the scope and ensure that the information is well communicated by the COP21 in Paris? What information on the INDC will have to be indicated?

How do we ensure the comparability of the INDC and their ex-ante and ex-post examination? Should it be based on the existing devices of transparency for the INDC?

How can a global goal for the adaptation be formulated? How would this objective relate to other aspects of the agreement, including those relating to the INDC?

How to take account of the financing in the agreement of 2015, including the questions related to the target, to the nature and the sources?

What can the agreement do to strengthen a favourable environment and eliminate the barriers to the development and transfer of technology?

What institutional arrangements can enhance the provision of financing, technology and capacity-building support? What role can existing institutions play in the period post 2020 ?

What legal form should the agreement adopt? What interpretation should the following forms have: a protocol, another legal instrument or an agreed outcome having the force of law?

## 2.2 The issues handled by the subsidiary bodies and other institutions of the Convention

This section is devoted to the issues that are the subject of debate within the subsidiary bodies and the other institutions of the Convention, such as the Board of the Green Fund for Climate or the Standing Committee on Finance. The following sections focus on different themes which sometimes are the subject of negotiations in the framework of several bodies or institutions.

## **2.2.1 Commitments/targets of developed countries under the Convention (SBSTA)**

According to the Intergovernmental Panel on Climate Change (IPCC), the Annex I Parties as a group must reduce their GHG emissions by 25% to 40% below their 1990 levels by 2020 to limit the increase in temperature to 2°C<sup>172</sup>. However, the level of reduction of emissions which the countries would reach, if the objectives announced since Copenhagen (2009) are followed, remains well below this range. Some analysts thus believe that the reductions would be somewhere between 10 and 15 per cent below the 1990 levels<sup>173</sup>.

In order to encourage countries to introduce more ambitious objectives, the Parties have established a programme of work in Doha (2012). It seeks to provide clarifications concerning the goals presented by the Parties, in order to evaluate more easily the level of effort made by each country, as well as the additional effort that would be required on the part of developed countries to decrease the ambition gap in terms of GHG emission limitation. This programme is conducted in parallel with the programme of work aimed at improving the understanding of the diversity of appropriate mitigation measures at the national level (NAMA) in developing countries (see Section 2.2.2).

The objectives announced by the developed countries are particularly difficult to compare against each other, because of the associated conditions and assumptions. In effect, as shown in Figure 2, some developed countries make it a condition that the achievement of their most ambitious target has a variable contribution of the sector to the land use, land-use change and forestry (LULUCF), or market mechanisms, which would make the achievement of the objective less costly. Some countries also make achieving their target conditional on comparable commitments being made by the most advanced developing countries. Thus the lowest level of the ranges of emissions reductions announced by the country refers to the unconditional targets, whereas the highest level of the range will be attained only if the conditions of the country are met. A technical fact sheet, updated each year since the Durban Conference (2011), presents the targets and conditions associated to targets<sup>174</sup>.

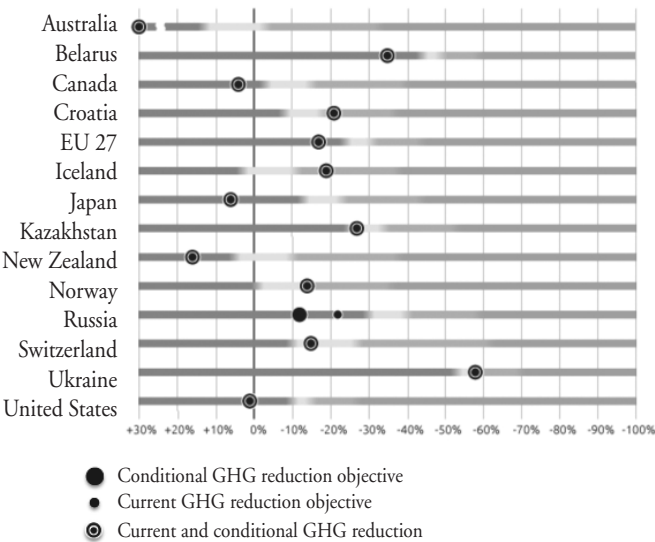
---

172. IPCC, 2007.

173. <http://climateactiontracker.org/countries/developed.html>

174. FCCC/TP/2014/8.

**FIGURE 2: GHG EMISSION REDUCTION TARGETS OF DEVELOPED COUNTRIES COMPARED WITH 1990, INCLUDING THE LULUCF SECTOR<sup>175</sup>**



The programme therefore aims to identify the common components to measure the progress made toward these objectives in order to assess ultimately the collective ambition of more specific objectives and ensure the comparability of efforts of countries<sup>176</sup>. Advances have been made in 2013 and have helped to answer some of the issues, particularly on the global warming potential (GWP) and the gases and sectors covered, including the results of calculations of emissions and removals largely depending on them<sup>177</sup>.

In Warsaw (2013) and Bonn (2014), the Parties have focused on the contribution of LULUCF and the use of market mechanisms. The goal of the discussions was to understand better the contribution of these instruments to the achievement of the targets of developed countries. As these issues are discussed also in other groups, the countries have agreed on the holding of meetings of experts and the preparation of technical notes in order to understand them better and to avoid duplicating the work of other groups, including on the NMM and the FVA (see section 2.2.4).

With regard to the LULUCF, the proposal is to focus on the sources and gaps covered in order to assess to what extent the objectives are comparable, rather than to

175. Adapted Image of Climate Action Tracker, 2014.

176. Decision 1/CP.19, para. 8.

177. 2013a



dissect the accounting methods<sup>178</sup>. In addition, Parties have recalled that the comparability of efforts is different from the comparability of approaches or measures undertaken to achieve the emission reductions. On the use of market mechanisms, the Parties took part in technical discussions to consider, for example, the use of different types of carbon credits.

With regard to the comparability of efforts, the question of the role of the accounting rules of the Kyoto Protocol always arises. For some countries such as China, the European Union<sup>179</sup> and AOSIS<sup>180</sup>, the comparability of targets necessarily implies the respect of common rules of accounting, or of a common system of accounting. Thus, the European Union and AOSIS encourage countries that are not Parties to the Kyoto Protocol to apply the rules of accounting of Kyoto, which is not the case for all, including the countries which are not Parties to the Kyoto Protocol and who prefer to keep a certain latitude in accounting for their emissions and removals. South Africa, for its part, proposed to develop the rules based on the experience with the rules of Kyoto<sup>181</sup>.

It is expected that the programme of work be completed in 2014<sup>182</sup>, which leaves little time for concluding the work. In Lima, the Parties will attempt to draw conclusions on the basis of the points of convergence on the current components to measure the progress made in the achievement of objectives, particularly on the GWP, the gases and sectors covered, and ensure the comparability of efforts made by the developed countries, which remain limited to this day<sup>183</sup>.

Note finally that the Chairmen of the SBSTA and SBI are invited to inform the Presidents of the ADP of their work. This issue has in effect a crucial impact on the discussions of the ADP, on the increase of the ambition, and the system of accounting post 2020. Many countries are hoping that the progress made in the framework of this programme of work will facilitate the negotiations under the ADP. In this sense, the submission of the first biennial reports in 2014 and the International Assessment and Review (IAR) process will help to enrich the discussion within the programme of work in Lima, by providing new information on the objectives of the countries and the progress made toward these objectives.

---

178. [http://unfccc.int/files/focus/mitigation/application/pdf/sbsta39\\_i15\\_14nov2013t0900\\_dt\\_briefing\\_summary.pdf](http://unfccc.int/files/focus/mitigation/application/pdf/sbsta39_i15_14nov2013t0900_dt_briefing_summary.pdf).

179. FCCC/SBSTA/2013/MISC.3.

180. FCCC/SBSTA/2013/MISC.3/Add.1.

181. FCCC/SBSTA/2013/MISC.3.

182. Decision 1/CP.19, para. 9.

183. FCCC/SBSTA/2014/L.4.

**MAIN ISSUES RELATING TO THE PROGRAMME OF WORK ON THE CLARIFICATION OF OBJECTIVES TO REDUCE GHG EMISSIONS FOR THE WHOLE OF THE ECONOMY OF THE DEVELOPED COUNTRIES**

What approach can one use to assess the contribution of LULUCF and carbon credits toward the achievement of a target?

What are the common elements to measure progress toward the achievement of the targets of developed countries?

How to ensure that the efforts of the countries are comparable?

How can we ensure that the discussions of this work programme benefit other working groups, such the SBI and the ADP?

**2.2.2 Programme of work aimed at improving the understanding of the diversity of Nationally Appropriate Mitigation Actions (NAMA) (SBI)**

Initiated in 2007 with the adoption of the Bali Plan of Action, the debate on the contribution of developing countries to the global effort of mitigation enjoys today a specific forum to discuss the diversity of Nationally Appropriate Mitigation Actions (NAMA). According to the Agreements of Cancún in 2010, the objective of NAMA is to achieve a deviation of the trajectory of emissions compared with the level corresponding to the normal course of business, thanks to technology and financial support, and capacity-building on the part of developed countries<sup>184</sup>. A two-year work programme was established at Doha in 2012 in order to understand better the diversity of NAMA in developing countries.

This work programme provides a structure for the discussions on the one hand, the transparency of NAMA and, on the other hand, their implementation in adequacy with international support. It follows through with a series of workshops organised in the framework of the ad hoc working group of the long term cooperative action under the Convention (AWG-LCA) so that the developing countries can present their NAMA. It is anticipated that this programme of work be completed in Lima.

The Register of NAMA created in Cancún (2010) and finalised in Warsaw (2013) constitutes an important source of information on the diversity of NAMA and the support given. The Registry allows to:

- Provide international recognition to NAMA enterprises by developing countries; and

<sup>184</sup>. Decision 1/CP.16, para. 48.

- Record the NAMA for which international support is sought and thus facilitate the reconciliation of the support necessary for their preparation and/or their implementation<sup>185</sup>.

Under the auspices of SBI, the discussions on the diversity of NAMA are structured around three main issues:

- The submission of additional information on NAMA such as the assumptions, methods, the sectors, gases, the global warming potentials used to assess their impacts as well as the expected results in terms of mitigation;
- Assistance in financing, technology and capacity-building for the development and implementation of NAMA, and
- The adaptation of NAMA with financial support, technology and capacity-building in the context of the NAMA Registry.

The main points of contention on which developed and developing countries are opposed lies on the level of information to be provided in NAMA. Whereas the developed countries insist on the need to ensure the transparency of these actions and to assess their impacts, the developing countries emphasise the technical difficulties to compile information on the impacts of mitigation of NAMA and develop the baselines and measuring, reporting and verification processes (MRV)<sup>186</sup>. The developing countries also condition the preparation and implementation of NAMA to financial support, technology and adequate and transparent capacity-building.

At the request of the SBI in Warsaw<sup>187</sup>, a workshop was organised in Bonn in June last and has compiled a finding of NAMA submitted to the Registry and the international support made available. The Parties have thus found the reconciliation through the NAMA Registry from Georgia with the support of Austria and of a NAMA from Azerbaijan with the support of the Global Environment Facility<sup>188</sup>. Last June, the support requested by 28 of the 41 NAMA submitted to the Registry represented an amount of 5 billion US dollars<sup>189</sup>.

Note that certain NAMA are supported through channels that are outside the UNFCCC process such as the NAMA Facility. This dedicated fund for NAMA funnels the bilateral financial support of Germany and Great Britain<sup>190</sup>. The status of the international financing of NAMA outside of the Registry is not the subject of reporting on the part of the UNFCCC. However, partners from lead agencies for NAMA

---

185. Official Website of the Register of NAMA of the UNFCCC: <http://www4.unfccc.int/sites/nama/SitePages/Home.aspx>.

186. IISD, 2014b.

187. FCCC/SBI/2013/L.8.

188. FCCC/SBI/2014/L.18 et FCCC/SBI/2014/INF.10.

189. IISD, 2014b.

190. <http://www.nama-facility.org/>.

are regularly invited to share their experiences during the workshops organised by the programme of work.

Also note the reporting of additional information on NAMA in 2014 on the web site of the UNFCCC<sup>191</sup>. The latter makes a distinction between NAMA taken at the national level and the individual NAMA:

- The NAMA taken at the national level are those that the developing countries have submitted as from 2010 following the invitation from the Cancún Decision. They are compiled in an informational document updated regularly<sup>192</sup>;
- The individual NAMA are those that contribute to the objective of NAMA taken at the national level. Some are recorded in the Registry or are published on other platforms such as the Ecofys NAMA database<sup>193</sup>. Mali has thus submitted to the Registry of the UNFCCC two NAMA in the forestry and energy sectors. Serbia has submitted thirteen, nearly a quarter of the NAMA registered.

This new distinction is closer to the NAMA taken at the national level of planned contributions determined at the national level (INDC), which are discussed under the Durban Platform (see Section 2.1.2). The absence of concrete steps on the transparency of NAMA within the programme of work these last two years suggests that the discussions within the ADP on the type of information that the developing countries will have to submit to assess the impact of the INDC will be arduous.

In Lima, the Parties will have to decide on a future process aimed at a better understanding of the diversity of NAMA on the basis of the experience acquired through the programme of work. With the increasing focus of the ADP on the issue of the transparency of the mitigation actions of the Parties, including the developing countries, it is very likely that the discussions of the SBI will focus after Lima on the sharing of experiences and a regular updating of information on support to individual NAMA provided through the Registry. The regional capacity-building workshops which have been organised by the UNFCCC since 2013 could therefore continue after Lima in order to promote this sharing of experiences<sup>194</sup>.

191. <http://unfccc.int/focus/mitigation/items/7172.php>.

192. FCCC/SBI/2013/INF.12/Rev.2.

193. <http://nama-database.org/>.

194. <http://unfccc.int/focus/mitigation/items/7429.php>.

**THE MAIN ISSUES RELATING TO THE PROGRAMME OF WORK AIMED AT IMPROVING THE UNDERSTANDING OF THE DIVERSITY OF APPROPRIATE MITIGATION MEASURES AT THE NATIONAL LEVEL (NAMA)**

What process and what activities should be considered after Lima to foster a better understanding of the diversity of NAMA?

What are the lessons to be learned from the programme of work on the transparency of NAMA which could be of benefit to the debates of the ADP on the INDC?

### **2.2.3 Measuring, Reporting and Verification (MRV)**

Under the Bali Action Plan of 2007, the countries have stressed the importance that the commitments to mitigation of the developed countries and the measures in developing countries be "measurable, reportable and verifiable" (MRV<sup>195</sup>). This applies to financial support, technology and capacity-building provided by the developed countries<sup>196</sup>. The MRV system refers to any process or system which aims to assess and monitor the impacts of mitigation measures and/or the support provided (measuring), to document this information in a transparent way (reporting) so that they can be examined for accuracy (verification).

Several MRV processes date back to before the birth of this term in 2007. It refers in particular to national communications in which the developed countries and the developing countries provide information on the actions taken to mitigate and adapt to climate change as well as on the support provided and received following different guidelines<sup>197</sup>. The inventories of national GHG, included in the national communications for the developing countries, and submitted separately every year by the developed countries, as well as the systems of verification of the projects of the clean development mechanism (CDM) are also MRV processes.

Cancún (2010) and Durban (2011) have marked an important turning point for the MRV system. In addition to national communications, whose status of submission is reviewed every year by the SBI, the Cancún Decision requires on the part of the country the submission of national communications every four years and the submission, every two years, of a biennial report for the developed countries and of an updated biennial report for developing countries<sup>198</sup>. The LDC and SIDS may however submit these reports less frequently. These new requirements are intended to

---

195. The English acronym MRV for "measurable, reportable and verifiable" became MNV in French.

196. Decision 1/CP.13.

197. Decision 18/CP.8 for the Parties included in Annex I and Decision 17/CP.8 for Parties not included in Annex I.

198. Decision 1/CP.16

improve the visibility of global GHG emissions and, possibly, to inform the review process of 2013-15 (see Section 2.2.13).

The biennial reports and the updated biennial reports are prepared according to the guidelines established in the Durban Decision, which implies new measurement modalities<sup>199</sup>. Since Warsaw (2013), the developed countries now submit reports using a new, common tabular format. They have also submitted their first biennial report early 2014, while the developing countries (except LDC and SIDS) will have to submit their updated biennial reports by the end of 2014.

As for their national communications that are subject to review, the biennial reports of the developed countries are subjected to an International Assessment and Review (IAR) process. This process includes both a review by technical experts and a multilateral assessment by the Parties during a session of the SBI. The updated biennial reports of developing countries will be the subject of International Consultation and Analysis (ICA). The ICA will take the form of a technical analysis followed by an exchange of views between Parties in the framework of a workshop under the auspices of SBI.

In Lima, the Parties will focus mainly on the status and the compilation of the biennial reports and the national communications for the developed countries (see Section 2.2.3.1) and the national communications of Parties not included in Annex I of the Convention (see Section 2.2.3.2). The discussion will also focus on issues of a methodological and technical order, such as the access interface to data relating to GHG emissions and emissions from the fuels used in international aviation and maritime transport (see Section 2.2.3.3).

### 2.2.3.1 National Communications and biennial reports of the Parties included in Annex I to the Convention (SBI and SBSTA)

COP19 adopted a number of guidelines relating to technical reviews of the information related to the national GHG inventories, the biennial reports and the national communications of the Parties included in Annex I<sup>200</sup>. The guidelines include an emphasis on the transparency of the data sources, methodological consistency of annual inventories of GHG emissions and the comparability of inventories between the Parties referred to in Annex I<sup>201</sup>.

The Bonn session (June 2014) has helped to fine tune experiences relating to the first biennial reports of the Parties referred to in Annex I. Some inconsistencies have been identified between the guidelines for the preparation of national communications and the guidelines for the preparation of biennial reports. Accordingly, a process of revision of the guidelines for the preparation of biennial reports has been prepared, so

199. Decision 2/CP.17, Annex I and III.

200. Decision 23/CP.19.

201. FCCC/CP/2013/10/Add.3, Annex I.

that these may be revised in Lima, and possibly harmonised. A technical note<sup>202</sup>, as well as a first report of the IAR process for developed countries, will be presented in Lima.

In accordance with the decisions taken in Durban<sup>203</sup>, the Parties included in Annex I have begun to submit their first biennial reports to the Secretariat in 2014. Two options are possible to submit these biennial reports: either as an annex to the national communications or in a separate document. A common table template to communicate electronically the key information contained in a biennial report is also under development<sup>204</sup>. In September 2014, among the Parties included in Annex I, 42 biennial reports and 43 biennial reports in tabular format had been submitted<sup>205</sup>.

Finally, as every year, the Secretariat will submit a summary document and the compilation of national communications from Parties included in Annex I to Lima. The 2014 document, which will be presented in Lima, will be a summary of the 6th National Communications from Parties included in Annex I<sup>206</sup>. In September 2014, only Turkey had not submitted its 6th national communication, among the Parties included in Annex I<sup>207</sup>.

### **2.2.3.2 National Communications from Parties not included in Annex I to the Convention including their status, support and work of the Consultative Group of Experts (SBI)**

The Cancún Decision (2010) requires the Parties not included in Annex I to submit their national communications every four years, and their GHG inventories every two years, through their updated biennial reports (except for the LDC and SIDS which can choose the frequency of their updated biennial reports)<sup>208</sup>. It has also been decided that the report should be no more burdensome for the Parties not included in Annex I than for the Annex I Parties. In September 2014, 103 non-Annex I Parties had submitted their second national communication, six Parties their third communication and two Parties had respectively submitted their fourth and fifth national communications<sup>209</sup>.

To ensure a more regular submission of national communications, a greater, faster and more regular financial support has been requested. SBI-40 (June 2014) has enabled the Global Environment Facility (GEF) to formalise the completion of its sixth replenishment of resources. On this occasion, the GEF has affirmed to have received

202. FCCC/TP/2014/5.

203. Decision 2/CP.17

204. Decision 19/CP.18.

205. <http://unfccc.int/7550>.

206. Decision 22/CP.19.

207. <http://unfccc.int/7742>.

208. Decision 1/CP.16, para.60.

209. <http://unfccc.int/653>.

confirmation from thirty donor countries pledging an amount of 4.43 billion US dollars. The GEF has also confirmed its support to 31 countries in the preparation of their updated biennial reports<sup>210</sup>. The SBI has then invited the GEF to continue its work of simplification of its procedures in order to improve the efficiency of the process by which the Parties not included in Annex I are receiving funds. COP20 in Lima will rule on this process<sup>211</sup>.

The Consultative Group of Experts on national communications of the Parties not included in Annex I to the Convention (CGE) is also an important player in ensuring the quality of the process of preparing national communications and the biennial reports. The COP19 has confirmed the importance of CGE in renewing its mandate for five years (2014-2018)<sup>212</sup>. It has been decided to focus on the technical support through various evaluations of the needs of the Parties. The CGE mandate also includes the preparation of recommendations taking into account the difficulties encountered by the non-Annex I Parties. In January 2014, the CGE also produced a precise work programme setting out the steps to be taken in line with its mandate<sup>213</sup>.

Finally, the COP-19 has decided on the composition of a team of experts for the process of ICA of the biennial reports of the Parties not included in Annex I, which will be composed of a majority of experts from Parties not included in Annex I to the Convention<sup>214</sup>. To this end, the Parties are invited to nominate technical experts relating to these processes.

### 2.2.3.3 Emissions from fuel used in international air and maritime transport (SBSTA)

The question of fuels used in international air and maritime transport has aroused many differences over several years. Although the Parties are in agreement on the fact that the two specialised agencies of the United Nations - the International Civil Aviation Organisation (ICAO) and the International Maritime Organisation (IMO) - are able to deal with the mitigation of GHG emissions in these sectors, the Parties do not agree on the responsibilities that the UNFCCC could require from these agencies in terms of emission reductions.

In Bonn (June 2014), ICAO emphasised the implementation of a capacity-building strategy for the development of action plans by the Member States for the reduction of GHG emissions in the air transport sector. IMO, for its part, has placed emphasis on the entry into force of measures for mandatory energy efficiency, indicating that they represent the first global system of mandatory reductions of GHG

210. FCCC/SBI/2014/INF.7

211. FCCC/SBI/2014/L.8.

212. Decision 19/CP.19.

213. [http://unfccc.int/files/national\\_reports/non-annex\\_i\\_natcom/cge/application/pdf/cge\\_work\\_programme\\_2014\\_208.pdf](http://unfccc.int/files/national_reports/non-annex_i_natcom/cge/application/pdf/cge_work_programme_2014_208.pdf).

214. Decision 20/CP.19.



emissions aimed at the industrial sector<sup>215</sup>. SBSTA then took note of this information and of the interim reports of ICAO and IMO<sup>216</sup>. The Like Minded Group of States recalled the need to take into account the principles of the Convention and the Kyoto Protocol, including the principle of common but differentiated responsibilities, in the mitigation efforts in the maritime and air transport sectors. Similarly, the Group reported its concern about the potential use of instruments to collect revenues from the maritime and air transport sectors for the purposes of climate finance, fearing commercial repercussions and a transfer of costs to the countries, including the developing countries<sup>217</sup>.

**MAIN ISSUES RELATING TO THE MEASURING, REPORTING AND VERIFICATION (MRV)**

What revisions should be made to the guidelines for the preparation of the biennial reports of the Parties included in Annex I to the Convention?

How could we simplify the procedures for request for financing through the GEF, in order to improve the effectiveness of the process for the non-Annex I Parties?

What are the possible collaborations with ICAO and IMO?

## **2.2.4 Issues regarding market-based and non-market-based approaches**

The discussions on the issues linked and non-linked to markets deal with existing and future instruments whose objectives and scope still have to be clarified by the Parties. Two market-based mechanisms have existed for several years now under the auspices of the Kyoto Protocol and allow countries Parties to the Protocol to generate and/or exchange units of emissions reductions, commonly called "carbon credits". They are the Joint Implementation (JI) (Section 2.2.4.1) and the Clean Development Mechanism (CDM) (Section 2.2.4.2).

Under current Kyoto Protocol rules, the Parties subject to emission reduction targets can purchase carbon credits resulting from CDM and JI projects in order to meet their obligations (see Sheet 10). In 2005 the CMP adopted the modalities and procedures for implementation of the CDM<sup>218</sup> and the guidelines for the implementation of the JI<sup>219</sup>. At the time of their adoption, it was also expected that the SBI recommend changes to the modalities and procedures for the CDM as well as to the

215. FCCC/SBSTA/2014/MISC.5/Rev.1.

216. FCCC/SBSTA/2014/L.1.

217. IISD, 2014b.

218. Decision 3/CMP.1.

219. Decision 9/CMP.1 and Annex.

guidelines of the JI for the second commitment period of the Kyoto Protocol, commonly called "reforms of the CDM and JI".

Not having concluded its work in Warsaw (2013), the CMP will have to look at these reforms and possibly adopt them in Lima, two years after the adoption of the second commitment period in Doha (2012). In addition, note that during the CMP-9 in Warsaw the Parties have elected new members to the CDM Executive Board and the JI Supervisory Committee<sup>220</sup>.

In addition to the existing mechanisms, discussions have taken place within the framework of the Convention ever since Bali (2007) on the establishment of new instruments: the New Market Mechanism (NMM) (Section 2.2.4.3), the Framework for Various Approaches (FVA) (Section 2.2.4.4) and Non-market Based Approaches (NMA) (Section 2.2.4.5). While the FVA implies the adoption of guidelines or common standards that would apply to different approaches or mitigation initiatives, the NMM aims for the development of modalities and procedures that will guide the country in the implementation of new market systems<sup>221</sup>. In parallel, a new programme of work has been created for the NMA<sup>222</sup>, mainly because of the scepticism of certain Parties towards using market mechanisms and to counterbalance the FVA and the NMM.

These new mechanisms are called upon to play an important role in the framework of the agreement of 2015. In Warsaw, the discussions on these issues were quickly pushed back to the next session, especially because of the greater importance given to discussions on the agreement of 2015<sup>223</sup>. Several Parties are in effect of the opinion that it would be necessary to know the outlines of the Paris agreement, before starting discussions on the details of these mechanisms. Despite everything, the Parties resumed the talks in a constructive way at the Bonn session (June 2014) and made a few clarifications to the NMM, FVA and NMA.

In addition, note that some countries have begun to experiment with new mechanisms to stimulate mitigation actions on a national scale (such as the cap-and-trade system of South Korea and the emerging system in China) and at regional level (such as the "Regional Greenhouse Gas Initiative" of some states in the United States and the "Western Climate Initiative" joined by California and Quebec)<sup>224</sup>. Any decision in Lima on the NMM, NMA or FVA will have major implications for the development modalities of such mechanisms.

220. CDM Executive Board members: <https://cdm.unfccc.int/EB/index.html> (heading: The CDM EB members); and members of the JI Supervisory Committee: [http://ji.unfccc.int/Sup\\_Committee/CommitteeMembers/index.html](http://ji.unfccc.int/Sup_Committee/CommitteeMembers/index.html)

221. Kollmuss, et coll., 2013.

222. Decision 1/CP.19, para. 47.

223. GIZ UNFCCC carbon markets: [www.giz.de/expertise/downloads/giz2014-en-climate-carbon-mitigation-highlights-4.pdf](http://www.giz.de/expertise/downloads/giz2014-en-climate-carbon-mitigation-highlights-4.pdf).

224. World Bank, 2014.

### 2.2.4.1 Joint Implementation (JI) (SBI)

#### *Revision of the JI guidelines*

At Doha (2012), the CMP-8 adopted a package of measures aimed at improving the future functioning of the JI<sup>225</sup>. Among these, the unification of the two tracks of the JI<sup>226</sup> and the establishment of a process of appeal against the decisions of the Supervisory Committee of the Joint Implementation (JISC) are the most significant components proposed. In Warsaw (2013), one year after the expiry of the first Kyoto commitment period, the Parties have not been able to finalise the revision of the guidelines of the JI, as planned during the adoption of the JI by the CMP1<sup>227</sup>.

Over the past two years, several recommendations for changes to the guidelines of the JI have been made by the countries<sup>228</sup>. Some Parties are envisaging, for example, that the JI be implemented at national level with international supervision, that it allows the integration of national compensation mechanisms and that it provide mitigation incentives in sectors which do not lend themselves to emissions trading schemes. Note an overlap with the discussions related to the FVA (see Section 2.2.4.4).

In the context of the development of new mechanisms, the discussions surrounding the JI will have a certain impact on the architecture of the new market mechanisms knowing that parallels can be established between the new form of the JI and different aspects of the FVA and the NMM in the framework of the new agreement. For example, the context of the JI, implemented in countries with commitments within the framework of the Kyoto Protocol and that have to make an inventory of their GHG emissions, could be similar to that of countries which will formulate INDC and will implement the mechanisms of MRV. The FVA and the NMM could gain by drawing inspiration from the JI.

With respect to governance, some Parties are in favour of a certain degree of unification between the JISC and the CDM Executive Board. In this regard, the possibility has been evoked of aligning the procedures for granting Emission Reduction Units (ERU) from JI and those for the units of Certified Reduction of Emissions (CER)

225. Decision 6/CMP.8.

226. There are two tracks for participating in the JI projects (Decision 9/CMP.1, Annex), depending on whether a Party satisfies or does not satisfy all the eligibility criteria, mainly involving the holding of a national GHG inventory:

- Track 1 applies if both Parties comply with all the criteria. In this case, State negotiates with State and the credits (ERU) are subtracted from the number of assigned amount units (AAU) granted initially to the country receiving the investment;
- Track 2 applies if one Party does not comply fully with all the criteria. The execution of the project then follows the same process as that established for the case of the CDM and the allocation of credits (ERU) generated by the project is part of the Supervisory Committee of the JI.

227. FCCC/SBI/2013/L.11

228. FCCC/SBI/2013/MISC.3 and Add.1.

from the CDM. The question of additionality is also central since the majority of Parties are in favour of an overhaul of the concept within the framework of the JI. The basic discussions on these subjects will start in Lima.

In Lima, the Parties will work on the basis of a draft decision, developed on the basis of submissions by countries<sup>229</sup>, the recommendations of the Joint Implementation Supervisory Committee (JISC)<sup>230</sup> and the results of the informal consultations conducted during the Bonn session (June 2014). The draft decision on the modalities and procedures is structured around the following themes: the functions, composition and procedures of the JISC, the requirements for the host countries, the eligibility to transfer and acquire ERU, the accreditation of independent entities and the project cycle<sup>231</sup>.

### *Modalities to accelerate the issuance, transfer and acquisition of ERU during the second commitment period*

Under the current rules, only Parties having calculated an amount of assigned amount units (AAU - which are the emissions rights granted to the Parties referred to in the Annex B of the Kyoto Protocol), may transfer and acquire ERU<sup>232</sup>. As the procedure for the calculation of AAU is only anticipated in 2015, it is not possible therefore for the countries concerned to deal with ERU. The Doha decision (2012) has asked the Parties to consider the means to accelerate this process in order to avoid a gap between the two periods of commitment for the transfer of ERU<sup>233</sup>. The Parties were not able to adopt a decision in Warsaw (2013), which would allow the Parties included in Annex I to deliver AAU in advance for the second commitment period.

In Bonn (June 2014), the Parties have worked on a draft decision aimed to ensure that 1% of AAU for the first commitment period can be issued in advance, but under certain conditions<sup>234</sup>. Notably, the Parties clarified the accounting for advances in the issuance of AAU and the possible uses of AAU issued in advance<sup>235</sup>.

In order to support the finalisation of these discussions in Lima, a technical document will be prepared by the Secretariat addressing, among other things, the

229. FCCC/SBI/2013/MISC.3 and Add.1.

230. FCCC/SBI/2013/INF.3

231. FCCC/SBI/2014/L.11, Annex.

232. Article 6 of the Kyoto protocol and Decision 1/CMP.8 para. 15.

233. Decision 1/CMP.8 para. 16.

234. FCCC/SBI/2014/L.9, Annex. These conditions are that a Party included in Annex I must have a limitation or reduction commitment of quantified emissions included in the third column of annex B of the amendment of Doha, having deposited its instrument of acceptance of the amendment of Doha in accordance with article 21, paragraph 7, and article 20, paragraph 4, of the Kyoto Protocol, and not having been suspended in accordance with decision 27/CRP.1, annex, chapter XV.

235. FCCC/SBI/2014/L.9, Annex.

technical implications for the processes and systems within the framework of the Kyoto Protocol resulting from the proposals in the draft decision, the current state of the ratification or provisional application of the amendment of Doha and the status of the projects of JI<sup>236</sup>.

## 2.2.4.2 Clean Development Mechanism (CDM) (SBI)

### *Revision of the modalities and procedures of the CDM*

The revision of the modalities and procedures of the CDM has been in progress since 2012. The Executive Board of the CDM has submitted recommendations on the changes that could be made to the modalities and procedures for the implementation of the CDM in 2013<sup>237</sup>. These recommendations focus on the aspects related to the environmental integrity of the projects and the governance of the CDM.

These recommendations and the on-going revision of the modalities and procedures of the CDM are of capital importance to the extent that several Parties propose, in the framework of the discussions within the Durban Platform, to consider the rules of the mechanisms of the Kyoto Protocol as a basis for discussion for the establishment of new market mechanisms and to determine the future of the CDM.

In Warsaw (2013), the Parties discussed the recommendations of the Executive Board and the conclusions of a workshop which took place in Bonn in June 2013<sup>238</sup>. A consolidated but non-exhaustive list of the proposed amendments was identified<sup>239</sup> and a conclusion was adopted by shifting the preparation of a decision on this issue to the CMP in Lima.

To support the Parties, the Secretariat has prepared a technical paper on the most contentious issues<sup>240</sup>. The issues addressed and the changes proposed in this document are the following:

- a) **Number of members and the composition of the CDM Executive Board:** it is proposed to remove the distinction between the members and the alternate members (who currently do not have the same rights), to allocate seats to the private sector and other organisations, as well as to LDC, to improve the transparency in the selection process of candidates, to limit the total duration of

236. FCCC/SBI/2014/8, para. 62-63.

237. FCCC/SBI/2013/INF.1

238. FCCC/SBI/2013/20, VII, A. Documents considered: FCCC/SBI/2013/MISC.1 and Add.1 (submissions) FCCC/SBI/2013/INF.1 (recommendations of the CDM Executive Board) and FCCC/SBI/2013/INF.6 (report of a workshop on the topic in Bonn, 8 and 9 June 2013).

239. [http://unfccc.int/files/adaptation/application/pdf/sbi39\\_i7a\\_15nov1300\\_note\\_by\\_co-chairs\\_v2.pdf](http://unfccc.int/files/adaptation/application/pdf/sbi39_i7a_15nov1300_note_by_co-chairs_v2.pdf).

240. FCCC/TP/2014/1.

service within the Council, to improve the consideration of gender, to strengthen the competence of members, to protect against conflicts of interest and to professionalise the roles of chairman and vice-chairman.

- b) **Responsibility of Designated Operational Entities (DOE):** the document proposes that the DOE, in charge of validating CDM projects at the national level, are in charge of compensating project sponsors in the event that surplus CER have been issued due to significant anomalies identified in the validation, verification and certification reports. This measure aims to preserve the environmental integrity of the CDM in compensating for the imbalance between the issued CER and the emission reductions actually achieved and to ensure that the DOE remain responsible for the quality of their work.
- c) **Arrangements for Activity Programmes (AP):** the CDM modalities and procedures have not yet been modified to take into account the specific aspects of AP. The Parties wish to therefore clarify the provisions for the AP, which could be done in a new section or by adapting the current text based on the approaches already introduced by the Executive Board for the AP.
- d) **Length of accreditation period:** concerns have been raised (in particular by Norway, Switzerland and Australia<sup>241</sup>) on environmental integrity, citing that it could be called into question given the progress and the rapid dissemination of technologies that threatens the validity of the referenced scenario. The Parties propose, therefore, to shorten the period of accreditation in order to ensure that the reference line and the additionality demonstrated at the time of registration shall remain valid throughout the period. Other Parties are worried however about the negative implications of such a measure on the economic feasibility of projects. Another option mentioned is to enable the Executive Board to decide on the length of the period of accreditation based on criteria, such as the technology or the type of project.
- e) **Requirements to be observed to establish additionality:** the technical document envisages the possibility of developing specific modalities and procedures to demonstrate the additionality of a project. While the Executive Board has already produced guidelines and rules for this process (in particular the tool of additionality), several Parties are of the opinion that it would be useful to incorporate these rules in the modalities and procedures for the CDM. The aspects which have been established and which could be incorporated include standardised approaches, positive lists and dynamic baselines.
- f) **Role of Designated National Authorities (DNA):** the Parties have proposed that several aspects of the role of DNA be strengthened, particularly in relation to the governance, transparency (for example the publication of the cri-

241. FCCC/SBI/2013/MISC.1 et FCCC/SBI/2013/MISC.1/Add.1 (submission by Australia).

teria applied to the approval process and the processing of claims) and of the technical aspects (such as the content and procedures for the approval letters).

- g) **Simplification and streamlining of the project cycle (for certain project categories):** the proposed simplifications include streamlining the validation process for the projects using standardised reference lines and/or positive lists, by deferring the validation process up to the first verification, or by replacing it with a model of the document of the project design. Other proposed amendments concern the increase of thresholds for emissions reductions for the small-scale projects (in order to allow more projects to apply the simplified arrangements) and the revision of the requirements for afforestation and reforestation project activities.

The points above are all issues which are the subject of talks. In Bonn (June 2014), the Parties continued their discussions and improved the consolidated list of suggested changes produced in Warsaw. Although some questions of internal domain are the subject of consensus, no conclusion has been reached during the consultations and the subject was therefore deferred to Lima<sup>242</sup>.

The stakes of the net mitigation has proved particularly controversial in Bonn. Although the concept is still blurry for the Parties, it involves considering the CDM as an instrument to achieve net reductions also in developing countries, instead of being regarded merely as an instrument designed to generate credits to offset the emissions of developed countries. The European Union considers this CDM role as fundamental for the long-term credibility of the mechanism and requested that an analysis be carried out to shed light on such a possible device. A conceptual note of the Executive Board of the CDM has been prepared to this effect<sup>243</sup>. Other Parties, including Brazil, have expressed their disagreement with the use of such a concept and this issue has become a barrier to reaching consensus<sup>244</sup>.

In Lima, the revision of the modalities and procedures of the CDM will pose a considerable challenge. Beyond the issue of the net mitigation, other sensitive issues to resolve include the link between the CDM and other mechanisms in the framework of the post-2020 agreement, the addition of seats for the LDC and the private sector and how to apply the standardised base lines.

---

242. FCCC/SBI/2014/8, para. 46. Two final documents of the session have been produced but not adopted: a draft of conclusions proposed by the Chairman of the SBI and a consolidated list updated in view of the technical document, the bids and the discussions in Bonn. Available through <http://unfccc.int/8212> under point 6(a) of the agenda.

243. See the conceptual note: CDM-EB78-AA-A01 (Annex 1: <https://cdm.unfccc.int/Meetings/MeetingInfo/DB/8B1HYWV6NFPMUCZ/view>).

244. [www.climatefocus.com/documents/files/summary\\_of\\_the\\_negotiations\\_on\\_the\\_revision\\_of\\_the\\_modalities\\_and\\_procedures\\_for\\_the\\_cdm.pdf](http://www.climatefocus.com/documents/files/summary_of_the_negotiations_on_the_revision_of_the_modalities_and_procedures_for_the_cdm.pdf).

### *Procedures, mechanisms and institutional arrangements for appealing the decisions of the CDM Executive Board*

In Cancún, the CMP6 entrusted the SBSTA with making recommendations on institutional procedures, mechanisms and arrangements for appeals against the CDM Executive Board decisions<sup>245</sup>. This issue has been the subject of intense debate since 2011.

The disputed questions mainly affect the scope of the appeal mechanism<sup>246</sup>. The Parties should determine whether it will be possible to appeal against positive decisions of the CDM Executive Board, such as the approval of requests to register projects or the issuing of CER. They will also determine if the procedures of appeal only relate to the negative decisions, such as the rejection of applications for registration. A decision still has to be made as to whether the bodies not involved in the projects in question could appeal against certain CDM decisions. For example, a broad definition of categories of intervening parties with the right to appeal could include people or communities affected by the project, as well as relevant civil society groups.

In addition, the plan is that the committee responsible for assessing the appeal should be made up of legal experts and CDM experts, but its exact composition has yet to be decided. The Parties propose that a chairperson or chairpersons be responsible for selecting members from a list of experts.

In Warsaw (2013), the SBI-39 postponed this issue to its next meeting in Bonn (June 2014)<sup>247</sup>, during which the differences of opinions, particularly on the question of the scope of the calls, have persisted. The talks will resume in Lima, based on, among other things, the draft decision prepared in Doha in 2012<sup>248</sup>.

#### **2.2.4.3 New Market Mechanism (NMM) (SBSTA)**

In Durban (2011), the Parties began discussions on the NMM, a new mechanism announced in the Cancún Agreements<sup>249</sup>. It is envisaged that it should operate under the direction and authority of the COP, in order to improve the cost/effectiveness ratio as well as the promotion of mitigation actions. This new market mechanism, whose participation would be voluntary, also aims to help the developed countries to meet part of their objectives of mitigation or of their commitments under the Convention through the generation of carbon credits.

To date, the discussions on the NMM have raised more questions than they offer answers. Among the points of divergence on which work will be necessary in Lima,

245. Decision 3/CMP.6, para. 18.

246. FCCC/SBI/2012/L.8.

247. IISD, 2013a.

248. Conclusions: FCCC/SBI/2014/8, para. 66-67 and draft decision: FCCC/SBI/2012/33/Add.1

249. Decision 2/CP.17, para. 83 and Decision 1/CP.16, para. 80.



the institutionalisation of the NMM is always at the heart of the talks. The question is whether it should consist of a centralised mechanism with a governance structure that will resemble closely that of the CDM or if it should allow a more decentralised approach which would give the host countries more flexibility for the development of their own methodologies, of their databases and MRV systems, etc.<sup>250</sup>. What should be the institutional arrangements of the NMM and its relationship with the COP and what should be the role of the UNFCCC toward all the Parties that implement the NMM. These issues were already raised in Warsaw and they still remain current.

A workshop, which was held in October 2013, has enabled us to delve deeper into certain aspects<sup>251</sup>. The points of view are particularly divergent on the subjects of the scope and form of the NMM. The European Union proposes a sectoral mechanism for crediting and exchange and aims for the net mitigation<sup>252</sup>, that is to say the reductions that do not serve to offset emissions in developed countries. AOSIS has also stressed the importance of the net mitigation, but proposes a mechanism which combines approaches at the scale of the whole economy (in the framework of the commitments of the developed countries), sectors (through voluntary ceilings for developing countries) and even, in some cases, projects<sup>253</sup>. The Group of LDC considers in turn that the NMM should consist of an extension of the system of exchange of emissions of the largest emitters in the framework of article 17 of the Kyoto Protocol, while the sectoral approaches should be used for the non-market-based NAMA<sup>254</sup>. There are also disagreements on the inclusion of REDD+ in the NMM, an idea supported by the Coalition of Rainforest Nations<sup>255</sup>, but which is opposed by several Parties.

In response to the important differences of views on the shape of the NMM, a debate has emerged on the possibility of reaching consensus before COP 21 in Paris and on the level of priority to be accorded to the NMM compared with other issues, including the revision of the CDM modalities and procedures<sup>256</sup>.

Another recurring question is whether an agreement on a NMM must be concluded once the level of ambition is raised or if the NMM can and should serve to strengthen the Parties in the assessment of the level of ambition on which they can engage

250. Kollmuss, et coll., 2013.

251. FCCC/SBSTA/2013/INF.13.

252. The European Union: [www.unfccc.int/files/documentation/submissions\\_from\\_parties/application/pdf/nmm\\_lithuania\\_12092013.pdf](http://www.unfccc.int/files/documentation/submissions_from_parties/application/pdf/nmm_lithuania_12092013.pdf).

253. AOSIS: [www.unfccc.int/files/cooperation\\_support/market\\_and\\_non-market\\_mechanisms/application/pdf/nmm\\_aosis\\_12112013.pdf](http://www.unfccc.int/files/cooperation_support/market_and_non-market_mechanisms/application/pdf/nmm_aosis_12112013.pdf).

254. LDC: [www.unfccc.int/files/cooperation\\_support/market\\_and\\_non-market\\_mechanisms/application/pdf/nmm\\_nepal\\_29102013.pdf](http://www.unfccc.int/files/cooperation_support/market_and_non-market_mechanisms/application/pdf/nmm_nepal_29102013.pdf).

255. Coalition of Rainforest Nations: [www.unfccc.int/files/cooperation\\_support/market\\_and\\_non-market\\_mechanisms/application/pdf/nmm\\_cfrn\\_15092013.pdf](http://www.unfccc.int/files/cooperation_support/market_and_non-market_mechanisms/application/pdf/nmm_cfrn_15092013.pdf).

256. [www.twinside.org.sg/title2/climate/info.service/2013/climate131009.htm](http://www.twinside.org.sg/title2/climate/info.service/2013/climate131009.htm).

in offering an option to reduce the costs of reductions. Several developing countries are sceptical of the impact of this last possibility on the willingness of the Parties to enhance their ambition and have questioned the relevance of a NMM. At the workshop in 2013, Brazil insisted that the national policies of respect for commitments for mitigation be developed before the mechanisms based on the markets, a point of view shared by Cuba and Nicaragua<sup>257</sup>.

The Parties were also divided about the need to facilitate a prompt start of the NMM. This proposal is supported by the European Union, the Environmental Integrity Group and the Coalition of Rainforest Nations, stressing the time already invested in the definition of the NMM<sup>258</sup>. For example, the European Union is considering pilot activities from now until 2020 in order to build up the institutional capacity and to prepare the countries to implement market-based approaches<sup>259</sup>. In contrast, several developing countries (including Saudi Arabia, Bolivia, Philippines and Nicaragua) consider such measures as being premature in the absence of scientific data demonstrating that the market-based mechanisms can contribute effectively to the mitigation of climate change<sup>260</sup>.

Finally, the Parties are also discussing the levy and the allocation of a share of the credits generated by the NMM. The LDC have stressed that it is a central component of the NMM<sup>261</sup> and AOSIS has proposed that an amount of 5% of the earnings of the NMM should be dedicated to the Adaptation Fund<sup>262</sup>.

Several Parties were disappointed with the slowness of progress and the little attention devoted to the NMM in Warsaw (2013). The Environmental Integrity Group has expressed this by stressing that an agreement on minimum standards and a framework of common accounting remained essential<sup>263</sup>, while several other Parties have maintained their position that the 2015 agreement must be reached before putting in place such a mechanism.

It is very likely that this situation will occur again in Lima, while the pressure to conclude an agreement in Paris in 2015 becomes more intense. One of the main challenges for Lima will be to provide the impetus and the visibility needed by the NMM

257. Ibid.

258. FCCC/SBSTA/2013/INF.13, para. 50.

259. European Union: [www.unfccc.int/files/documentation/submissions\\_from\\_parties/application/pdf/nmm\\_lithuania\\_12092013.pdf](http://www.unfccc.int/files/documentation/submissions_from_parties/application/pdf/nmm_lithuania_12092013.pdf); et [www.ec.europa.eu/clima/policies/ets/linking/index\\_en.htm](http://www.ec.europa.eu/clima/policies/ets/linking/index_en.htm).

260. FCCC/SBSTA/2013/INF.13, para. 50 and [www.twinside.org.sg/title2/climate/info.service/2013/climate131009.htm](http://www.twinside.org.sg/title2/climate/info.service/2013/climate131009.htm).

261. LDC: [www.unfccc.int/files/cooperation\\_support/market\\_and\\_non-market\\_mechanisms/application/pdf/nmm\\_nepal\\_29102013.pdf](http://www.unfccc.int/files/cooperation_support/market_and_non-market_mechanisms/application/pdf/nmm_nepal_29102013.pdf).

262. AOSIS: [www.unfccc.int/files/cooperation\\_support/market\\_and\\_non-market\\_mechanisms/application/pdf/nmm\\_aosis\\_12112013.pdf](http://www.unfccc.int/files/cooperation_support/market_and_non-market_mechanisms/application/pdf/nmm_aosis_12112013.pdf).

263. IISD, 2014b.

for it to be as detailed as possible before Paris, while recognising that the rules of operation may not be truly supplemented until over the next few years. The Parties will resume talks on the basis of submissions from Parties on options for the design and operation of the NMM and a technical paper prepared by the Secretariat<sup>264</sup>.

#### **2.2.4.4 Framework for the Various Approaches (FVA) (SBSTA)**

The FVA is designed to recognise, at the international level, various initiatives undertaken at the national or regional level, including those that have recourse to markets, and possibly to define the rules for these markets to be linked between them. The initiatives of the market are already implemented or are in development in China, Europe, Kazakhstan and in States and Provinces in North America<sup>265</sup>.

The discussions on the FVA therefore try to define the norms and standards which will meet the various possible approaches so as to ensure that once linked between them, these approaches lead to genuine, permanent, additional and verified results and avoid any risk of double accounting of efforts. At Doha (2012), the COP-18 has requested the SBSTA to initiate a programme of work on the FVA<sup>266</sup>.

At the joint workshop on the CSD, NMM and NMA in October 2013, the Parties focused on different questions about the FVA<sup>267</sup>. The first question was to clarify the purpose of the CSD, in particular as regards its role to preserve the environmental integrity of the approaches, support the international aspects of the approaches (such as the transfer of units between the Parties), promote the sharing of information and develop a common accounting rules base<sup>268</sup>.

Concerning the operation of a potential platform for sharing information, it is proposed that it be used to analyse the different approaches in order to develop common standards. However, the relevance of such standards and their possible singularity raises many questions among the Parties<sup>269</sup>.

Some concepts such as environmental integrity and double-counting could be better defined. The Parties were largely in agreement on the importance of ensuring transparency in order to strengthen environmental integrity and avoid double-counting within the CSD. Although there is no consensus, some Parties have agreed that the FVA should put in place the standards, procedures and rules of accounting and that these should be common to all mechanisms recognised by the CSD, in order to

---

264. FCCC/TP/2014/11.

265. For a complete review of market approaches implemented or under development, see: World Bank, 2014.

266. Decision 1/CP.19, para. 44.

267. FCCC/SBSTA/2013/INF.11.

268. [www.unfccc.int/files/meetings/warsaw\\_nov\\_2013/application/pdf/outcomes\\_of\\_the\\_workshop\\_on\\_the\\_fva\\_20131110.pdf](http://www.unfccc.int/files/meetings/warsaw_nov_2013/application/pdf/outcomes_of_the_workshop_on_the_fva_20131110.pdf).

269. FCCC/SBSTA/2013/INF.11, para. 29.

form a coherent whole<sup>270</sup>. Given that the sub-national governments have implemented systems of trading permits, such as California and Quebec, the role and the possible participation of sub-national governments in the FVA are also part of the issues under discussion.

The scope of the FVA is also debated. It is notably discussed to include in the FVA the results generated by the NMA and the adaptation activities<sup>271</sup>. Ecuador considers that the FVA should include any relevant mechanism including those of the Kyoto Protocol as well as the domestic systems put in place by the Parties. Japan has concentrated on the merchant approaches for international mitigation, while Bolivia stated that the FVA should also include the steps of adaptation, and those not based on the market<sup>272</sup>.

In Warsaw (2013), the discussions on the FVA were brief and they have tended to stagnate in Bonn (March and June 2014). Although the Parties agree on the fact that the FVA should provide a platform for information sharing<sup>273</sup>, some developing countries are forming a block so that the countries with the highest transmissions adopt more ambitious targets before discussing mechanisms to achieve these objectives.

During the sessions of the SBSTA in Lima, the Parties will have the mission to prepare a draft decision for COP20. The basic elements concerning the purpose and scope of the FVA should also be agreed upon before being able to tackle the issues of design and operation of the FVA which remain numerous.

#### 2.2.4.5 Non-market Based Approaches (NMA) (SBSTA)

At Doha, several Parties have requested the creation of a specific programme of work on the NMA<sup>274</sup>. The distinction between market-based and non-market-based mechanisms is not yet entirely clear<sup>275</sup>. Some countries consider for example that the non-market-based mechanisms only exclude those systems that allow the exchange of emission reduction units. Others more widely exclude all the approaches that provide an economic incentive to efforts to reduce emissions (for example, a tax or a guaranteed buy back). The need to avoid duplication with the discussions on the FVA has also been emphasised by several Parties, in particular the European Union<sup>276</sup>. Many

270. FCCC/SBSTA/2013/INF.11, para. 36-41.

271. [www.unfccc.int/files/meetings/warsaw\\_nov\\_2013/application/pdf/outcomes\\_of\\_the\\_workshop\\_on\\_the\\_fva\\_20131110.pdf](http://www.unfccc.int/files/meetings/warsaw_nov_2013/application/pdf/outcomes_of_the_workshop_on_the_fva_20131110.pdf).

272. FCCC/SBSTA/2013/INF.11, para. 20-22.

273. World Bank, 2014, p. 41. This item was then formalised in Bonn: FCCC/SBSTA/2014/2, para. 165.

274. Decision 1/CP.19, para. 47.

275. FCCC/SBSTA/2013/INF.12, para. 34.

276. European Union: [www.unfccc.int/files/documentation/submissions\\_from\\_parties/application/pdf/nma\\_lithuania\\_12092013.pdf](http://www.unfccc.int/files/documentation/submissions_from_parties/application/pdf/nma_lithuania_12092013.pdf).

questions still need to be debated by the Parties to clarify the respective roles of the mechanisms and culminate in decision by the COP on the topic.

Examples of existing NMA in the countries mentioned by the Secretariat include the Amazon Fund in Brazil, the buy back tariff guaranteed in the Philippines and the Joint Mechanism For Mitigation And Adaptation in Bolivia<sup>277</sup>. More generally, the NMA could include NAMA, National Adaptation Plans, the Nairobi work programme, the technology mechanism and capacity-building activities<sup>278</sup>.

During the joint workshop on the NMM, the FVA and the NMA in Bonn in October 2013, Parties have discussed the objective and scope of the NMA and of what could be agreed at the international level. An agreement has emerged on the importance in the future agreement and a potential definition. Thus the NMA designates *"Any action, activity or approach which addresses climate change and is not based on a market mechanism and does not give rise to the exchangeable units which can be used against the binding targets for emissions reductions under the Convention"*<sup>279</sup>.

The Parties also discussed the inclusion of adaptation activities and of the losses and damages in the NMA as well as of the need to create a new institution under the guise of the UNFCCC to coordinate the NMA<sup>280</sup>. Some countries have also expressed their concern on the fact that the promotion of certain NMA could be regarded as an interference with the national sovereignty<sup>281</sup>.

In Warsaw, no progress has been made on these issues, as was the case for the NMM and the FVA. In Bonn (June 2014), the few proposals for answers to these questions have been deleted from the final conclusions due to the opposition of several developing countries, which have challenged the inclusion of fuzzy terms, such as the concept of "net reductions"<sup>282</sup>.

In Lima, the SBSTA-41 will address the aspects aimed at the design and operations of NMA. It will be based on a technical document, which will summarise the submissions on, among others, the best practices and the lessons learned from the development and implementation of NMA, the options for international cooperation of the NMA and the other benefits of these approaches, including for example their contribution to sustainable development, the eradication of poverty and adaptation<sup>283</sup>.

277. FCCC/SBSTA/2013/INF.12, para. 21.

278. [www.unfccc.int/files/meetings/warsaw\\_nov\\_2013/application/pdf/outcomes\\_of\\_the\\_workshop\\_on\\_non-market-based\\_approaches.pdf](http://www.unfccc.int/files/meetings/warsaw_nov_2013/application/pdf/outcomes_of_the_workshop_on_non-market-based_approaches.pdf).

279. FCCC/SBSTA/2013/INF.12, para. 20-21.

280. FCCC/SBSTA/2013/INF.12, para. 28 and 37.

281. FCCC/SBSTA/2013/INF.12, para. 35.

282. [www.twinside.org.sg/title2/climate/news/Bonn13/TWN\\_uPoAte28.pdf](http://www.twinside.org.sg/title2/climate/news/Bonn13/TWN_uPoAte28.pdf), p.1.

283. FCCC/SBSTA/2014/2, para. 178-180.

### THE MAIN CHALLENGES LINKED AND NOT LINKED TO MARKETS

What should be the new modalities and procedures of the CDM and the new guidelines of the JI? What will be the interaction of the CDM and JI with the newly created arrangements under the Convention?

What are the objectives and scope of the FVA, NMM and NMA ? How can they operate coherently and avoid double counting of units generated in the framework of these different mechanisms?

The CSD, NMM and NMA, are they in a position (and if yes, how), to contribute to raise the ambitions in the framework of the ADP? What minimum progress must be achieved on the CSD, NMM and NMA in Lima, to ensure their contribution to the success of the Paris agreement?

Should the NMM consist in a centralised mechanism with a governance structure that will resemble closely that of the CDM or should it allow a more decentralised approach which would give the host countries more flexibility for the development of their own methodologies, their databases and MRV systems, etc. ?

What form should the NMM take and what its role to promote the net mitigation?

Should the FVA be based on a centralised model based on an approval process or on a model of transparency?

What should be the structure and scope of the FVA?

What are the NMA and what are the possible links with the market-based mechanisms?

## 2.2.5 The reduction of emissions from deforestation and forest degradation (REDD+) (SBSTA)

With a record number of seven decisions adopted in Warsaw, the reduction of emissions from deforestation and forest degradation (REDD+<sup>284</sup>) is regarded as the success of COP19. Reference is made to this package of decisions as the "Framework of Warsaw for REDD+ ". This framework focuses on a series of methodological, institutional and financial issues and puts an end to most of the discussions that started following the adoption of the Bali Action Plan in 2007 (seeBox 7).

Remember that the objective of the REDD+ is to create incentives for developing countries with the aim to protect and manage their forest resources better. The objective is to avoid emissions of GHG related to deforestation and forest degradation,

284. The "+" of REDD+ was added to the acronym REDD to emphasise the importance of conservation, sustainable management of forests and the strengthening of stocks of forest carbon in developing countries.

by enhancing the forests in their natural state and in encouraging their sustainable management. Also note that the Parties have agreed that the REDD+ be deployed in three phases:

- Phase I comprises capacity-building activities, data collection and development of national strategies or national plans;
- Phase II comprises implementation of pilot policies, measures and activities;
- Phase III involves full roll-out of the mechanism through concrete activities leading to results.

#### **BOX 7**

##### **WARSAW FRAMEWORK FOR REDD+**

The Warsaw framework for REDD+ consists of a package of seven decisions, focusing on the methodological, institutional and financial aspects of REDD+.

#### **1. Programme of work on financing focused on results for REDD+<sup>285</sup>**

The financing focused on the results aims to make the support granted to activities of REDD+ conditional on the achievement of specific results. The programme of work begun at Doha led to the creation of an information centre on the internet platform REDD+ of the Convention, on which the information on the results of the activities of REDD+ and on the support on the corresponding results can be published<sup>286</sup>. The Warsaw framework specifies what information must be provided by developing countries wishing to receive payments based on the results, including the way in which the guarantees have been taken into account and respected. The decision also encourages financial institutions, including GCF, to distribute financing in a way that is equitable and balanced based on results<sup>287</sup>.

#### **2. Coordination of the support to the implementation by developing countries of activities relating to mitigation measures in the forestry sector, including institutional devices<sup>288</sup>**

Despite the request of some countries to create a component under the direction of the COP to manage this challenge, the framework of Warsaw instead invited interested Parties to nominate an entity or a national focal point. The entities or national focal points, the Parties and the relevant entities financing activities relating to the REDD+ have been invited to meet on a voluntary basis, on the occasion of the sessions of the subsidiary bodies, firstly in December 2014 and then each year during the sessions of June.

285. Decision 9/CP.19.

286. <http://unfccc.int/redd>.

287. Decision 1/CP.16, para. 71(d) and Annex 1.

288. Decision 10/CP.19.

### 3. Operating modalities of the national forest monitoring systems<sup>289</sup>

Since 2009, the developing countries have been encouraged to develop a national system that is reliable and transparent for surveillance of forests for the monitoring and reporting of REDD+ activities, possibly on the basis of monitoring and reporting at the sub-national level as an interim measure. The Warsaw framework recalls that this system must be based on the guidelines and the latest IPCC directives adopted or recommended by the COP and thus provide data and information that is transparent and consistent over time. The system must also be in accordance with the MRV provisions for NAMA. It is also recognised that the national surveillance systems could also provide relevant information on the manner in which the guarantees are respected and taken into account.

### 4. Calendar and frequency for presenting summaries of information on how the guarantees are taken into account and respected<sup>290</sup>

Since Durban, the developing countries undertaking REDD+ activities must provide a summary of information relating to the way in which the guarantees are respected and taken into account throughout the duration of the execution of activities<sup>291</sup>. The Warsaw framework confirms that this summary must be included in the national communications or be transmitted by the channels of communication approved by the COP (such as the Biennial Updated Reports - BUR), the frequency thus conforming to that of national communications of developing countries<sup>292</sup>. The Parties may also publish this summary voluntarily on the internet platform of REDD+ of the Convention<sup>293</sup>.

### 5. Guidelines for the technical analysis of reference levels and emission reference levels<sup>294</sup>:

The developing countries establish reference levels (RL) and/or reference emission levels (REL) to monitor the evolution of the forest cover and carbon stocks. The Warsaw framework confirms that the RL/REL will be subject to a technical assessment on a voluntary basis and sets out the objectives of this analysis. It is limited to assessing to what extent the information provided by the Parties is consistent with the guidelines, while offering a non-intrusive technical exchange of information whose purpose is to facilitate the calculation of RL/REL. The analysis should focus on different elements such as: the match with the information contained in the national GHG inventories, taking into account of historical data, the methods, approaches and data used, the description of policies and plans, etc. It is also confirmed that the RL/REL proposed will be assessed technically in the context of the granting of results-based payments.

289. Decision 11/CP.19.

290. Decision 12/CP.19.

291. Decision 12/CP.17, para. 3.

292. Decision 1/CP.16

293. <http://unfccc.int/redd>.

294. Decision 13/CP.19 et Annex.



The assessment team will be composed of independent experts of the sector of land use, land-use change and forestry (LULUCF) selected from the roster of experts of the Convention in a balanced way between experts from developing countries and from developed countries. The team will meet once a year in Bonn. A final report of the RL/REL and capacity-building needs will be published on the internet platform of REDD+ of the Convention after an exchange with the Party concerned.

#### **6. Modalities of measuring, reporting and verification<sup>295</sup>**

The framework of Warsaw requires developing countries to include the data and information used to evaluate the emissions reductions resulting from activities of REDD+ in the BUR. The Parties wishing to benefit from financing focused on results will also have to submit a technical annex containing additional information on the results achieved. If such an annex is provided, two experts of the LULUCF whose names are included in the roster of experts of the Convention, will be included among the members retained for the technical team of experts in charge of examining the BUR.

#### **7. Determining factors of deforestation and forest degradation<sup>296</sup>**

The Cancún Agreements encourage the Parties to identify and combat the deforestation and forest degradation factors<sup>297</sup>. The Warsaw framework recognises that the measures to be taken to remedy this are a function of the situation, capacities and means of each country. The Parties, relevant organisations, the private sector and other stakeholders are invited to share their experiences through the internet platform of REDD+ of the Convention.

The stakes of REDD+ pending this day focus on the benefits not linked to carbon and non-market-based approaches.

The issue of benefits not linked to carbon, such as the protection of biodiversity, have been the subject of debate since the COP in Doha (2012). However, this was not a priority in the Warsaw discussions, given the extensive agenda of the SBSTA-39, but nevertheless occupied an important place in the expert discussions in Bonn last June. In fact, despite the opposition of some countries who have talked of the methodological difficulties related to the quantification of these benefits, many developing countries are considering a possible compensation for the benefits not linked to carbon on the basis of clear methodological guidelines. Some countries, such as Bolivia, Venezuela and Saudi Arabia, consider that it is important to have a holistic approach that includes the multiple benefits of forests, including the benefits not linked

295. Decision 14/CP.19.

296. Decision 15/CP.19.

297. Decision 1/CP.16, paragraph 68.

to carbon. The LDC, the Central African Forest Commission (COMIFAC), and the African Group have insisted on the need for international guidelines in this area<sup>298</sup>. And yet, other countries consider that the taking into account of the benefits not linked to carbon would complicate the efforts of monitoring activities too much. Finally, it was decided in Bonn in June last to continue the discussions on methodological issues of benefits not linked to carbon in the framework of the SBSTA-42 (June 2015)<sup>299</sup>.

Recognising the importance of initiatives not based on the market, such as the common approaches to addressing mitigation and adaptation for integral and sustainable forest management<sup>300</sup>, the SBSTA-38 in June 2013 had asked for the postponement of this issue at its 40<sup>th</sup> session during a meeting of experts in June 2014<sup>301</sup>. Although some countries consider that the methodological guidelines of the Warsaw framework are sufficient for the time being and that the discussions on the Framework for the various initiatives (see Section 2.2.4.4) and the Non-market-Based Approaches (see Section 2.2.4.5) constitute a more appropriate forum, the SBSTA will continue discussions in Lima<sup>302, 303</sup>. One of the reasons put forward to maintain this element on the Lima agenda has been submitted by Bolivia, who considers that the approaches dealing with the mitigation and adaptation involve long-term financing, and not market mechanisms<sup>304</sup>. Other countries have also emphasised that REDD+ was not part of the debates on the new market mechanisms (NMM) and that it merited a specific forum to discuss non-market-based approaches<sup>305</sup>.

**MAIN ISSUES RELATING TO REDD+**

- What is the most appropriate forum to discuss non-market-based approaches for REDD+ ?
- Should the joint approach to mitigation and adaptation be considered through REDD+?
- What are the methodological implications of benefits not linked to carbon?

298. IISD, 2014b.  
 299. FCCC/SBSTA/2014/L.8.  
 300. Decision 1/CP.19, para. 39.  
 301. FCCC/SBSTA/2013/3, para 41-42.  
 302. IISD, 2014b.  
 303. FCCC/SBSTA/2014/L.8, para. 3.  
 304. IISD, 2014b.  
 305. *Ibid.*

## 2.2.6 Agriculture (SBSTA)

In 2011, the Parties decided in Durban to hand the issue of agriculture back into the hands of SBSTA with the aim of obtaining an agreement on this issue a year later in Doha<sup>306</sup>. Facing numerous divergences, the Parties have not yet found an agreement to date on the components for a decision for agriculture. During the SBSTA-38 in Bonn (June 2013), the Parties had reached consensus on the need to discuss, in Warsaw, within a workshop dedicated to the current state of scientific knowledge, the best way to adapt agriculture to climate change while promoting rural development, productivity and food security, in particular in developing countries<sup>307</sup>.

Although the Warsaw workshop on agriculture enabled the Parties to share their views and experiences, it degenerated into unprecedented debate and confusion. Not only was consideration of the report of the workshop postponed to June 2014, but most of the developed countries very widely disputed the way in which the conclusions of the SBSTA had been adopted<sup>308</sup>. They also regretted that a contact group on agriculture was not established in Warsaw, with the developing countries preferring to hold the workshop planned by SBSTA-38. Finally, the discussions resumed in Bonn last June in a more relaxed environment, within a contact group.

In its draft conclusions of June 2014, the president of the SBSTA identified the areas for which the scientific and technical work will be carried out during the next sessions<sup>309</sup>. These include:

- a) The development of early warning systems and contingency plans for extreme weather events and their effects;
- b) The risk assessment and the vulnerability of agricultural systems in relation to different scenarios of climate change at regional, national and local levels;
- c) The definition of adaptation measures taking into account the diversity of agricultural systems, of indigenous knowledge systems, differences of scale and of possible positive effects; and
- d) The assessment of agricultural practices and technology to increase productivity in a sustainable manner and to strengthen food security and resilience.

Workshops are planned on these subjects in 2015 and 2016. In addition, the Bonn session of June 2014 marks an undeniable step forward for agriculture with the establishment of the contact group and the identification of certain areas. Some countries, such as those of the Group of 77 and China (G-77/China) have even considered that these efforts contributed to the elaboration of a "road map" for agriculture for

306. Decision2/CP.17, para. 75.

307. FCCC/SBSTA/2013/3.

308. IISD, 2013a ; and FCCC/SBSTA/2013/L.35.

309. FCCC/SBSTA/2014/L.14

the COP22 (2016)<sup>310</sup>. However, despite this enthusiasm which contrasts with the sense of failure of the sessions of the previous years, many points of divergence remain. Those likely to resurface in the coming discussions focus on the consideration of mitigation in the agricultural sector and the means necessary for the implementation of actions in this sector.

In fact, the developing countries are afraid of having to provide efforts of reduction of emissions in the agricultural sector. For these countries, the agricultural sector is a key economic sector representing sometimes more than one quarter of the Gross Domestic Product (GDP), particularly in the LDCs. According to the developing countries, any commitments for mitigation for the agricultural sector could have severe adverse impacts on their economies. Thus last June, the G-77/China, the countries of BASIC<sup>311</sup>, the Independent Alliance of Latin America and the Caribbean (AILAC) and the LDC have stated that the discussions on agriculture should be focused on adaptation and that food security was a priority for developing countries<sup>312</sup>. The LDC have also asked the Adaptation Committee and the ADP to integrate agriculture into their work<sup>313</sup>.

The Parties will work therefore in Lima on finalising an agreement on the areas which the scientific and technical work of the SBSTA should cover in 2015 and 2016. Maybe they will also agree on the formation of a work programme on agriculture which addresses the mitigation, adaptation and the means of implementation, such as proposed by the European Union in Bonn (June 2014), or on the steps leading to a possible road map for agriculture<sup>314</sup>?

#### MAIN ISSUES RELATING TO AGRICULTURE

What should be the areas in which the scientific and technical work of the SBSTA should focus on in 2015 and 2016 ?

How do we consider the issue of mitigation in this sector while avoiding the adverse consequences on the economies of developing countries?

Should a work programme on agriculture which would address mitigation, adaptation and the means of implementation be put in place?

Is a road map for agriculture for COP22 feasible?

310. IISD, 2014b.

311. The BASIC Group: Brazil, South Africa, India and China.

312. *Ibid.*

313. *Ibid.*

314. IISD, 2014b.

## 2.2.7 The response measures (SBSTA and SBI)

The response measures, framed by the articles 3.5 and 4.1 (h) of the Convention and articles 2.3 and 3.14 of the Kyoto Protocol, mainly deal with the measures taken by the Parties included in Annex I to the Convention, which could have adverse social, environmental and economic impacts on developing countries, in particular for the most vulnerable countries such as defined in articles 4.8 and 4.9 of the Convention.

These measures are mainly of mitigation, but may also include adaptation measures. This includes the measures that serve to mitigate the problem of climate change at the source, such as those which are intended to promote the development of clean technologies. Such measures are likely to have adverse effects on certain economic sectors such as the oil industry, and these could constitute a means of arbitrary or unjustifiable discrimination in international trade. For example, there are today several trade disputes about imports of components of solar panels, such as the one that opposes the United States against India. The United States claims that the national programme of solar energy in India created an "*unfair obstacle for U.S. exports*" given that the programme requires that the cells and solar modules used be produced in India<sup>315</sup>.

Integrated in the Bali Action Plan in 2007 at the request of developing countries and more particularly of the oil-exporting countries, this agenda item has evolved in the past few years toward the creation in 2011 of a forum operated jointly by the SBI and the SBSTA<sup>316</sup>. This forum has the objective to improve understanding of the impacts of the implementation of response measures.

The programme of work of the Forum was adopted in Durban and is divided into several areas<sup>317</sup>:

- Area (a): Sharing of information and expertise, including to account for the positive and negative impacts of response measures and in facilitating understanding ;
- Area (b): Cooperation on the response strategies;
- Area (c): Assessment and analysis of impacts;
- Area (d): Exchange of experiences and consideration of the possibilities for diversification and economic transformation;
- Area (e): Economic Modelling and socio-economic trends;
- Area (f): Relevant aspects related to the application of decisions 1/CP.10, 1/CP.13 and 1/CP.16 and the provisions of articles 2.3 and 3.14 of the Kyoto Protocol (issues treated by the SBI and the SBSTA) ;

315. [www.wto.org/french/news\\_f/news14\\_f/dsb\\_23may14\\_f.htm](http://www.wto.org/french/news_f/news14_f/dsb_23may14_f.htm) ; et <http://thediplomat.com/2014/02/us-disputes-indian-solar-power-policy-at-wto/>.

316. Decision 8/CP.17, para.3

317. FCCC/SBI/2012/15, Annex I.

- Area (g): Fair transition for the active population and the creation of decent and quality jobs; and
- Area (h): Establishment of individual and collective learning to operate the transition to a society emitting low greenhouse gases.

Since 2012, the Forum is held twice a year during the meetings of the subsidiary bodies of the UNFCCC. Discussions, meetings of experts and workshops allow the Parties to discuss such issues as: What response measures are taken? What are their impacts and how to mitigate them? What are the alternatives to these measures?

The subsidiary bodies were also mandated in Warsaw (2013) to review the overall work of the Forum and to decide if it should be maintained, with a view to formulating recommendations for COP20 in Lima<sup>318</sup>. Although the Parties have reiterated their satisfaction with the Forum as a place to discuss the different areas of the programme of work on the impact of response measures<sup>319</sup>, the draft decision proposed by President Korolec in Warsaw has been suspended at the request of developing countries in order to consider this issue in greater depth in 2014<sup>320</sup>.

While the European Union proposed to extend the Forum to review its work and submit a recommendation to the COP21 in 2015, the Group of 77 and China (G-77/China) has requested that the Forum focus on the sharing of information, especially on the negative impacts of response measures under the direction of a new "mechanism". The United States have proposed a modified work programme, on the negative and positive impacts, but in the framework of a "dialogue" which would be held once a year<sup>321</sup>.

The limited progress of Warsaw on the review of the Forum created a sort of confusion in Bonn in June 2014 (SBI and SBSTA-40). While the developing countries were of the opinion that the review had been concluded in Warsaw (G-77/China, Arab Group, LDCs), the developed countries wanted to wrap up the review with further discussions (European Union, United States, Japan)<sup>322</sup>. Even if the review of the work of the Forum was finally declared concluded in Bonn in June<sup>323</sup>, the core issues of the Forum, dealt with through workshops and discussions since 2012, are a barrier to reaching agreement on the review of the Forum and have a special influence on the position of the countries as to the continuation of the forum.

318. Decision 8/CP.17, para. 5.

319. IISD, 2013a.

320. FCCC/CP/2013/L.14 ; IISD, 2013a and [www.twinside.org.sg/title2/climate/news/warsaw01/TWN\\_uPoAte32.pdf](http://www.twinside.org.sg/title2/climate/news/warsaw01/TWN_uPoAte32.pdf).

321. FCCC/SB/2013/L.4, Annex.

322. IISD, 2014b and [www.twinside.org.sg/title2/climate/news/Bonn13/TWN\\_uPoAte12.pdf](http://www.twinside.org.sg/title2/climate/news/Bonn13/TWN_uPoAte12.pdf).

323. FCCC/SB/2014/L.2, para. 2; the submissions on the review are compiled in Annex I. The findings were subsequently adopted in the reports of the 40th meeting of the SBI (FCCC/SBI/ 2014/8, p26) and of the SBSTA (FCCC/SBSTA/ 2014/2, p19).

The most contentious issues of the Forum focus on the degree of accuracy of the information provided by the developed countries on the minimisation of negative impacts of their response measures (areas a and b). While some developing countries, such as Kuwait and Saudi Arabia, consider that more information should be submitted by the developed countries, the United States and the European Union rely on the next national communications to provide this information<sup>324</sup>.

The gaps in implementation of certain decisions are also targeted by Saudi Arabia and the G-77/China (area f)<sup>325</sup>. While these countries consider that the decision on the support programmes by the Annex II Parties for the developing countries affected by the impacts of response measures is not fully implemented, the United States believes that the Forum should wrap up the work related to this decision<sup>326</sup>.

The analysis criteria for the assessment of the impacts of response measures (areas c and e) are also a major sticking point. The Parties have not reached agreement on the inclusion of the positive impacts of response measures (such as requested by the United States)<sup>327</sup> and the question of unilateral measures<sup>328</sup>. Some Parties have also expressed regret that the situation of the developing countries has not been sufficiently represented among the examples given<sup>329</sup> even if several positive examples of transition to a green economy were presented in Mexico and in South Africa (area g)<sup>330</sup>. The difficulties of economic diversification for countries that are dependent on the fossil fuel industry are however raised by several countries, such as Singapore<sup>331</sup>.

The issue of cooperation (area b) generated many debates in Warsaw, including on the value and the form of this cooperation: should it encourage concrete measures of multilateral cooperation, such as the regional initiatives aimed at specific needs of developing countries<sup>332, 333</sup>? Should it include consultations on the design of policies,

---

324. FCCC/SB/2013/INF.1.

325. The decisions 1/CP.10 (Buenos Aires programme of work on adaptation and response measures), 1/CP.13 (the Bali Plan of action) and 1/CP.16 (the Agreements of Cancún) and the provisions of articles 2.3 and 3.14 of the Kyoto Protocol (issues treated by the SBI and the SBSTA).

326. FCCC/SB/2012/MISC.2, p. 13-16, p. 19-20 and FCCC/SB/2013/INF.4.

327. FCCC/SB/2013/INF.8 The United States and Australia have focused on the benefits of response measures, while the developing countries concentrated on the negative impacts.

328. FCCC/SB/2013/INF.8.

329. IISD, 2013b and FCCC/SB/2013/INF.11; concern raised by China, India, Iraq, Indonesia, Saudi Arabia, United Arab Emirates and Venezuela.

330. IISD, 2013band FCCC/SB/2013/INF.10.

331. FCCC/SB/2014/INF.1.

332. FCCC/SB/2014/INF.1.

333. European Union: [www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/75\\_79\\_130559387084142628-IT-09-23-Eu%20submission%20RM.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/75_79_130559387084142628-IT-09-23-Eu%20submission%20RM.pdf).

particularly in respect of development strategies in low-carbon emissions<sup>334</sup>? How to take into account the priorities of developing countries, such as development and the eradication of poverty<sup>335</sup>?

As regards the progress of the Forum to this day, some countries such as Algeria, consider that the Forum has not led to concrete results, while the European Union has mentioned several activities that it has launched in the light of the work of the Forum and which are aimed at the diversification of energy sources, such as the Global Energy Efficiency and Renewable Energy Fund<sup>336</sup>. Despite these issues of substance, draft decisions have been submitted in Bonn by the G 77/China and the European Union. They are opposed to the frequency of the meetings of the Forum (at each session for the G-77/China or once a year for the European Union). The European Union also proposed to streamline the areas treated under the headings of economic diversification, fair transition for the active population and the creation of decent jobs, gender, health and food security. The G-77/China has reiterated its position in favour of a mechanism for enhanced action on response measures which provide practical responses through the Forum, in particular the needs of developing countries<sup>337</sup>.

In contrast, the United States proposes to transform the Forum into a "symposium" on response measures in order to deepen the areas of convergence<sup>338</sup>. On the other hand, the League of Arab States (most of whose members are particularly vulnerable to the impacts of response measures in developed countries) and Algeria, support the proposal of the G-77/China, in requesting the establishment in Lima of an "international mechanism on response measures" to facilitate the assessment and treatment of negative impacts<sup>339</sup>. They also ask that this issue occupy an important place in the work of the ADP<sup>340</sup>.

334. FCCC/SB/2014/INF.1, para. 11.

335. G-77/China: [http://unfccc.int/files/cooperation\\_support/response\\_measures/application/pdf/g77\\_and\\_china\\_forum\\_on\\_response\\_measures\\_draftnovember\\_area\\_b.pdf](http://unfccc.int/files/cooperation_support/response_measures/application/pdf/g77_and_china_forum_on_response_measures_draftnovember_area_b.pdf).

336. Algeria: [www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39\\_79\\_130540450816937172-Submission%20of%20Algeria%20on%20Response%20Measures.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39_79_130540450816937172-Submission%20of%20Algeria%20on%20Response%20Measures.pdf); European Union: [www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/75\\_79\\_130559387084142628-IT-09-23-Eu%20submission%20RM.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/75_79_130559387084142628-IT-09-23-Eu%20submission%20RM.pdf).

337. Union Européenne : [www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/75\\_79\\_130559387084142628-IT-09-23-Eu%20submission%20RM.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/75_79_130559387084142628-IT-09-23-Eu%20submission%20RM.pdf).

338. United States: [http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/54\\_79\\_130567526537098612-United%20States%20Sept%202014%20RM%20submission.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/54_79_130567526537098612-United%20States%20Sept%202014%20RM%20submission.pdf).

339. League of Arab Nations: [http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39\\_79\\_130560346234557300-Submission%20of%20the%20Arab%20Group%20on%20RM.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39_79_130560346234557300-Submission%20of%20the%20Arab%20Group%20on%20RM.pdf), Algeria: [http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39\\_79\\_130540450816937172-Submission%20of%20Algeria%20on%20Response%20Measures.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39_79_130540450816937172-Submission%20of%20Algeria%20on%20Response%20Measures.pdf).

340. Ibid.



At the 41st meeting of the SBI and SBSTA in Lima, the Parties will need to consider the various proposals on the way forward for the Forum with the objective of submitting recommendations to COP20<sup>341</sup>. Two documents will be prepared for Lima in order to summarise the work of the Forum, its review, the submissions received from Parties on its future and the areas of convergence relating to the issue of cooperation<sup>342</sup>.

#### MAIN ISSUES RELATING TO RESPONSE MEASURES

In what form should the Forum continue? Should it become a mechanism that can decide on concrete actions or be restricted to a dialogue between countries? How often should it meet?

What should be its priorities: the improvement of the transparency of the information submitted by the countries on response measures? Economic diversification? An increase in the number of examples of the experience from the developing countries?

## 2.2.8 Adapting to climate change

In Lima, three items on the agenda will deal with issues related to adaptation: the Nairobi work programme on the impacts of climate change and vulnerability and adaptation to these changes (Section2.2.8.1), the National Adaptation Plans (Section2.2.8.2) and the issues related to the least developed countries (Section2.2.8.3).

### 2.2.8.1 Nairobi Work Programme on impacts of climate change, vulnerability and adaptation to these changes

The aim of the Nairobi work programme on the impact of climate change and vulnerability and adaptation to this change (NWP) is to help the Parties, especially developing countries, to understand better the impacts of climate change and their vulnerability to this change, as well as to make informed decisions on the adaptation actions and measures. The NWP involves Parties, organisations, institutions, experts and the private sector<sup>343</sup>.

The activities of the NWP are organised around nine areas of work<sup>344</sup>:

- methods and tools;
- data and observations;

341. FCCC/SB/2014/L.2, para. 5.

342. FCCC/SB/2014/INF.4 ; FCCC/TP/2014/12.

343. FCCC/SBSTA/2014/INF.7

344. <http://unfccc.int/5137>.

- climate modelling, scenarios and downscaling;
- climate-related risks and extreme events;
- socio-economic information;
- adaptation planning and practices;
- Research;
- technologies for adaptation;
- economic diversification.

When requested by the SBSTA, regular workshops and expert meetings are organised on specific work themes supporting the NWP activities. In addition, the Internet interface of the NWP is intended to facilitate trade and to make public examples, by sector and by region, of adaptive practices, as well as the initiatives of the private sector's share<sup>345</sup>. Also note that collaboration has been established with the United Nations Environment Programme (UNEP) on the development of a framework for the sharing of knowledge based on the request<sup>346</sup>. In June 2014, the number of partner organisations of the NWP amounted to 285 (against 278 in November 2013), while the number of promises of action has increased over the same period from 178 to 181<sup>347</sup>.

Since Warsaw, the future of the NWP has been at stake. During a review of the work of the NWP in 2011, several aspects to be improved were identified, such as the need for more interactions with the Adaptation Committee to prevent duplication of efforts (Australia), the need for collaboration with the private sector or to dispose of a cost-benefit analysis (Japan) and the need to strengthen the link between adaptation and the sustainable development goals (United Nations Development Programme - UNDP)<sup>348</sup>. In order to improve some of these aspects, COP19 (Warsaw, 2013) designated the NWP to fill gaps of knowledge raised by the Adaptation Framework, for example, by supporting the Adaptation Committee through workshops and the collection of information<sup>349</sup>. COP19 also required an improvement in the relevance and effectiveness of the NWP and recommended that its activities be mutually reinforcing, that they relate to the issues and practices and that the NWP establish links with relevant works (such as the national adaptation plans, the technology mechanism, research and systematic observation, etc.)<sup>350</sup>.

345. Web Interface: [www3.unfccc.int/pls/apex/f?p=333:1:3227434214553789](http://www3.unfccc.int/pls/apex/f?p=333:1:3227434214553789).

346. FCCC/SBSTA/2014/INF.7

347. Ibid.

348. FCCC/SBSTA/2011/MISC.3; FCCC/SBSTA/2011/2, para. 20.

349. FCCC/SB/2013/2, Annex 3.

350. Decision 17/CP.19, para. 1-3.

COP19 also decided that the activities of the NWP should take into account the role of ecosystems and the effects on them as well as the application of indigenous and traditional knowledge for the adaptation and adoption of gender-sensitive approaches<sup>351</sup>. A meeting of experts discussed both these issues in April 2014<sup>352</sup>. With regard to the indigenous knowledge, the participants identified a few good practices and tools, such as a transparent communication with the communities and the implementation of pilot projects. The challenges identified include the loss of indigenous knowledge through the modernisation of the communities and the relational difficulties between these communities and national or local governments<sup>353</sup>. With regard to the implementation of the gender-sensitive adaptation approaches, the lack of political will and understanding of the benefits seems to constitute a barrier despite the existence of good practices encouraging the consideration of gender in the vulnerability assessments, participatory approaches and the climate action plans<sup>354</sup>.

During the SBSTA-40 (Bonn, June 2014), the discussions on the future of the NWP were resumed in the framework of the discussions on the activities of the NWP and their timetable for the next few years. This includes activities related to the issues of ecosystems, human settlements, water resources and health, in the context of planning for adaptation to regional, national, and sub-national levels<sup>355</sup>. SBSTA-41 must decide whether the case studies related to these issues will need to be presented in Paris in 2015 and if the information materials should be prepared by December 2016<sup>356</sup>. After a first examination of progress made during SBSTA-44 in June 2016, SBSTA-48, in June 2018, will take stock of the relevance of the NWP<sup>357</sup>.

Note also that SBSTA-40 has discussed the improvement of the collaboration with the partner organisations of the NWP (particularly to assess the NWP in 2016) and the networks of global and regional knowledge with a view to the possible use of such networks as platforms for the implementation of the activities of NWP<sup>358</sup>.

### 2.2.8.2 National Adaptation Plans (NAP) (SBI)

The NAP aim to build up the adaptation capacities of developing countries, mainly the poorest and most vulnerable countries, by allowing them to assess and reduce their vulnerability to the impacts of climate change. The NAP processes should be controlled by the countries in a continuous, participatory and iterative manner.

351. Decision 17/CP.19, para. 7.

352. FCCC/SBSTA/2014/INF.11 and <http://unfccc.int/8020>.

353. FCCC/SBSTA/2014/2 Annex III

354. FCCC/SBSTA/2014/INF.11, part IV.

355. Decision 17/CP.19, para. 4-5; FCCC/SBSTA/2014/2, para. 19-27.

356. FCCC/SBSTA/2014/2, para. 20-27; and [http://unfccc.int/files/inc/graphics/image/png/nwp\\_deliverables\\_by\\_sb45\\_large.png](http://unfccc.int/files/inc/graphics/image/png/nwp_deliverables_by_sb45_large.png).

357. Decision 17/CP.19.

358. IISD, 2014b ; et FCCC/SBSTA/2014/2, para. 18.

Unlike the National Adaptation Programmes of Action (NAPA), that have identified and prioritised the urgent needs for adaptation in the short term, the NAP are broader and more cross-cutting. They cover the needs for the medium and long term and integrate into the development plans<sup>359</sup>.

In Warsaw, the main progress on this topic focused on the technical guidelines prepared by the LDC Expert Group (LEG) for NAP<sup>360</sup>. These are based on the initial guidelines and will be reviewed and, if necessary, revised in Lima<sup>361</sup>. SBI-40 (Bonn, June 2014) has discussed the application of these initial guidelines for NAP<sup>362</sup>. The Alliance of Small Island Developing States (AOSIS) has raised the issue of the lack of publicity on these directives and the lack of financial support for developing countries that are not LDC<sup>363</sup>. The LDC have also insisted on the issues of financing for the preparation and implementation of the NAP as well as on the importance of the consistency of the various documents made available<sup>364</sup>. The United States emphasises an approach for the development of NAP which is based on the development priorities<sup>365</sup>.

As regards support for the NAP, the "National Adaptation Plan Global Support Programme" (GSP-NAP), since its launch in June 2013, has provided assistance to several countries (including the Democratic Republic of the Congo, Comoros, Liberia, Malawi and Guinea Bissau)<sup>366</sup>. The GSP-NAP is managed by UNEP and UNDP and funded by the LDC Fund. It provides the LDC with institutional support, technique and "brokering of knowledge"<sup>367</sup>. The financing made available by the LDC Fund and the Special Climate Change Fund (SCCF), which are managed by the GEF, are considered by the AOSIS and the LDC as insufficient and unpredictable because of the voluntary nature of contributions<sup>368</sup>. The Group of 77 and China (G-77/China) considers it necessary that the support for the NAP also come from the Green Fund for Climate (GFC)<sup>369</sup>.

In order to support further the development process of NAP, the LEG, at its 25th meeting (Tanzania, February 2014), considered the waiver of training and the preparation of case studies. The development of the "*Central NAP*", a platform of online information to support the process of NAP and the "*NAP Expo*" events - themselves

359. NAP window: <http://unfccc.int/6057>.

360. Decision 18/CP.19, para. 2 and [www.unfccc.int/7279](http://www.unfccc.int/7279).

361. Decision 18/CP.19, para. 7.

362. Decision 18/CP.19, para. 6.

363. FCCC/SBI/2014/MISC.1

364. Ibid.

365. Ibid.

366. <http://www.undp-alm.org/nap-gsp-august-2014-update>.

367. [www.undp-alm.org/projects/naps-ldcs](http://www.undp-alm.org/projects/naps-ldcs).

368. FCCC/SBI/2014/MISC.1

369. IISD, 2014b.

aiming to promote action and mobilise support for the NAP at the national level - were also mentioned as important tools for the development and the support to NAP<sup>370</sup>. The second NAP Expo, which was held in August 2014 in Bonn in Germany, has notably expanded its welcome to developing countries that are not LDC<sup>371</sup>.

Also note that the FAO, the World Bank and the consultative group on climate change and human mobility ( "Advisory Group on Climate Change and Human Mobility") have highlighted in Bonn their activities which contribute indirectly to NAP through their various programmes<sup>372</sup>.

In Lima the SBI-41 will continue the discussions on the acceleration of the support to the process of the NAP, both for the LDCs and for the non-LDC countries<sup>373</sup>. The inclusion of information on NAP in the national communications of Parties will be also discussed<sup>374</sup>. SBI should also specify the mission of the Committee for the adaptation to the organisation of a workshop in 2015 aimed to share experiences and best practices in the development and implementation of NAP<sup>375</sup>. A more thorough review of the progress on NAP will take place during the SBI-42 in June 2015<sup>376</sup>.

Note that, although the role of NAP in the agreement of 2015 remains to be defined, the LDCs and the African Group consider that the NAP should constitute the "points of departure" of communication and support for adaptation (see section 2.1.2)<sup>377</sup>.

### 2.2.8.3 The issues concerning the least developed countries (LDC)

Article 4.9 of the Convention states that Parties should take fully into account, in their action regarding the financing and the transfer of technology, the specific needs and special situation of LDCs. In 2001, COP7 has put in place a special work programme for LDCs, a LDC Expert Group (LEG) as well as a fund for LDCs<sup>378</sup> and has adopted guidelines for the preparation of national action programmes on adaptation (NAPA)<sup>379</sup>. The NAPA's are aimed to meet the immediate needs of the LDCs for the adaptation to climate change through the strengthening of capacity building on existing approaches, with an emphasis on the commitment of the Communities<sup>380</sup>.

370. FCCC/SBI/2014/4.

371. NAP Expo 8-9 August 2014 : <http://unfccc.int/8425>.

372. FCCC/SBI/2014/MISC.1

373. FCCC/SBI/2014/L.19, Annex.

374. *Ibid.*

375. FCCC/SBI/2014/8, para. 106.

376. FCCC/SBI/2014/8, para. 108.

377. IISD, 2014b.

378. (b)Programme of work: Decision 5/CP.7, p. 32 and FCCC/SBI/2012/INF.13, para. 6. LDC Fund Decision 7/CP.7, p. 43.

379. Decision 28/CP.7, p. 7.

380. <http://unfccc.int/4722>.

The LEG found that 50 LDCs have developed their NAPA's, the last having been communicated to the Secretariat in November 2013 by Equatorial Guinea<sup>381</sup>. With regard to the implementation of NAPAS, 48 countries have acceded to 817.25 million U.S. dollars for the implementation of 150 projects (dated 20 April 2014)<sup>382</sup>. An internet portal ( "LDC Portal") brings together the activities and the information relating to LDCS<sup>383</sup>.

LEG provided technical support to LDC for the preparation to the times of the NAPAS and NAP<sup>384</sup>. The SBI mission is to observe the progress of the work of the LEG which includes, for example, the organisation of the "Expo NAP " event, additions to the guidelines for NAP and training for the development of NAPAS<sup>385, 386</sup>.

Last June, SBI-40 considered the report of the 25th meeting of the LEG (Tanzania, February 2014)<sup>387</sup> (for issues specific to the NAP see Section 2.2.8.2 above<sup>388</sup>). LEG also reviewed the progress made in regard to the revision of the census methods and of sharing good practices and lessons learned<sup>389</sup>. LEG also decided to complete and publish a document on the improvement of taking gender into account in the adaptation measures in LDC (see also Section 2.2.16 on gender)<sup>390</sup>.

In order to improve the consistency and exploit the synergies in terms of adaptation, LEG and its members collaborate with several agencies and relevant programmes such as the Adaptation Committee, the NWP, the Executive Committee of the Warsaw International Mechanism, the Technology Executive Committee and the Standing Committee on Finance<sup>391</sup>. SBI-40 has requested that LEG strengthen its efforts to this effect, particularly through the joint activities with these agencies such as the development of the NAP Central and of the dispensation of training in the NAP with the Adaptation Committee<sup>392, 393</sup>. LEG also collaborates with GEF in order to promote financial support for the LDC in terms of adaptation. In February 2014, contributions to the LDC Fund accounted for 831.54 million US dollars<sup>394</sup>. SBI-40

381. FCCC/SBI/2014/4, para. 6.

382. FCCC/SBI/2014/8, para. 81.

383. PMA portal: <http://unfccc.int/4751>.

384. GEPMA portal: <http://unfccc.int/4727>.

385. FCCC/SBI/2013/20, para. 97 ; and FCCC/SBI/2013/8, Annex II.

386. FCCC/SBI/2014/8, para. 77 & 84.

387. FCCC/SBI/2014/4.

388. See also: FCCC/SBI/2014/4, II. C, D, E, F, I and M.

389. FCCC/SBI/2014/4, II.G.

390. FCCC/SBI/2014/4, II.H.

391. FCCC/SBI/2014/4, II. J and K.

392. FCCC/SBI/2014/8, para. 87.

393. FCCC/SBI/2014/4, Annex I.

394. FCCC/SBI/2014/8, para. 80.

has called on more resources to be provided for the implementation of the programme of work of LEG<sup>395</sup>.

In Lima, SBI-41 will consider the progress of the work programme of LEG<sup>396</sup>, as well as its next activities including: the development of a comprehensive strategy for the training of the countries on NAP; the achievement of technical documents and in-depth case studies on the adaptation of the LDCS; and the establishment of the internet portal "NAP Central" which will serve as a central directory and as a pole of online information accessible to all concerning the process of NAP<sup>397</sup>.

#### **ADAPTATION-RELATED ISSUES**

How can we strengthen the relevance and improve the effectiveness of NWP?

How to integrate the new cross-cutting themes in the activities and the timetable of the NWP?

What are the best practices and lessons learned on the national planning for adaptation by the Parties?

What are the improvements that can be drawn from the experiences gained during the implementation of the guidelines for the development of the NAP in the LDCS?

What are the activities most relevant to support countries in the development of LDCS?

How do I increase the predictability and the amount of financing for the development and implementation of NAP, including for countries that are non-LDCS?

The guidelines, are they sufficiently based on real situations of LDCS, notably as regards the technical capabilities of these countries?

What steps must be put in place for the notification, monitoring and the evaluation of NAP ?

The NAP, do they have a role to play in the agreement of 2015, in particular with a view to informing the actions and the support for the adaptation?

The work of the LEG, are they sufficiently integrated and coordinated with those of other agencies and programmes, particularly as regards adaptation?

How to ensure the financing of the implementation of NAPAS?

395. FCCC/SBI/2014/8, para. 89.

396. FCCC/SBI/2014/13.

397. FCCC/SBI/2014/4, part III and Annex I; NAP Central: [http://unfccc.int/nap/guidelines\\_main.html](http://unfccc.int/nap/guidelines_main.html) (under construction).

## 2.2.9 Losses and damages (SBSTA and SBI)

At COP-18 in Doha (2012), the Parties have adopted a historical decision on the establishment of an institutional mechanism" accompanied by functions and modalities of operation aimed at remedying the losses and damages of the developing countries particularly vulnerable to the adverse effects of climate change<sup>398</sup>. This concerns particularly the islands and countries whose very existence is threatened by rising sea levels and the multiplication of extreme storms. This decision is born, not without difficulties, out of a work programme established in 2010 in Cancún<sup>399</sup>.

The debates of Warsaw inherited the contentious issues which could not be resolved in Doha. The creation of the device has quickly become one of the main points of contention between developed countries and developing countries, pushing the Group of 77 and China (G-77/China) to leave the negotiating table in the last moments of the Conference<sup>400</sup>. Developed countries are thus opposed to the developing countries on the creation of a new institution and on the mention of compensation or recognition of harm to avoid, in the longer term, that legal responsibilities can be incurred. The issue of the distinction of the losses and damages and of adaptation initiatives has also engendered heated debates in Warsaw. Several developing countries, including the AOSIS and the African Group have thus insisted that the mechanism is distinct from the pillar dedicated to the adaptation, as the losses and damages can involve situations where the impacts of climate change are beyond the capabilities of adaptation<sup>401</sup>. The developed countries have preferred to treat the losses and damages as a continuum of the mitigation toward the adaptation<sup>402</sup>. Finally, the countries have agreed on the proposal of the G-77/China in a paragraph recognising that "*the losses and damages related to the adverse effects of climate change include and, in some cases, exceed those that can be reduced by adaptation*"<sup>403</sup>.

The question of support and sources of financing remains in abeyance. It crystallizes the disappointment of the developing countries that are particularly vulnerable and which were hoping that the mechanism be based on financial compensation and the rehabilitation of the affected systems<sup>404</sup>. They had also hoped that this finan-

398. Decision 3/CP.19, para. 9.

399. Decision 1/CP.16, para. 26-29 and <http://unfccc.int/7545> and <http://unfccc.int/7585>.

400. IISD, 2013a and <http://www.irinnews.org/fr/report/99255/un-m%C3%A9canisme-pour-les-pertes-et-dommages-face-au-changement-climatique-avantages-et-inconv%C3%A9nients>.

401. Ibid.

402. IISD, 2013a.

403. Decision 2/CP.19 (preamble).

404. <http://endatiersmonde.org/instit/images/stories/ressources/policy%20brief%20LD%20FR.pdf>.



cing will come from a dedicated source and distinct from the financing of adaptation<sup>405</sup>.

Finally, Warsaw culminated in the establishment of the "Warsaw International Mechanism for loss and damage" aiming to "*facilitate the implementation of approaches to address loss and damage associated with the adverse effects of climate change*"<sup>406</sup> (see Box 8).

**BOX 8:  
THE INTERNATIONAL MECHANISM OF WARSAW ON DAMAGES AND  
LOSSES<sup>407</sup>**

The international mechanism of Warsaw on the damage and losses has the objective to "*facilitate the implementation of approaches to dealing with the losses and the damages related to the adverse effects of changes*".

It has an Executive Committee, under the direction of the COP, in order to supervise the execution of the functions of the Mechanism. The Subsidiary Bodies are responsible for developing the composition and procedures of the Executive Committee from now until Lima. This committee has been established on a provisional basis and will submit its biennial work plan in Lima.

**Functions**

Each function covers an aspect of the *remediation for losses and damages related to the negative effects of climate change* especially to:

- a) **Improve the knowledge and understanding of the overall approaches of risk management** for these effects, through initiatives for: closing the gaps in term of knowledge, collect and share relevant information and provide an overview of the best practices and lessons learned.
- b) **Consolidate the dialogue, coordination, coherence and synergies between the actors concerned** (including the actors who do not fall under the Convention), in directing and coordinating the evaluation and implementation of approaches to dealing with the losses and damage.
- c) **Promote the action and the supporting activities, especially in terms of financing, technology and capacity-building** in order to strengthen the existing approaches (and, if necessary, the implementation of additional initiatives), including: providing technical support and advice, submitting information and recommendations to the COP to advise about guidelines and helping to mobilise and guarantee the services of experts.

405. IISD, 2013a.

406. Decision 2/CP.19.

407. Decision 2/CP.19.

### Information sharing

The decision of Warsaw also encourages the flow of information and the strengthening of institutions and networks in this area (especially in the most vulnerable countries) at the national, regional and local levels, as well as their cooperation and coordination.

### Examination

A review is scheduled for COP 22 in 2016 on the Mechanism, its structure, its mandate and its effectiveness.

The issue in abeyance this year for the international mechanism of Warsaw on the damage and losses focuses mainly on the composition and the work plan of the Executive Committee, which should be finalised in Lima. In Bonn (June 2014), the Parties have discussed the composition and procedures of the Executive Committee. The draft decision provides that the committee will need a balance in terms of geographical and gender representation, that will hold meetings at least twice per year and will build on the expertise of other bodies of the UNFCCC<sup>408</sup>. What remains to be discussed is the criteria for selecting members (is it a majority of representatives of non-Annex I Parties - position supported by the G-77/China and the AOSIS<sup>409</sup> - or is it an equal footing with the Annex I Parties ?); the possibility of creating special seats for the LDC and SIDS and the duration and the renewal of mandates<sup>410</sup>.

Provisionally, the Executive Committee consists of ten members from certain bodies of the Convention and also divided between representatives of developed and developing countries<sup>411, 412</sup>. The first meeting of the provisional committee took place in March 2014 and was intended to develop its work plan for the first two years, which will be presented in Lima<sup>413</sup>.

As regards the original work plan of the committee, the submissions of countries suggest difficult discussions in Lima because of the many differences<sup>414</sup>. The G-77/China, with the support of the LDC, the African Group and AOSIS, have noted that the challenge for the losses and damages goes well beyond the mandate of the committee and stressed the importance of developing the work plan in the framework

408. FCCC/SB/2014/L.4.

409. IISD, 2014b.

410. FCCC/SB/2014/L.4, Annex.

411. Provisional members: <http://unfccc.int/8409>.

412. Decision 2/CP.19, para. 4.

413. Decision 2/CP.19, para. 9.

414. <http://unfccc.int/8422>.

of a long-term vision for the Mechanism<sup>415</sup>. Canada and Japan concentrated rather on immediate actions, taking into account previous work and collaboration with experts<sup>416</sup>. Canada has also proposed the integration of considerations of losses and damages in the process of development resilient to climate change, including through the national adaptation Plans<sup>417</sup>. Several developing countries also consider that the question of support should be addressed.

The G-77/China, supported by the LDC and the African Group, is insisting on the establishment of modalities for the provision of technical support for the management of risks and the evaluation of measures of financial protection<sup>418</sup>. The African Group has asked about the strengthening of existing mechanisms and institutions in Africa<sup>419</sup>.

Although several Parties have stressed in Bonn the importance of operations of the Mechanism, including the European Union, the Philippines, and the LDCS<sup>420</sup>, the question of the role of the Warsaw International Mechanism in the agreement of 2015 could slow the debates. The developing countries, such as the Marshall Islands and the LDC<sup>421</sup>, consider losses and damages as an important aspect in the agreement<sup>422</sup> (see Section 2.1.2).

---

415. G-77/China: [http://unfccc.int/files/adaptation/Cancun\\_adaptation\\_framework/loss\\_and\\_damage/application/pdf/g77andchina\\_input.pdf](http://unfccc.int/files/adaptation/Cancun_adaptation_framework/loss_and_damage/application/pdf/g77andchina_input.pdf); LDC: [http://unfccc.int/files/adaptation/Cancun\\_adaptation\\_framework/loss\\_and\\_damage/application/pdf/ldcs\\_inputs.pdf](http://unfccc.int/files/adaptation/Cancun_adaptation_framework/loss_and_damage/application/pdf/ldcs_inputs.pdf); African Group [http://unfccc.int/files/adaptation/nairobi\\_work\\_programme/application/pdf/meetingreportnwp.pdf](http://unfccc.int/files/adaptation/nairobi_work_programme/application/pdf/meetingreportnwp.pdf)

416. Canada: [http://unfccc.int/files/adaptation/Cancun\\_adaptation\\_framework/loss\\_and\\_damage/application/pdf/canada\\_input.pdf](http://unfccc.int/files/adaptation/Cancun_adaptation_framework/loss_and_damage/application/pdf/canada_input.pdf); Japan: [http://unfccc.int/files/adaptation/Cancun\\_adaptation\\_framework/loss\\_and\\_damage/application/pdf/japan-input.pdf](http://unfccc.int/files/adaptation/Cancun_adaptation_framework/loss_and_damage/application/pdf/japan-input.pdf).

417. Canada: [http://unfccc.int/files/adaptation/Cancun\\_adaptation\\_framework/loss\\_and\\_damage/application/pdf/canada\\_input.pdf](http://unfccc.int/files/adaptation/Cancun_adaptation_framework/loss_and_damage/application/pdf/canada_input.pdf).

418. G-77/China: [http://unfccc.int/files/adaptation/Cancun\\_adaptation\\_framework/loss\\_and\\_damage/application/pdf/g77andchina\\_input.pdf](http://unfccc.int/files/adaptation/Cancun_adaptation_framework/loss_and_damage/application/pdf/g77andchina_input.pdf); LDC: [http://unfccc.int/files/adaptation/Cancun\\_adaptation\\_framework/loss\\_and\\_damage/application/pdf/ldcs\\_inputs.pdf](http://unfccc.int/files/adaptation/Cancun_adaptation_framework/loss_and_damage/application/pdf/ldcs_inputs.pdf); African Group: [http://unfccc.int/files/adaptation/Cancun\\_adaptation\\_framework/loss\\_and\\_damage/application/pdf/african\\_group\\_input.pdf](http://unfccc.int/files/adaptation/Cancun_adaptation_framework/loss_and_damage/application/pdf/african_group_input.pdf).

419. African Group: [http://unfccc.int/files/adaptation/nairobi\\_work\\_programme/application/pdf/meetingreportnwp.pdf](http://unfccc.int/files/adaptation/nairobi_work_programme/application/pdf/meetingreportnwp.pdf)

420. IISD, 2014b.

421. IISD, 2013a.

422. Kameyama and coll., 2013, p.3.

### THE MAIN ISSUES RELATING TO LOSSES AND DAMAGES

What should be the composition of the committee: do we need a majority of representatives of Parties not included in Annex I or equal representation of Parties included in Annex I and non-Annex I Parties?

Is it of the seats with a special status for LDCS and SIDS?

What should be the priority basis of the work plan of the Committee?

How to resolve the issue of support and financing sources for the losses and damages?

What should be the place of losses and damages in the agreement of 2015 ?

## 2.2.10 Finance

Since the Bali Action Plan was adopted, climate finance has been recognised as being one of the cornerstones of the whole negotiation process. The mitigation and adaptation efforts of developing countries depend on this especially. At the COP15 in Copenhagen in 2009, the developed countries committed to providing new and additional financial resources of USD 30 billion for 2010-2012 in compliance with a balanced distribution between mitigation and adaptation (known commonly as "*fast-start finance*")<sup>423</sup>. The COP16 in Cancún in 2010 noted this commitment and reaffirmed that financing of adaptation would be a priority for the most vulnerable developing countries, such as the LDC, SIDS and African countries. The Cancún Agreements also specify that this long-term financing should be provided to the tune of USD 100 billion per year between now and 2020 through a combination of public and private sources<sup>424</sup>.

Since COP 15 in 2009, the negotiations on financing have also culminated in the creation of new bodies in addition to the existing entities, such as the Adaptation Fund that gives direct access and recourse to monetisation of carbon credits as a source of financing (Section 2.2.10.1). The new bodies include the Finance Standing Committee<sup>425</sup> (Section 2.2.10.2) and the Green Climate Fund (GCF) (Section 2.2.10.3), which will be responsible for channelling a large portion of the promised USD 100 billion<sup>426</sup>. The fifth review of the financial mechanism of the Convention will be another major agenda item in Lima given the lessons for the GCF that could be drawn from reviewing the procedures and activities of the financial mechanism's operational entities (Section 2.2.10.4). Note that the ADP also addresses issues of finance within the negotiations for an agreement in 2015 (see Section 2.1.2).

423. Decision 2/CP.15, para. 8.

424. Decision 1/CP.16, para. 98.

425. Decision 2/CP.17, para. 120-125.

426. Decision 1/CP.16, para. 102.

A work programme on long-term finance was also set up in 2011<sup>427</sup>, then extended by the COP18 for an extra year until the end of 2013<sup>428</sup>. This work programme culminated in Warsaw (2013) in the setting up for the developed countries of biennial communications on their updated strategies and approaches with a view to increasing the financing between 2014 and 2020<sup>429</sup>. At the time, the Parties agreed to organise high-level ministerial dialogue every two years on climate finance, starting in 2014 and continuing until 2020. The dialogue will be supported by workshops, including some devoted to the strategies and approaches to increase climate finance and support for preparation activities.

### 2.2.10.1 Kyoto Protocol Adaptation Fund (SBI)

In terms of specific adaptation financing, the developing countries welcomed the contributions of Parties to the Adaptation Fund and the Fund for the least developed countries. The resources of these Funds and the GCF will play a fundamental role in implementing national adaptation plans (NAP) to build up the planning capacities and meet the adaptation needs of countries in the medium and long term.

The Adaptation Fund was established under the Protocol specifically to finance the total cost of concrete adaptation projects and programmes piloted by developing country Parties to the Kyoto Protocol, which are particularly vulnerable to the impacts of climate change<sup>430</sup>. It is the only fund linked to the Protocol rather than to the Convention and it has had all the components to become fully operational since 2008<sup>431</sup>. The Adaptation Fund is unique in the way in which it is financed and governed. It is financed by an innovative financing mechanism: the Fund's revenue mainly comes from a 2% levy on Certified Emission Reduction (CER) transactions under the Clean Development Mechanism (CDM).

In Lima, the SBI will embark on the second review of the Adaptation Fund and will send a draft decision to the CMP for adoption (Section 2.2.10.2.1). This point is closely linked to the CMP agenda item on the Adaptation Fund Council report (Section 2.2.10.2.2). Two separate decisions will therefore be made in Lima about the Adaptation Fund.

#### 2.2.10.1.1 Second review of the Adaptation Fund

The CMP has decided to review all the questions relating to the Adaptation Fund every three years<sup>432</sup>. The CMP adopted the terms of reference for the initial review in its Decision 6/CMP.6 (2010, Cancún). The aim of this initial review was to "ensure

427. Decision 1/CP.17; para. 127 and <http://unfccc.int/6814.php>.

428. Decision 4/CP.19, para. 25.

429. Decision 3/CP.19, para. 10.

430. Decision 10/CP.7.

431. Decision 1/CMP.4.

432. Decision 1/CMP.8, para. 32-33.

*the effectiveness and the appropriate nature of the Adaptation Fund and its interim institutional arrangements"*. The initial review of the Fund ended at CMP 8 (2012, Doha).

The CMP adopted the terms of reference for the second review in its Decision 2/CMP.9 (2013, Warsaw) and decide to undertake and finalise the review in Lima. The second review covers: the provision of sustainable, predictable and adequate financial resources, including the diversification of revenue streams, the lessons learned from the application of the access modalities of the Adaptation Fund, the institutional linkages and relations with other institutions and the institutional arrangements of the Fund. The lessons relating to the direct access are especially important for the GCF. Certain Parties thus hope to improve the accessibility to the various funds under the Convention, including the GCF, and the accreditation modalities for national institutions.

The sustainability and predictability of resources are key issues for the second review of the Adaptation Fund. According to the report of the interim trustee dated March 2014<sup>433</sup>, the price of Certified Emission Reductions (CER) remains at a historically low level. The Fund's resources from voluntary contributions by developed countries have been slightly higher in recent years (205 million US dollars) than those from the sale of CER (190 million US dollars). There are currently thirteen voluntary contributors to the Fund. The interim trustee indicates that despite the unchanging current CER prices and anticipated volumes, the Adaptation Fund will receive fifteen to thirty million US dollars from the CER monetisation between now and the end of 2020. By adding the current commitments of some 14.64 million US dollars and the resources currently available, 201 to 214 million US dollars will be committed by the end of 2020, i.e. about 30 million US dollars a year.

Several countries have identified revenue diversification as a major stability factor in Fund resources. The African Group had successfully introduced in 2012 specific language on the "*sustainability, adequacy and predictability of the Fund's resources, including the potential to diversify revenue streams for the Adaptation Fund*"<sup>434</sup>. Warsaw Decision 2/CMP.9 containing the terms of the second review repeats this same language on the "*provision of sustainable, predictable and adequate financial resources, including the potential diversification of revenue streams*", which created certain debates within the Group of 77 and China (G-77/China) last June. For example, China and Saudi Arabia interpret the "diversification of streams" as opening the way to contributions from Parties not included in Annex II, especially contributions from developing countries. Tensions were also created within the G-77/China by a proposal from the group of LDC for a levy on air travellers. This proposal is rejected by the SIDS which fear that this could damage their revenue from tourism.

433. Report on the status of the Adaptation Fund resources: [www.adaptation-fund.org/content/joint-report-secretariat-and-trustee-status-pipeline-3](http://www.adaptation-fund.org/content/joint-report-secretariat-and-trustee-status-pipeline-3).

434. Decision 3/CMP.8, par. 4 & 6.

### **2.2.10.1.2 Report by the Adaptation Fund Board**

In Lima, the SBI will deliberate on the report of the Adaptation Fund Board and will send a draft decision to the CMP for adoption. Discussions on this agenda item will only commence formally in Lima as the Parties are waiting for official publication of the report of the Adaptation Fund Board after its final meeting in October 2014.

The key issues related to the Adaptation Fund Board will be the following: the modalities for the monetisation of the share of funds levied, the Boards fund mobilisation strategy, the interim institutional arrangements and the future of the Adaptation Fund.

In terms of monetisation modalities, the CMP had asked the Adaptation Fund Board in 2013 to recommend whether or not the CER should be monetised<sup>435</sup>.

Regarding the fund mobilisation strategy, this will therefore involve assessing the Board's strategy with its resource mobilisation target in the order of 80 million US dollars a year for 2014 and 2015 to increase the Fund substantially by the end of 2015. The issue is strongly linked to the future of the fund inasmuch as the very future of the Kyoto Protocol and the CDM remains uncertain, despite the adoption of the Amendment to the Kyoto Protocol in Doha.

In terms of the interim institutional arrangements, the CMP had decided in 2012 to extend the interim institutional arrangements applicable to the secretariat of the Adaptation Fund Board and the Fund's interim trustee until 2014 and June 2015 respectively<sup>436</sup>. The Parties should also focus on the process to select the services of a secretariat and a trustee at this precise moment when the Fund's resources are both insufficient and uncertain.

### **2.2.10.2 Finance issues dealt with by the Standing Committee on Finance**

The Standing Committee was created by the Cancún Agreements to assist the COP in managing the Convention's financial mechanism, particularly to improve the coherence, mobilisation and coordination of the financing<sup>437</sup>. The five functions of the Standing Committee on Finance (SCF)<sup>438</sup> are:

- organising a forum for the communication and continued exchange of information among bodies and entities dealing with climate change finance (the second forum was held this year in Montego Bay, Jamaica, see 2.2.10.2.1);
- maintaining linkages with the SBI and the thematic bodies of the Convention;

---

435. Decision 1/CMP.9, para. 9.

436. Decision 4/CMP.8, paras. 3 and 5.

437. Decision 1/CP.16, para. 112.

438. In Doha, the COP decided to change the name of the Standing Committee to the Standing Committee on Finance. Decision 5/CP.19, para. 9.

- providing the COP with draft guidelines for the operating entities of the financial mechanism of the Convention, with a view to improving the coherence and practicality of such guidance (on this topic, COP19 especially requested the SCF to continue to provide the contributions of experts to the fifth review of the financial mechanism, with a view to completing this review by December 2014, see Section 2.2.10.4 on the review of the financial mechanism);
- making recommendations on how to improve the coherence, effectiveness and efficiency of the operating entities of the financial mechanism (COP19 especially requested the SCF to consider the question of the financing to be planned for the forests in its work on coherence and coordination; see Section 2.2.5 on the REDD+); and
- preparing a biennial assessment, overview of climate finance flows (see 2.2.10.2.2)<sup>439</sup>.

COP18 approved the SFC work programme for 2013-2015 in Doha<sup>440</sup> and in Warsaw COP19 invited the SFC to reflect on the means of intensifying its work on measuring, reporting and verification (MRV) of the support provided, beyond the biennial assessment, in accordance with its work plan for 2014-2015 and its mandates. In accordance with its mandate, the SCF met three times in 2014 (4-5 March, 16-18 June and 1-3 October in Bonn).

### 2.2.10.2.1 Second forum

The second SCF forum was held in Montego Bay, Jamaica on 21-22 June 2014. The Forum theme was "mobilising adaptation finance", with the goal of *sharing experiences, best practices and innovative ideas on financing adaptation*<sup>441</sup>.

The Forum assembles bodies and entities that work both under and outside the Convention on climate financing and aims to facilitate the sharing of information to promote the links and coherence. The first Forum was held in Barcelona on 28 May 2013. This second Forum covered the national adaptation financing options and the mobilisation of finance in specific sectors. It agreed on the need to integrate adaptation in the development scheduling, build up national capacities and facilitate access to predictable financial resources. Country appropriation and direct access to financing, as offered by the Adaptation fund, were identified as sustainable paths towards increasing the resilience of countries. Certain participants identified the modality of fair access to the Fund for the least developed countries (LDC) as a good practice<sup>442</sup>.

439. Decision 2/CP.17, para. 121.

440. Decision 5/CP.19, para. 3.

441. <http://unfccc.int/8138>.

442. [https://unfccc.int/files/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/application/pdf/scf\\_8\\_background\\_paper\\_the\\_second\\_forum\\_of\\_the\\_scf.pdf](https://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/scf_8_background_paper_the_second_forum_of_the_scf.pdf).



The third SCF Forum will be held in 2015 on the topic: "Financing the forests".

#### **2.2.10.2.2 *Biennial assessment of financial flows***

COP17 (Durban, 2011) requested the SCF to carry out a biennial assessment to take stock of climate financial flows and include information on the geographical and thematic balance of these flows<sup>443</sup>. Based on this directives from the COP, the SCF set up a working group on the biennial assessment. The assessment should assist the Parties in understanding the climate financing flows better, harmonising the definition of climate finance, improving the provision of information on financing and boosting the cooperation with the international financial institutions and international organisations. In Warsaw (2013), the Parties invited the SCF to envisage how to accelerate its work on the MRV, beyond the biennial assessment that reaches its end in 2014, in accordance with its work plan for 2014-2015<sup>444</sup>. The agreement is that the SCF will pay more attention to the question of measuring, reporting and verification (MRV) of support in 2015. Given the proximity of these two topics, the biennial assessment, once its mandate has been completed in 2014, will be a useful source of information that is likely to influence the current negotiations, especially on the future MRV regime of support.

The initial report of the working group on the SCF biennial assessment will be a major item agenda as it will be presented to COP20<sup>445</sup>. Preparing the biennial assessment is very time consuming, involving the collecting of numerous data and information from multiple sources through various climate finance players. This effort required research to be combined with the interaction and collaboration with miscellaneous climate finance players. In addition, the work beaten out in preparing the first biennial assessment will lay down the bases for structuring the following assessments.

#### **2.2.10.3 Finance issues dealt with by the Green Climate Fund (GCF)**

The GCF was conceived in 2010 as an operating entity of the financial mechanism of the Convention to support projects, programmes, policies and other activities in developing country Parties<sup>446</sup>. The Fund is administered by a Board of 24 members, with an equal number of members from developing and developed countries. Each Board member has an alternate.

---

443. Decision 2/CP.17, para. 121 (f).

444. Decision 7/CP.19, para. 9.

445. [http://unfccc.int/files/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/application/pdf/scf\\_8\\_background\\_paper\\_ba\\_2909.pdf](http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/scf_8_background_paper_ba_2909.pdf).

446. Decision 1/CP.16, para. 102.

Following the adoption of the base instruments governing the GCF in Durban (2011)<sup>447</sup>, the Parties adopted the arrangements between the Conference of the Parties and the GCF to ensure that the Fund reports to it and operates under its guidance<sup>448</sup>. The base instrument governs all the arrangements regarding the operation of the GCF, mainly the GCF goals and guidelines, its governance and institutional arrangement, its administrative expenses, the financial support it receives, its operating modalities, the financial instruments it offers and its dissolution.

In Lima, the Chairman of the Conference of the parties will set up a contact group on the financing issues. This will focus basically on the GCF report to the COP, prepared in November by the two joint chairmen of the Board. With effect from Lima, the COP will provide guidelines based, mainly, on an in-depth review of the Fund's annual reports. The Fund will take and report on the measures required in response to the guidelines received.

During its meeting in Paris in October 2013, the GCF Board had agreed that an initial resource mobilisation process would commence once eight requirements had been finalised. These are essential for the Fund to be able to receive, manage, schedule and disburse financial resources. The eight requirements are:

- An initial structure of the Fund and the Secretariat (Section 2.2.10.3.1);
- An investment framework and a risk management framework for the Fund (Section 2.2.10.3.2);
- An initial results management framework (Section 2.2.10.3.3);
- Accreditation procedures for implementation intermediaries and entities (Section 2.2.10.3.4);
- Policies and procedures for the initial allocation of Fund resources (Section 2.2.10.3.5);
- An initial assessment procedure for draft projects and programmes (Section 2.2.10.3.6);
- Initial modalities for the putting the Fund's mitigation and adaptation funding windows into operation along with the Private Sector Facility (Section 2.2.10.3.7);
- Terms of reference of the Independent Evaluation Unit, the Independent Integrity Unit and the Independent Redress Mechanism (Section 2.2.10.3.8).

The GCF has focused on finalising these eight requirements in recent months. The sixth GCF meeting in Bali, Indonesia on 19-21 February 2014 saw two requirements finalised, namely the policies on the initial allocation of the Fund's resources

447. Decision 3/CP.17

448. Decision 5/CP.19.

and the terms of the Independent Evaluation Unit, the Independent Integrity Unit and the Independent Redress Mechanism. During its seventh meeting in Songdo, South Korea on 18-21 May 2014, the Board adopted the outstanding requirements.

The adoption of these eight requirements by the GCF Board thus opens the way to an initial resource mobilisation process and the effective capitalisation of the Fund. The arrangements for each of the eight requirements are detailed below.

### ***2.2.10.3.1 Initial structure of the GCF and the Secretariat***

In May 2014, the Board adopted the initial structure of the Fund and its Secretariat<sup>449</sup>. This structure complies with the base instrument and the relevant decisions of the Fund Board and the COP.

The initial GCF structure will thus be formed of two themed funding windows specific to mitigation and adaptation respectively and a private sector facility. The GCF institutional structure comprises the Board, Secretariat, Trustee and the independent accountability units. The role of each of these entities is described below<sup>450</sup>:

- The Board will oversee the operation of all relevant components of the Fund, approve operational modalities and its operational policies and guidelines and exercise all functions as may be appropriate to fulfil the objectives of the Fund (establishment of sub-committees, appointment of the Executive Director of the Secretariat, appointment of the Trustee, etc.). It receives and follows up the guidelines of the Conference of the Parties and draws up an annual report on its activities for its benefit.
- The Secretariat manages the day-to-day operations of the Fund, providing administrative, legal and financial services.
- **The Trustee** is appointed to manage the Fund's financial assets. **The Trustee** maintains appropriate financial records and prepares financial statements and other reports required by the Board, in accordance with internationally accepted fiduciary standards.
- **The independent accountability** units cooperate with the Secretariat and report to the Board. They investigate allegations of fraud and corruption in conjunction with the competent partner authorities. They receive and assess the complaints on the operation of the Fund and formulate recommendations.

In accordance with the base instrument, the Fund will set up institutional relations with the Designated National Authorities (DNA) and the Focal Points, which are entrusted with ensuring the coherence of the international financing with respect to the national climate strategies and plans<sup>451</sup>.

449. GCF/B.07/07. For GCF documents (labelled: GCF/xx/xx) see: [www.gcfund.org/documents/in-session-documents.html](http://www.gcfund.org/documents/in-session-documents.html)

450. Decision 3/CP.17 Annex.

451. Decision 3/CP.17, para. 7.

Furthermore, the Board decided to undertake an assessment of the structure of the Fund and the Secretariat in the three years following the initial mobilisation of the Fund's resources.

### **2.2.10.3.2 Risk management framework and investment framework for the GCF**

The Board decided to give the Fund a financial risk management framework to focus on the inherent financial risk environment that the GCF would encounter in its operations<sup>452</sup>. These potential risks for the GCF could include the financing of projects with limited viability, asset management (grants, concessional loans and other instruments made available to implementing entities and intermediaries), passive management (grants, capital contributions, loans received from contributors) and the risk of cross-subsidies.

To avoid all types of risk, the initial financial risk management framework of the GCF comprises three components: financial risk management policies, risk monitoring and reporting and risk governance.

The GCF Secretariat, in consultation with the risk management committee, is in charge of developing an assessment methodology for the risk appetite level of the Fund and submit it to the Board for its approval at the first meeting following the initial mobilisation of resources. This will mean determining the appropriate risk level with which the Fund will operate. Determining a good risk level for the GCF will be a complex process that will improve over time. It could take inspiration from the experience of other climate funds such as the Clean Technology Fund. For example, the Board could set up initial values for key risk parameters (for example, a 10% or 20% ceiling for inefficient loans) and, with respect to risk assessments prepared by the Secretariat, could make the appropriate corrections in its financing approval.

The Board also adopted an investment framework for the GCF<sup>453</sup>. This initial investment framework is designed to develop the investment policies, the investment strategies and portfolio objectives and the investment guidelines. Under these investment policies, the Fund will finance projects and programmes demonstrating the maximum potential for a paradigm shift towards low carbon emission and climate-resilient sustainable development, in accordance with the Fund's initial results management framework<sup>454</sup>. The Investment Committee created by the Board at its fifth meeting in Paris in October 2013 has been entrusted with defining criteria and indicators for the investment framework, setting out yardsticks for each criterion and identifying methodologies for assessing project quality and innovation level<sup>455</sup>.

452. Decision B.07/05 (see GCF/B.07/11, p.8)

453. Decision B.07/06. (see GCF/B.07/11, p9)

454. GCF/B.07/11; Annex XIV.

455. GCF/B.07/11; p 9.

### 2.2.10.3.3 *Initial results management framework*

The GCF Board also adopted an initial results management framework last summer<sup>456</sup>. Discussions were tricky leading to this decision as they involved defining a logical framework for results management and the development of indicators to measure the impact of the Fund on strategic progress in the recipient countries. The developing countries were against adopting indicators that could give rise to sectoral or nationally-predetermined mitigation objectives.

The framework adopted after these bitter discussions includes a logic model with different levels: paradigm shift objective, impacts on the Fund and project/programme results, products and inputs. This logic model applies to both mitigation and adaptation. The management framework is designed as a compromise between the complexity of projects and programmes and the limited capacity of most countries to monitor and report on these interventions. The monitoring programme is designed for active stakeholder participation through a combination of quantifiable indicators supplemented by periodic qualitative monitoring by focus groups and the stakeholders<sup>457</sup>.

The Council adopted key mitigation indicators by the same decision. These will include, for example, a transition to low carbon emissions or reduced emissions through increased access to low-emission energy and/or power generation. The adaptation indicators involve the transition to climate-resilient sustainable development and increased resilience and means of subsistence of the most vulnerable people, communities and regions<sup>458</sup>.

### 2.2.10.3.4 *Accreditation procedures for national, regional and international implementation intermediaries and entities, including administrative policies, best fiduciary practices and principles and environmental and social safeguards*

The Board adopted a guide framework for the accreditation procedure for national, regional and international implementation intermediaries and entities and for initial fiduciary principles and standards. They should be reassessed in the next three years<sup>459</sup>.

In addition, the Board adopted the performance standards of the International Finance Corporation (IFC) on an interim basis and decided to develop GCF-specific environmental and social safeguards within three years. These fiduciary standards and environmental and social safeguards form the accreditation criteria to be met by any implementation entity looking to access GCF financing.

---

456. GCF/B.07/04.

457. GCF/B.07/04, p.3.

458. GCF/B.07/11; p 7.

459. GCF/B.07/02 and GCF/B.07/11, p 3.

One of the most important decisions of the May 2014 meeting in Songdo was the adoption of a variable accreditation approach called fit-for-purpose. This approach allows a certain flexibility in applying initial fiduciary standards and interim environmental and social safeguards in line with the anticipated activities under the GCF of an accreditation applicant. This provision emanates from the requirement expressed by certain Board members of ensuring national appropriation and direct access without the excessively strict procedures that could in reality exclude several implementation intermediaries or entities located in the developing countries.

Lastly, the Board decided to undertake an assessment of institutions accredited to other relevant funds in terms of the GCF objectives, its interim ESS and its initial fiduciary standards, with a view to accelerating their accreditation to the GCF. This provision opens the door to the rapid accreditation of implementation entities already accredited to the Adaptation Fund or the GEF such as the Desert Research Foundation of Namibia, the Ecological Monitoring Centre in Senegal, the National Environment Fund in Benin, the South African National Biodiversity Institute and the National Environment Management Authority in Kenya.

#### ***2.2.10.3.5 Policies and procedures for the initial allocation of GCF resources, including results-based approaches***

Decision B.06/06<sup>460</sup> adopted by the GCF at its meeting in Bali in February 2014 aims for a 50-50 balance between the mitigation and adaptation funding windows of the Fund over time. This decision also establishes a 50% ceiling of the adaptation allocation for the particularly vulnerable countries, including the least developed countries (LDC) and the Small Island Developing States (SIDS)<sup>461</sup>. This decision recognises that these poor countries will face difficulties initially in accessing the GFC resources, hence the need to keep financial resources at their disposal once they have prepared ambitious projects or have to seek accreditation for national implementation entities.

In addition, the Board elected to manage access to the GCF resources on the basis of geographical equilibrium and a reasonable and fair distribution through a broad range of countries, whilst maximising the scope and transformational impact of the mitigation and adaptation activities of the Fund. This decision aims to compensate for the problem of unfair geographical distribution that has tended to characterise climate finance until now.

The decision also aims to maximise private sector involvement, mainly through a significant allocation to the Private Sector Facility.

460. GCF/B.06/18, p4.

461. GCF/B.06/05

### ***2.2.10.3.6 Initial proposal evaluation procedure, including project and programme financing criteria***

The GCF has adopted an initial assessment procedure for proposed programmes and projects that take account of the variable accreditation principles (fit-for-purpose approach) advocated by several Board members<sup>462</sup>. Underlining that the initial proposal assessment will identify programmes and projects that best achieve the Fund objectives, the Council decided to launch a call for applications from implementation entities and intermediaries following its third meeting in 2014<sup>463</sup>. The Board is envisaging an accelerated accreditation process and the possibility for the entities accredited to other funds with principles and standards comparable to the fiduciary standards and environmental and social safeguards of the GCF to be eligible for accelerated accreditation. The intention is to allow the GCF to finance the projects as quickly as possible, in anticipation of countries introducing the specific structures to access the GCF in accordance with their national priorities.

An independent technical advisory panel has also been created. This will be made up of experts to advise the GCF and provide independent technical assessments of proposed projects and programmes.

### ***2.2.10.3.7 Initial modalities for putting the GCF's mitigation and adaptation funding windows into operation along with the Private Sector Facility***

The Board confirmed the initial modalities for the operation of the GCF's mitigation and adaptation windows and the Private Sector Facility (PSF), as reflected in the base instruction and relevant decisions of the Conference of the Parties and the Board<sup>464</sup>. These modalities are intended to improve the complementarity and coherence between the activities of the Fund and of other relevant bilateral, regional and global financing mechanisms to mobilise all financial and technical capacities better<sup>465</sup>.

The issues surrounding the additional PSF modalities relate to the resource mobilisation modalities of the private sector by the PSF, the use of other financial instruments and the participation of private sector players in the developing countries, especially the local players, small and medium-sized enterprises and local financial intermediaries in the SIDS, LDC and Africa.

---

462. GCF/B.07/03

463. GCF/B.07/11 para. 8 (r).

464. GCF/B.07/08

465. GCF/B.07/08; p 2.

#### 2.2.10.3.8 *Terms of reference of the Independent Evaluation Unit (IEU), the Independent Integrity Unit (IIU) and the Independent Redress Mechanism (IRM).*

The GCF adopted the terms of reference for the IEU, the IIU and the IRM at its first meeting in 2014 in Bali. The IEU objective will be to carry out periodic independent evaluations of the Fund's performance and results, including the financed activities and its effectiveness<sup>466</sup>. The aim of these independent evaluations will be to advise the Board and broadcast the lessons learned. The IIU will work with the Secretariat in investigating allegations of fraud and corruption in conjunction with the competent authorities and report to the Board<sup>467</sup>. Lastly, the IRM<sup>468</sup> will receive and assess the complaints about the activities of the Fund and formulate recommendations. The IRM also reports to the Board.

Note also that two meetings were held on GCF resource mobilisation following the finalising of the eight requirements for the capitalisation of the GCF by the Board. The first took place in Oslo, Norway on 30 June-1 July 2014 and the second in Bonn, Germany on 8-9 September 2014. No firm undertakings were made by interested contributors at the Oslo meeting. In response to calls from several developing countries, the representatives of some developed countries indicated their lack of necessary political mandate to give an indication on concrete figures and that quantified commitments would only be possible at the last resource mobilisation meeting in November 2014. The main outcome of these meetings was agreement on the choice of moderator and an eminent person to assist with the initial resource mobilisation process. The person appointed to this task is Mr Lennart Bage (Sweden).

#### 2.2.10.4 **Fifth review of the financial mechanism of the Convention**

UNFCCC Article 11.4 provides for a regular review of the financial mechanism of the Convention. In its Decision 3/CP.4, the COP decided to review the financial mechanism of the Convention every four years. The financial mechanism of the Convention has been reviewed four times in the past, most recently at COP16 in Cancún. The fifth review will take place in Lima and should take account of guidelines updated in Warsaw (2013) for the review of the financial mechanism. The review objectives will include a review of procedures and activities of operating entities of the financial mechanism based on the following criteria: governance, reactivity to the COP guidelines, financial resource mobilisation, provision and effectiveness of

466. GCF/B.06/06 and base instrument, para 59: [http://gcfund.net/fileadmin/00\\_customer/documents/pdf/GCF-governing\\_instrument-120521-block-LY.pdf](http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF-governing_instrument-120521-block-LY.pdf).

467. Base instrument, para 68: [http://gcfund.net/fileadmin/00\\_customer/documents/pdf/GCF-governing\\_instrument-120521-block-LY.pdf](http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF-governing_instrument-120521-block-LY.pdf).

468. Base instrument, para 69: [http://gcfund.net/fileadmin/00\\_customer/documents/pdf/GCF-governing\\_instrument-120521-block-LY.pdf](http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF-governing_instrument-120521-block-LY.pdf).



financial resources, results and impacts obtained with the planned resources, coherence of the financial mechanism with the Convention objectives, coherence and complementarity of the financial mechanism with the other sources of investment and financial flows.

In Durban (2011), COP17 made the SCF responsible for providing specialist contributions, mainly through reviews and independent assessments, to preparing and organising periodic reviews of the financial mechanism by the COP<sup>469</sup>. In Warsaw (2013), COP19 requested the SCF to continue to provide the contributions of experts to the fifth review of the financial mechanism<sup>470</sup>. The SCF produced a reference document at its most recent meeting in Bonn on 1-3 October 2014 that formulates several recommendations targeting especially the Global Environment Fund and the GCF<sup>471</sup>. The SCF recommendations for governance relate to boosting transparency in the decision-making process of operating entities, the involvement level of stakeholders, gender-sensitive approaches, environmental and social safeguards and fiduciary standards.

The other SCF recommendations focus on improving the level of reactivity to the COP guidelines, the importance of adequate, predictable and sustainable financing to ensure the current programming level of certain funds and the national appropriation of programmes and projects.

#### MAIN FINANCING-RELATED ISSUES

How can the Adaptation Fund be incorporated into the post-2015 architecture? Should the new market mechanisms contribute to financing adaptation in similar fashion to the CDM?

How can we ensure the provision of sustainable, predictable and adequate financial resources to finance concrete adaptation projects and programmes that meet the needs and priorities of developing countries? How can the Adaptation Fund resources be diversified?

How can the transparency of financial flows and impacts from financial support be improved? How can the biennial assessment of the SCF financial flows be structured?

How can we be certain that the initial results management framework of the GCF meets the requirements of national appropriation and direct access of recipient countries?

469. Decision 2/CP.17, para. 121.

470. Decision 8/CP.19, para. 3.

471. [http://unfccc.int/files/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/application/pdf/scf\\_8\\_background\\_paper\\_fifth\\_review\\_of\\_the\\_financial\\_mechanism.pdf](http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/scf_8_background_paper_fifth_review_of_the_financial_mechanism.pdf).

How can we guarantee that the initial fiduciary standards and interim social and environmental standards of the GCF do not exclude implementation intermediaries or entities located in the developing countries?

How can we simplify, improve and rationalise access to financing, mainly through direct access, and harmonise approval and accreditation processes between the GCF and the different channels and institutions in existence?

How can we ensure that the projects benefiting from financing by the arrangement intended for the private sector will comply with the national priorities of the country in which they are implemented? How will this institutional arrangement be structured?

Are the 100 billion US dollars promised enough?

Can a mid-term quantified objective between 2014 and 2020 be adopted?

What amount would be required for the post-2020 period?

In terms of financing sources, how can public financing sources be mobilised in priority and how can additional financing from private and innovative sources be raised to increase the flow of investments in developing countries?

What is the financing mobilisation strategy of developed countries? How can the developing countries set up favourable environments and reduce investment barriers?

How long will the initial resource mobilisation process last? Will this mean a process with a set timetable or rather an open process moving forward as the GCF financing for projects and programmes is released?

How can we ensure that the initial mobilisation process of GCF resources is unique and innovative, instead of simply replicating other resource mobilisation processes and systems used by other funds?

What will be the proportion of grants compared with loans in the initial mobilisation of resources? What will be concession of any loans?

Will the initial mobilisation process and the first formal replenishment of resources be able to ensure sufficiently predictable resource flows to allow the developing countries to design and manage multi-annual programmes on a more sustainable basis?

What should be the scope of the fifth review of the financial mechanism of the Convention and which lessons learned apply to the GCF?

## 2.2.11 Technology transfer

The development and transfer of technologies assume special importance within the UNFCCC as they turn numerous mitigation and adaptation measures into reality<sup>472</sup>. Several decisions encourage the development and transfer of technologies, headed by those that created the Technological Mechanism (Cancún, 2010)<sup>473</sup>. The aim of this mechanism is to facilitate the reinforcement of technological development and transfer to support the climate change mitigation and adaptation policies. It comprises a Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN). Whereas the TEC supervises the assessment of technological needs and acts as a catalyst and promoter of technological cooperation, the CTCN advises the countries and facilitates the coordination between the national and regional technological development networks. The CTCN and TEC presented a joint annual report in Warsaw (see Section 2.2.11.1).

The Parties have been invited since Doha (2011) to name their Designated National Authorities to develop and transfer technologies in order to facilitate the operational implementation of the CTCN<sup>474</sup>. These entities constitute national coordination entities responsible for interacting with the CTCN. Nearly one hundred DNA have been nominated since Doha, including 25 in member countries of the Francophonie<sup>475</sup>.

In Warsaw, the Parties confirmed their desire to make the technological transfer processes operational by adopting the CTCN modalities and procedures<sup>476</sup>. These operating rules give the CTCN a guiding framework so that it can henceforth respond to requests sent in by the developing countries. The modalities fixed for the CTCN make it possible for it to support the countries in preparing draft projects through capacity-building activities, based on their technological needs or their National Adaptation Programmes of Action (NAPA). Appropriate adaptation and mitigation plans can then be set up.

The Technological Mechanism is also supported by the Poznań strategic programme on the transfer of technologies (Section 2.2.11.2).

---

472. UNFCCC Articles 4.1c, 5 and 7.

473. Decision 1/CP.16

474. Decision 14/CP.18, para.12.

475. Further information: [www.unfccc.int/ttcclar/templates/render cms\\_page?TEM\\_ndes](http://www.unfccc.int/ttcclar/templates/render cms_page?TEM_ndes)

476. Decision 25/CP.19.

### 2.2.11.1 Annual report of the Technology Executive Committee and the Climate Technology Centre and Network (SBI and SBSTA)

In Warsaw, the Parties reviewed together the TEC and CTCN joint annual activity report under the joint auspices of the SBI and SBSTA<sup>477</sup>. Information on the TEC activities and performance in 2013 were also presented, among other things. In terms of the TEC, topics relating to the assessments of technological needs, the need to develop technological road maps and boost collaborative research were emphasised.

The Parties did not however reach consensus on one element of the review of the report. The Group of 77 and China (G-77/China) proposed requesting the TEC to address intellectual property rights, mainly by suggesting that it participate as an observer at meetings of such organisations as the World Intellectual Property Organisation and the World Trade Organisation<sup>478</sup>. Several Parties included in Annex I were against this, stating that the TEC already had a mandate to identify the favourable environments and obstacles to technological development and transfer and should therefore focus on the implications of intellectual property rights for the transfer of technologies<sup>479</sup>. Australia, Canada, United States, New Zealand and Japan wished the report to show that no consensus was reached in Warsaw. Nevertheless, Bangladesh and Cuba, fearing an impasse on the bone of contention represented by the intellectual property rights over several years, warned against carrying this item forward to the next sessions<sup>480</sup>.

Proposals were also made to refer to Decision 2/CP.17, that deals with support for the CTCN, in the preamble rather than in the body of the annual report. Several developing countries expressed their concern, fearing that requesting the TEC and CTCN to amend their report would raise doubts over the compromise already reached<sup>481</sup>.

In Bonn (June 2014), the Parties managed to agree on a draft decision on the joint TEC and CTCN report for the 2013 financial year, for review and adoption at COP20<sup>482</sup>. The draft includes an invitation to the TEC to interact with other relevant institutions inside and outside the Convention<sup>483</sup>, an issue that had caused a major stand-off in Warsaw. The developing country Parties are also invited to communicate the requests made to the CTCN in advance to the Secretariat of the Convention through their Designation National Entity.

477. FCCC/SB/2013/1.

478. IISD, 2013a and [www.twinside.org.sg/title2/climate/news/warsaw01/TWN\\_update15.pdf](http://www.twinside.org.sg/title2/climate/news/warsaw01/TWN_update15.pdf).

479. 2013a

480. *Ibid.*

481. *Ibid.*

482. IISD, 2014b.

483. FCCC/SB/2014/L.1/Add.1.

Lima will also give the Parties the opportunity to review and debate the 2014 joint annual report in order to make recommendations<sup>484</sup>.

### **2.2.11.2 Poznań strategic programme on technology transfer (SBI)**

COP19 welcome the Poznań strategic programme on technology transfer as a step towards increasing the level of investment in technological transfers in order to assist the developing countries in meeting their technological needs<sup>485</sup>. Under the Poznań strategic programme, the Global Environment Fund (GEF) is responsible, among other things, for supporting the TEC and CTCN in financing and supporting the implementation of pilot technological projects, encouraging the public-private partnerships favouring the transfers of technologies and assessing technological needs<sup>486</sup>. As such, it must report on its activities to the COP, as was the case in Warsaw (2013)<sup>487</sup>.

In its activity report for 2014, which will be presented in Lima<sup>488</sup>, the GEF announces a contribution of two million US dollars project proposal to promote accelerated transfer and scaled-up deployment of mitigation technologies through the CTCN. In addition, the GEF underlines its on-going support for pilot and innovative technology transfer projects, especially a new project supporting technological needs assessment in 27 developing countries and the approval of seven national technological needs assessment projects.

In Warsaw, the Parties requested the GEF to hold consultations, mainly to envisage how it could best support the activities of the CTCN's five-year programme<sup>489</sup>. In addition, the TEC assessment of the Poznań strategic programme will be completed by Lima. In Lima, the GEF activity report for 2014, the GEF consultations and the assessment of the Poznań strategic programme will serve as the discussion basis so that the Parties can work on the possible improvements to the Technology Mechanism<sup>490</sup>.

---

484. FCCC/SB/2014/3.

485. Decision 2/CP.14.

486. [www.thegef.org/gef/TT\\_poznan\\_strategic\\_program](http://www.thegef.org/gef/TT_poznan_strategic_program).

487. FCCC/CP/2013/3.

488. FCCC/CP/2014/2.

489. FCCC/SBI/2013/20, para.137 and FCCC/SBI/2014/L.12.

490. FCCC/SBI/2014/L.12.

### THE MAIN ISSUES RELATED TO THE TRANSFER OF TECHNOLOGIES

What improvements should be made to the Technology Mechanism?

Which synergies can be explored between the TEC and other institutions and what are the potential benefits of this collaboration, mainly in terms of the prickly question of intellectual property rights?

To what extent can the GEF support the CTCN in carrying out its mandate and reaching its objectives?

What improvements could be made to the Poznań strategic programme?

## 2.2.12 Capacity-building (SBI)

So that the developing countries and countries with economies in transition can apply the provisions of the Convention and the processes resulting from the Kyoto Protocol, the Parties included in Annex II must support the capacity-building activities of these countries and reinforce the international cooperation in this area<sup>491</sup>.

The Marrakesh Accords in 2001 thus established two frameworks for capacity building: Framework for capacity building in developing countries<sup>492</sup> and the Framework for capacity building in countries with economies in transition<sup>493</sup>.

Capacity-building has become a major topic under discussions on a forthcoming agreement, affecting both mitigation and adaptation. Its cross-cutting and fragmented nature does, however, make inter-Party dialogue more complex. With this in mind, COP17 (Durban, 2011) mainly decided on an annual Durban Forum on Capacity-Building within the SBI<sup>494</sup>. The Forum reviews capacity-building in depth, with the participation of Parties and other stakeholders, so that everyone can share their experiences and exchange their ideas, best practices and lessons learned in terms of capacity-building activities carried out.

The third meeting of the Durban Forum (June 2014) was a chance to learn more about the experience of different countries in implementing innovative initiatives encouraging the emergence of environments favourable to implementing the Convention and also the needs for mitigation and adaptation capacity-building for developing countries<sup>495</sup>.

491. UNFCCC Articles 4.5 and 6 and Article 10(e) of the Kyoto Protocol.

492. Decision 2/CP.7.

493. Decision 3/CP.7.

494. Decision 2/CP.17

495. FCCC/SBI/2014/14.

In both Warsaw (2013) and in Bonn (June 2014), the Parties recognised, without for all that a decision being adopted, that capacity-building is a leading issue in the 2015 agreement and that it must cover both mitigation and adaptation. Discussions on the role of capacity-building in the 2015 agreement will continue in Lima. From this standpoint, SBI 40 welcomed the success of the Durban Forum meetings and will continue its deliberations in Lima to explore further the possibilities of capacity-building, mainly in the 2015 agreement<sup>496</sup>.

The Group of 77 and China (G-77/China) has expressed its concern during recent sessions that the Durban Forum is incapable of responding to the needs of developing countries<sup>497</sup>. These countries favour the creation of institutional mechanisms that would support the implementation of concrete capacity-building actions. Whereas the Like Minded Group and the LDC have argued for new, strengthened institutional mechanisms, the European Union, Japan and United States have encouraged the reinforcement of existing mechanisms. Some countries have put forward the idea of creating a working group to identify capacity-building needs<sup>498</sup>. In the same vein, the African Group has supported the creation of a capacity-building committee under the new agreement of 2015 and the Like Minded Group has encouraged setting up an international capacity-building mechanism financed by the GCF and with an assessment mechanism<sup>499</sup>. A major goal of the COP in Lima will therefore consist of ruling on the type of mechanism to be adopted in Paris in 2014.

Lastly, note that the Parties decided in Warsaw to create an Internet portal on capacity-building open to all. This innovative tool for monitoring global changes in capacity-building was launched at the Bonn session (June 2014). It can report on types of capacity-building worldwide, identify future projects or good practices and improve coordination of capacity-building activities to avoid duplications.

#### MAIN ISSUES RELATED TO CAPACITY-BUILDING

How can capacity-building activities at national scale be improved in developing countries or countries with economies in transition?

How can the lessons about capacity-building learned from good local or regional practices enrich the Paris agreement?

What institutional mechanisms must be introduced to support the implementation of capacity-building actions?

496. FCCC/SBI/2014/L.13.

497. IISD, 2014b.

498. IISD, 2013a.

499. IISD, 2014b.

### 2.2.13 The 2013-2015 review (SBSTA and SBI)

During COP16 in Cancún (2010), the Parties decided on a periodic review of the objective adopted in Copenhagen in 2009 of reducing GHS emissions, to keep the rise in average temperatures below 2°C of pre-industrial levels<sup>500</sup>. This process, known commonly as the "review", should therefore be particularly relevant for the discussions on a future agreement, especially in terms of the level of ambition.

The review process started in 2013 and will last two years. The Doha decision (2012) launched the process and set out the precise review objectives and execution modalities<sup>501</sup>. The Parties thus agreed that the review aims to assess periodically and in priority the adequate nature of the long-term global objective of 2°C and the overall progress made in achieving this objective. It was also decided that the review would take place in a joint SBSTA/SBI contact group and rely on the conclusions emanating from a Structured Expert Dialogue (SED). This expert group is responsible for ensure the scientific integrity of the review process.

The three SED were an opportunity for the Parties to grasp the scientific results of the highest importance, mainly the reports of the IPCC, and to ask questions of the IPCC experts<sup>502, 503</sup>. The experts underlined regularly at SED 2 (November 2013) and SED 3 (June 2014) that limited warming to 2°C required a long-term approach and therefore an emissions management approach based on scientific assessments. For the requirements of the 2013-2015 review, the IPCC experts have maintained that matching progress to the 2°C objective requires both a risk assessment and value judgments<sup>504</sup>.

The sources of information to be examined by the SED have also formed a stumbling block. AOSIS requested the use of additional information, like the national communications and publications reviewed by peers, published after the deadline for review by the IPCC as part of its fifth assessment report. China, Brazil and the Environmental Integrity Group adopt a broad vision of the review scope. China, for example, has requested information on the implementation of all the commitments resulting from the Convention, especially financing and the transfer of technologies. Brazil would like the information from the GCF and the NAMA Registry to be considered<sup>505</sup>. The European Union has stated that the SED should rely on the IPCC reports, whilst evoking the usefulness of work by other UN agencies and the documents produced by the Parties<sup>506</sup>. To see more clearly and debate this question, a list of do-

500. Decision 1/CP.16

501. Decision 1/CP.18.

502. See: <http://unfccc.int/7521>.

503. The SED can be viewed online at <http://unfccc.int/7521>.

504. FCCC/SB/2014/1.

505. IISD, 2014b.

506. <http://climate-l.iisd.org/news/unfccc-publishes-2013-2015-review-submissions-from-the-eu-canada-and-others/>.



cuments giving relevant national information has been prepared so that the SED and the Parties are in a position to judge the relevance of using additional information sources for future Dialogues<sup>507</sup>.

The SED will meet for the fourth time in Lima and the Synthesis Report of the Fifth IPCC Assessment Report will be presented<sup>508</sup>. A summary of SED work since 2013 will also be presented in Lima<sup>509</sup>. This will be an occasion for the Parties to take stock of progress and the sources of information used.

The main issues in Lima will relate to how to finalise the review in Paris in 2015 and use its conclusions to guide the work of the ADP on a future agreement. AOSIS, for example, believes the review to take priority and has argued for additional SED meetings to be organised in 2014 and 2015 to reach conclusions leading to the "*immediate implementation*" of the 1.5°C objective and to finalise the review before Paris<sup>510</sup>. Regarding the link with the ADP, certain developed countries have simply suggested that the Parties bear in mind the results of the 2013-2015 review when participating in the ADP and formulating their INDC (see Section 2.1.2)<sup>511</sup>.

## 2.2.14 Research and systematic observation (SBSTA)

According to the Convention, the Parties have to encourage and support the research work, systematic observation and the creation of data archives that allow for a better understanding of the phenomenon of climate change and the consequences of different response measures to mitigate it<sup>512</sup>. To achieve this, the SBSTA cooperates with, among others, the Global Climate Observing System (GCOS) and other partner bodies, such as the World Meteorological Organisation (WMO), the Committee of Earth Observation Satellites (CEOS) and the Global Terrestrial Observing System (GTOS). The SBSTA reviews GCOS and GTOS execution plans on a regular basis.

In September 2013, the report on the physical elements submitted by the first IPCC working group drew the attention of delegates to COP19 to the most recent alarming scientific observations. This first report constitutes the Fifth IPCC Assessment Report (the fourth report was finalised in 2007). It was then followed by the reports of the second working group on the impacts, vulnerability and adaptation in March 2014 and the third working group on mitigation in April 2014. SBSTA 40 considered these reports in Bonn last June during work on research and systematic observation<sup>513</sup>. A synthesis report that incorporates and summarises the observations of

507. FCCC/SB/2014/INF.3.

508. See: [www.ipcc.ch/home\\_languages\\_main\\_french.shtml#21](http://www.ipcc.ch/home_languages_main_french.shtml#21).

509. FCCC/SB/2014/1.

510. IISD, 2014b.

511. <http://climate-l.iisd.org/news/unfccc-publishes-2013-2015-review-submissions-from-the-eu-canada-and-others/>.

512. By virtue of Article 4.1 (g) and Article 5 of the Convention.

513. FCCC/SBSTA/2014/2, para 60.

all three reports will be available in time for Lima<sup>514</sup> (see Sheet 12 on the observations of the 5th IPCC Report<sup>515</sup>).

SBSTA 39 held in Warsaw emphasised the importance of systematic observation for the UNFCCC process and noted the lack of data and weaknesses of the international climate observation network, especially in the developing countries. SBSTA thus requested the Parties and competent organisations to strengthen climate monitoring and to make the historical data accessible<sup>516</sup>.

A "*dialogue on research*" has been organised under the auspices of SBSTA since 2009. Under this dialogue, research programmes and bodies advise the Parties regularly of changes in research activities that are relevant to the needs of the Convention in order to improve communication between the Parties and the scientific community<sup>517</sup>.

The dialogue held its sixth session in Bonn in June 2014. It emphasised emerging scientific knowledge on climate change in polar regions (as proposed by the European Union)<sup>518</sup>. The second and third working groups of the Fifth IPCC Assessment Report presented their latest observations, emphasising the amplification of the warming at high latitudes, the sensitivity of polar species to this warming and the ongoing reduction in the Arctic and Antarctic ice cover<sup>519</sup>. The British Antarctic Survey, an organisation contributing to the sixth Dialogue, has asked for an international research effort into understanding better the complex impacts of climate change in the Arctic<sup>520</sup>.

The Parties have proposed other topics for the next dialogues, such as clarifying questions about the uncertainty in the results of the Fifth IPCC Assessment Report (China), the impacts of climate change on water resources and the adaptation to the phenomenon of desertification (South Africa) and the impacts on the ecosystems at high latitudes, above all in permafrost areas (Russia)<sup>521</sup>.

514. FCCC/SBSTA/2013/5, para. 46.

515. [www.ipcc.ch/report/ar5](http://www.ipcc.ch/report/ar5).

516. FCCC/SBSTA/2013/5, para. 47.

517. By virtue of Decisions 9/CP.11 and 16/CP.17; <http://unfccc.int/6793>.

518. <http://unfccc.int/6793>; European Union submission: [http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39\\_17\\_130453076268140112-EU\\_RSO.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39_17_130453076268140112-EU_RSO.pdf).

519. [http://unfccc.int/files/science/workstreams/research/application/pdf/5\\_wgiar5\\_hezel\\_sbsta40\\_short.pdf](http://unfccc.int/files/science/workstreams/research/application/pdf/5_wgiar5_hezel_sbsta40_short.pdf); and [http://unfccc.int/files/science/workstreams/research/application/pdf/6\\_ipcc\\_wgii\\_polar\\_ocean\\_summary\\_poertner.pdf](http://unfccc.int/files/science/workstreams/research/application/pdf/6_ipcc_wgii_polar_ocean_summary_poertner.pdf).

520. [http://unfccc.int/files/science/workstreams/research/application/pdf/7\\_ice-arc\\_wilkinson.pdf](http://unfccc.int/files/science/workstreams/research/application/pdf/7_ice-arc_wilkinson.pdf).

521. South Africa: [http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39\\_17\\_130453077017744137-SA\\_RSO.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39_17_130453077017744137-SA_RSO.pdf); China: [http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/53\\_17\\_130459156816428661-China\\_RSO.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/53_17_130459156816428661-China_RSO.pdf); Russia: [http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39\\_17\\_130453076676717207-Russia\\_RSO\\_eng.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/39_17_130453076676717207-Russia_RSO_eng.pdf).

During SBSTA 40 (Bonn, June 2014), the Parties examined the issues raised by a workshop on the ecosystems with major carbon reservoirs and which are not covered by other agenda items by virtue of the Convention<sup>522</sup>. This workshop was a follow-up to calls by certain Parties to focus more on ecosystems such as steppes, tundra and peatlands (Russia) and coastal marine ecosystems (Norway, Coalition for Rainforest Nations)<sup>523</sup>. The workshop was held in October 2013 and focused on the current state of scientific and technical knowledge of these ecosystems and on mitigation and adaptation approaches potentially undertaken in these ecosystems<sup>524</sup>. The Parties discussed in Bonn (June 2014) the follow-up merited by these issues and the discussions will continue in Lima. Although certain Parties favour a review of scientific data by other bodies<sup>525</sup>, other Parties would like the Convention to consider actions led by countries in these ecosystems. The Coalition of Rainforest Nations suggests, for example, that the SBSTA thinks about incentives for mitigation activities in the coastal marine systems and wetlands that could be subject to measuring, reporting and verification in the same way as the REDD+ (see Section 2.2.5)<sup>526</sup>.

Note that in October 2013, the IPCC adopted the guidelines on taking wetlands into account in the national greenhouse gas inventories<sup>527</sup>. Their inclusion in the UNFCCC guidelines for the reports of Parties included in Annex I will be reviewed at SBSTA 46 in 2017<sup>528</sup>.

In addition, SBSTA 40 last June considered the work of the Secretariat to encourage the availability and visibility of scientific information relevant to the Convention on the UNFCCC website<sup>529</sup>. SBSTA 40 has asked the Secretariat to continue to improve this aspect and to report on this work to SBSTA 42 in 2015<sup>530</sup>.

In Lima, SBSTA 41 will consider the results - via the WMO - of the second meeting of the Intergovernmental Board on Climate Services (November 2014). This Board governs the implementation of the Global Framework for Climate Services<sup>531</sup>. This aims to incorporate climate data and forecasts in the adaptation schedule, in order to help the most vulnerable countries to manage the risks and opportunities

---

522. Requested by SBSTA 37 in 2012: FCCC/SBSTA/2012/5, para. 50.

523. Russia: <http://unfccc.int/resource/docs/2012/sbsta/eng/misc02.pdf>; Norway: <http://unfccc.int/resource/docs/2012/sbsta/eng/misc02a02.pdf>; Coalition of Rainforest Nations: <http://unfccc.int/resource/docs/2012/sbsta/eng/misc02a01.pdf>.

524. FCCC/SBSTA/2014/INF.1 and <http://unfccc.int/7797>.

525. IISD, 2014b.

526. [http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/53\\_17\\_130464561195360814-CfR.pdf](http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/53_17_130464561195360814-CfR.pdf).

527. [www.ipcc-nggip.iges.or.jp/public/wetlands/index.html](http://www.ipcc-nggip.iges.or.jp/public/wetlands/index.html).

528. FCCC/SBSTA/2013/5, para. 78-80.

529. FCCC/SBSTA/2014/INF.5.

530. FCCC/SBSTA/2014/2, para. 67.

531. FCCC/SBSTA/2013/5, para. 43.

from the variability of the climate better, mainly for the national adaption plans (see Section 2.2.8.2)<sup>532</sup>.

The SBSTA may also consider the results of a workshop organised by the GCOS and the IPCC in November 2014. This aimed to identify the means of improving systematic observation and building up scheduling capacities for the adaptation of developing countries<sup>533</sup>.

**THE MAIN ISSUES RELATING TO RESEARCH AND SYSTEMATIC OBSERVATION**

How can we plug the gaps between the data and the international climate observation network?

What topics should be addressed by the next dialogue on research?

What consideration should be given to the ecosystems with major carbon reservoirs and which are not covered by other agenda items by virtue of the Convention, such as the coastal marine systems and peatlands? How can we respond to the lack of guidelines to estimate the carbon and carbon flows and how can we encourage mitigation and adaptation actions in these ecosystems?

How can be exploit the climate information to the full to build up scheduling capacities for the adaptation of developing countries?

What follow-up should be given to the Fifth IPCC Report (see Sheet 12)? Can it stimulate a sufficiently ambitious new agreement to plug the gap between the current emissions trajectory and the one required to limit the rise in temperatures above 2oC? How will the Parties capitalise on this Report to intensify their efforts in implementing mitigation and adaptation measures and in granting financial and technological support for these measures?

How should the various sectoral and regional issues be managed?

**2.2.15 Questions relating to the mechanisms provided for by the Kyoto Protocol**

The Durban and Doha decisions on the Kyoto Protocol involve several methodological issues. Little progress has been made on these issues over the last two years. In Lima, the Parties will attempt to move this negotiation forward within SBSTA by clarifying the current Kyoto regime for accounting for emissions and removals (Section 2.2.15.1), by clarifying the Doha amendment, as requested by Kazakhstan (Section 2.2.15.2), by finalising the methodological changes for accounting for emis-

532. IISD, 2014b and [www.wmo.int/pages/governance/ec/global-framework-for-climate-services\\_en.html](http://www.wmo.int/pages/governance/ec/global-framework-for-climate-services_en.html).

533. FCCC/SBSTA/2014/2, para. 55.

sions and removals linked to the Land Use, Land Use changes and Forestry (LULUCF) sector (Section 2.2.15.3) and by relaunching the discussion on the inclusion of reforestation of lands with forest in exhaustion under the Clean Development Mechanism (CDM) (Section 2.2.4).

Note that, for the Parties to transit smoothly to the second commitment period of the Kyoto Protocol, it is important that the SBSTA can conclude its work at its forty-first session so that CRP 10 can adopt a decision in Lima in December 2014.

### **2.2.15.1 Impacts of applying Decisions 2/CMP.7 to 4/CMP.7 and 1/CMP.8 on previous decisions on methodological considerations related to the Kyoto Protocol (Articles 5, 7 and 8) (SBSTA)**

Articles 5, 7 and 8 of the Kyoto Protocol deal mainly with national systems for the development of the GHG inventory by the Parties (Article 5), the methodology used to prepare it and how it is communicated (Article 7) and its review by a group of specialist experts (Article 8). The decisions taken in Durban in 2011<sup>534</sup> and the Doha Amendment to the Kyoto Protocol in 2012<sup>535</sup> involve changes in the communication of information and the inventory review procedures. These decisions do in fact have an impact on the accounting of emissions and removals during the second commitment period.

The Durban Decision introduced new definitions, modalities, rules and guidelines for the accounting of LULUCF-related activities for the second commitment period of the Kyoto Protocol<sup>536</sup>. In particular, it makes the accounting of emissions and removals of forest management activities mandatory, whereas this was voluntary during the first commitment period. It also makes it mandatory for the Parties to estimate the emissions of fluorinated gases (hydrofluorocarbon, perfluorocarbon, sulphur hexafluoride and nitrogen trifluoride) when estimating data and methods are available<sup>537</sup>. The Decision also obliges the Parties to use the global warming potentials of the fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) and the 2006 IPCC guidelines for the second commitment period.

The Doha Decision limits the use of surplus assigned amount units (AAU) during the second commitment period. This decision is intended to ensure the environmental integrity of the Protocol<sup>538</sup>. These units do not relate to actual emission reductions. Their total carryover to the second commitment period would have meant 6% reduction in emissions for developed countries by 2020 compared with 1990 levels. This would amount to a business-as-usual scenario<sup>539</sup>. Since Doha, the Parties

---

534. Decisions 2/CMP.7 and 4/CMP.7.

535. Decision 1/CMP.8.

536. Decision 2/CMP.7

537. Decision 4/CMP.7

538. Decision 1/CMP.8.

539. Climate Action Tracker, 2013.

to the Kyoto Protocol must keep their AAU to less than 2% of their permits for the first commitment period. The Doha Decision also imposed a restriction on the emissions rise of Parties to the Protocol compared with the 2008-2010 baseline. But this decision displeased Belarus, Kazakhstan and Ukraine. Emissions of these countries are expected to rise compared with the 2008-2010 baseline due to economic development in these countries after the collapse of the Soviet Union.

Since 2013, the Parties have moved towards identifying methodological issues that would be implied by amendments to the Kyoto Protocol rules. Given the multitude of issues, SBSTA was not in a position to finalise its work in either Warsaw or Bonn (June 2014). A meeting of experts was organised on 7 November to advance on these issues. For this purpose, the technical document that lists the methodological aspects requiring a decision will be updated before Lima<sup>540</sup>.

The stumbling blocks relate, among other things, to the new modalities for calculating AAU for the second period and their inclusion in the Doha Amendment, the carryover of Emission Reduction Units (ERU) and Certified Emission Reduction Units (CER) in the Parties' accounts, the possibility of cancelling an account, the possibility of automatic verification of the systems and the 2% sampling of all AAU transferred<sup>541</sup>. In addition, reporting tables for natural events with involvement in the emissions or removals in the LULUCF sector should be discussed in Lima<sup>542</sup>.

### 2.2.15.2 Clarification of the Doha Amendment (SBSTA)

Following the adoption of the Doha Amendment, Kazakhstan has requested clarifications on Section G of this Amendment<sup>543</sup>. This section states that: "*Any positive difference between the assigned amount of the second commitment period for a Party included in the Annex I and average annual emissions for the first three years of the preceding commitment period multiplied by eight shall be transferred to the cancellation account of that Party*".

Kazakhstan is a special case as it had no obligation to reduce emissions during the first commitment period and now has a quantified objective for the second period. The question therefore arises of what basis should be used to calculate the annual average emissions of Kazakhstan<sup>544</sup>.

In Warsaw and in Bonn (June 2014), the Parties discussed several options for clarifying the wording of Section G. The options include: the section would not apply to the Parties that did not have quantified limitation or reduction commitments

540. FCCC/TP/2014/14 and FCCC/TP/2014/6.

541. FCCC/SBSTA/2013/INF.15

542. [http://unfccc.int/meetings/warsaw\\_nov\\_2013/workshop/7845/php/view/docs.php](http://unfccc.int/meetings/warsaw_nov_2013/workshop/7845/php/view/docs.php).

543. Decision 1/CMP.8, section G ("Article 3, para. 7 ter").

544. FCCC/KP/CMP/2013/7

during the first commitment period; the section would to the Parties with objectives for the second period and the average of emissions for 2008 to 2010 is used for the Parties with no objectives in the first commitment period; or the average of emissions for 2008 to 2010 would be used for all the Parties<sup>545</sup>.

With respect to the chosen options, certain Parties may have to cancel significant numbers of units to meet this requirement. These cancellations can endanger the ability of these Parties to comply with their commitments for the second commitment period and/or reduce the number of units that this Party can be in a position to use in a future mechanism. To this effect, the Alliance of Small Island Developing States (AOSIS) has expressed its fear of seeing this exercise result in the rewriting or too "creative" interpretation of the Section G text<sup>546</sup>. As the Parties were unable to agree in Bonn, the various wording options have remained in square brackets and no agreement has been reached on the option to be used. These options therefore remain on the negotiating table for Lima.

### **2.2.15.3 LULUCF-related activities under paragraphs 3 and 4 of Article 3 of the Kyoto Protocol and CDM (SBSTA)**

The LULUCF sector has a very broad mitigation potential and currently has a special regime. This was outlined by the Marrakesh Accords (2001) which followed the adoption of the Kyoto Protocol. The regime for this sector was then specified in Milan (2003) and modified in Durban (2011). The Durban modifications involve methodological changes for the accounting of emissions and removals linked to the LULUCF sector and for the CDM.

The main issue for Lima relates to the addition of new CDM activities in the LULUCF sector. These new activities involve modalities and procedures that give rise to technical issues in establishing reference levels: additionality, monitoring reductions, methods for controlling leaks and the risk of non permanence, the environmental and socio-economic impacts, etc. The approaches towards dealing with the risk of non permanence of these activities attracts very special attention by the Parties.

As requested in Warsaw, a technical document sets out the latest proposals for new activities for the CDM and the approaches to managing the risk of non permanence<sup>547</sup>. Whereas certain developing countries insist on including new LULUCF activities under the CDM to promote sustainable development, other countries believe that there is too little information on these activities and that a decision on this topic would be premature. Several developing countries are requesting that the LULUCF activities - that the developed countries must report under the Kyoto Protocol - are also eligible for the developing countries under the CDM. This involves the following

545. FCCC/SBSTA/2014/L.18, Annex

546. IISD, 2014b.

547. FCCC/SBSTA/2013/5, para. 107.

activities: forest management, management of cultivated lands, agroforestry, silvo-pastoral systems, replanting and drainage of wetlands. In this sense, aligning these activities with those undertaken under the reduction of emissions from deforestation and forest degradation (REDD+) has been highlighted by several countries and organisations (see Section 2.2.5)<sup>548</sup>. In terms of the methodological issues of calculating and monitoring emission reductions, a compromise has to be found between a robust, flexible system that does not represent too large an obstacle to the eligibility of projects.

In terms of managing the risk of non permanence, the Parties should discuss how to improve the current approach of generating temporary credits, that limit the interest of investors in the CDM afforestation and reforestation projects<sup>549</sup>. Some countries, like Chile, have stated their preference for setting up a reserve, in which a portion of credits generated by the LULUCF activities is set aside as an insurance against the risk of non permanence<sup>550</sup>. Other proposals include recourse to an insurance mechanism and a "tonne-year" approach, whereby a credit will only be issued at the end of a period, which guarantees that the reduction has indeed offset one tonne of CO<sub>2</sub>.

A workshop was planned in 2014 to move forward on these various questions but it could not be organised for financial reasons. Lima should therefore set aside sufficient time to deal with this issue and reach a decision.

#### **2.2.15.4 Taking into account the reforestation of forestry lands in exhaustion as afforestation and reforestation activities under the CDM (SBSTA)**

The question of making afforestation activities of forestry lands in exhaustion eligible under the CDM has been discussed intensely for several years.

The discussions relate mainly to the definition of forestry lands in exhaustion, as this has a direct impact on how the sponsor of a CDM project can prove that the forest is being exhausted. Brazil proposed in May 2012 that eligible lands are those where it can be proved that they were converted into non-forestry land in five years before the start of the project by means of a final harvest<sup>551</sup>. Such an activity would maintain both the vegetation cover and the integrity of the soil. However, several non-governmental organisations fear that forest lands are exhausted deliberately to claim carbon credits for reforestation activities<sup>552</sup>.

548. FCCC/TP/2014/2.

549. *Ibid.*

550. Chile: [http://unfccc.int/files/methods/redd/submissions/application/pdf/2013\\_0903\\_subm\\_chile\\_lulucf\\_call\\_no\\_8\\_sbsta39.pdf](http://unfccc.int/files/methods/redd/submissions/application/pdf/2013_0903_subm_chile_lulucf_call_no_8_sbsta39.pdf).

551. FCCC/SBSTA/2012/MISC.10.

552. *Ibid.*



One interesting point is that in the submission by Brazil, reference is made to a workshop attended by experts from Angola, Brazil, Chile, Ecuador, Guyana, Peru, Philippines, Tanzania and Zambia. However, these countries have not rallied officially to the Brazil submission and it has proved impossible to adopt a decision on this question since the thirty-third SBSTA session. This item therefore remains on the Lima agenda.

#### ISSUES RELATED TO THE KYOTO PROTOCOL

What are the methodological impacts for the accounting of emissions and removals from the Durban and Doha Decisions that have to be resolved?

How should Section G of the Doha Amendment be interpreted, especially for the Parties included in Annex I of the Convention that had not make a quantified commitment to limit or reduce emissions for the first commitment period?

Should new types of LULUCF activity be eligible under the CDM? What is the best approach towards managing the risk of non permanence of emission reductions achieved by the CDM projects in the LULUCF sector? Should a credit reserve or insurance system be set up?

Is the reforestation of forestry lands in exhaustion eligible as an afforestation and reforestation project activity under the CDM?

### 2.2.16 Taking gender into account in the negotiations on the different topics

COP18 in Doha (2012) made remarkable progress in taking gender into account in the UNFCCC negotiations. Whereas previously questions of gender had to be examined under the "Other matters" agenda item, Doha introduced a space for discussing gender regularly in the COP programmes and proposed a gender workshop for the first time, which was held in Warsaw.

The discussions in Doha left room for the adoption of two major decisions. The first consists of confirming the progress made during previous sessions on the issue of gender equality for each pillar of the Bali Action Plan<sup>553</sup>. Remember therefore that:

- The vision recognises that multiple stakeholders must be mobilised at all levels and that "*gender equality and the effective participation of women and indigenous peoples*" are hugely important for effective action on all aspects of climate change<sup>554</sup>;

553. Decision 1/CP.18.

554. Decision 1/CP.16, para. 7.

- The adaptation pillar affirms that enhanced action on adaptation should follow a country-driven, gender-sensitive, participatory and fully transparent approach (see also Section 2.2.8)<sup>555</sup>;
- The mitigation pillar requests the developing countries, when preparing and implementing their national strategies or actions plans for the REDD+, to consider the concern for gender equality<sup>556</sup>. It also urges the Parties to take into consideration the positive and negative impacts of implementing response measures to mitigate climate change on society and on all vulnerable groups, in particular women and children<sup>557</sup>;
- The capacity-building support pillar recalls that support for capacity-building should take gender aspects into account<sup>558</sup>;
- The technological support pillar reaffirms that the mission of the Climate Technology Centre and Network is, among other things, facilitate the preparation and implementation of technology projects and strategies taking into account gender considerations to support action on mitigation and adaptation and enhance low emissions and climate-resilient development<sup>559</sup>;
- The financial support pillar underlines that the Standing Committee must take into account the need to achieve gender balance in accordance with Decision 36/CP.7<sup>560</sup>.

The second major decision in Doha relates to the promotion of gender balance and how to enhance the participation of women in the negotiations and the representation of the Parties<sup>561</sup>. This decision aims to improve the representation of women in the Convention's processes. It reinforces a decision of 2001<sup>562</sup> targeting a gender balance so that the climate change policies are more efficient and respond fairly to the needs of each gender. This decision, for example, invites the Parties to envisage nominating women to posts in bodies created under the Convention or the Kyoto Protocol. Similarly, the Secretariat is asked to bring this decision to the attention of Parties whenever a vacancy arises and to maintain information on gender composition of each body<sup>563</sup>. The current and future chairpersons of these bodies have also been asked to ensure a representation balance within the different negotiating groups.

555. Decision 1/CP.16, para. 12.

556. Decision 1/CP.16, para. 72.

557. Decision 2/CP.17, para. 90.

558. Decision 1/CP.16, para. 130.

559. Decision 2/CP.17, Annexe VII, para. 1.

560. Decision 2/CP.17, Annexe VI, para. 2.

561. Decision 23/CP.18.

562. Decision 36/CP.7.

563. FCCC/CP/2001/13/Add.4.

COP19 in Warsaw was a chance to extend the dynamics initiated in Doha. In Warsaw - and this will also be true in Lima - the discussions have focused on this second decision. Several proposals were put forward in Warsaw on how to enhance its application, including the introduction of an action framework with a timetable, capacity-building for all women delegates to the UNFCCC or the training and awareness-raising on the topic of gender<sup>564</sup>. The SBSTA will consider these proposals in Lima<sup>565</sup>.

The Annual Report on gender composition tracking progress made towards the goal of gender balance was presented in Warsaw<sup>566</sup>. SBI 40 noted with concern that less than 30% of members of the majority of bodies constituted under the Convention and the Kyoto Protocol were women<sup>567</sup>. In its conclusions, the SBI undertook to review the means for strengthening the gender balance and climate policies that take account of this balance nationally, regionally and globally. SBI thus encouraged the international and regional organisations to develop additional tools and knowledge to support the implementation of such policies. Similarly, the international and regional organisations have been urged to consider gender balance when carrying out capacity-building activities<sup>568</sup>.

An annual report for 2014 will also be presented in Lima<sup>569</sup>, in order to provide the Parties with paths to advance the promotion of gender balance and means to boost the participation of women in the negotiations and in the representation of Parties.

From a broader perspective, two workshops were also organised in Warsaw. The first was a chance for the Parties and other participants to dialogue on gender balance issues in the process resulting from the Convention, ways in which climate policies can take account of the gender issue and capacity-building activities that could encourage more extensive representation of women in the process<sup>570</sup>. The second, high-level workshop was dedicated to the topic of gender. Its title was *Vision 50/50: Women for Action on Climate Change*. This meeting organised as part of "Gender Day" was a significant event as it brought together influential women from all over the world and contributed to the emergence of a vision for a sustainable future<sup>571</sup>.

---

564. FCCC/SBI/2013/L.16, Annex.

565. FCCC/SBI/2013/20, para. 208.

566. FCCC/CP/2013/4.

567. FCCC/SBI/2013/20, para. 203.

568. FCCC/SBI/2013/20, para. 207, 212, 213.

569. FCCC/CP/2014/7.

570. Further information: [www.unfccc.int/files/adaptation/application/pdf/in\\_session\\_workshop\\_agenda\\_web.pdf](http://www.unfccc.int/files/adaptation/application/pdf/in_session_workshop_agenda_web.pdf).

571. <http://unfccc.int/7516> and [www.vimeo.com/80782255](http://www.vimeo.com/80782255).

### THE MAIN ISSUES RELATED TO TAKING GENDER INTO ACCOUNT IN THE NEGOTIATIONS

What approaches should be followed to boost the application of Doha Decision 23/CP.18, mainly on the participation of women in the negotiations and the gender balance within the Convention bodies? Is a specific action framework needed?

What tools and knowledge have been developed to support the implementation of climate policies that take account of gender balance?

# EXPECTATIONS OF THE LIMA CONFERENCE

As the final step before Paris, the Lima Conference is the last milestone in the negotiation process to finalise the next climate agreement in 2015. According to the Convention, the text of any new agreement must be communicated to the Parties at least six months before the Conference at which it is scheduled for adoption<sup>572</sup>. The Paris deadline in December 2015 therefore requires the Parties to the UNFCCC to advance in preparing a draft text in December 2014 in Lima.

Since the adoption of the Durban Platform in 2011, the Parties have gradually outlined a new international governance framework for climate change. The invitation issued at the Warsaw Conference (2013) for Parties to submit Intended Nationally Determined Contributions (INDCs) to the UNFCCC Secretariat before the Paris Conference (2015) points to the nature of the 2015 agreement. The Parties have been left to assess the ambition of their mitigation contributions, thereby emphasising the voluntary contribution of the Parties and the cooperation between them. To date, this so-called bottom-up approach has not produced emission reduction commitments that would limit the rise in temperatures to 2°C. The major question for 2015, when the countries start to submit their INDCs, will therefore be to make sure that together these contributions are sufficiently ambitious.

The Lima Conference has a crucial role to play in creating the sense of trust needed by the Parties to negotiate their INDCs for the post-2020 period that live up to the climate challenge. It is absolutely essential to conclude the 2013-2015 review and reach agreement on the information to be included in INDCs as any delay could jeopardise the success at Paris.

Furthermore, the post-Lima period will only favour fruitful negotiations for a Paris agreement if other progress has been made. Several Parties, mainly developing countries, condition their commitment to the Paris agreement on significant progress being made in the operationalization of the Kyoto provisions and the results of the Bali Action Plan, mainly in terms of finance and pre-2020 ambition.

Nevertheless, with time running out, the focus on the Paris agreement risks pushing other issues into the background, notably regarding the mechanisms created since the 2010 Cancún Conference, including the Green Climate Fund, the Technology Mechanism, the Framework for Various Approaches and the Adaptation Framework. It will therefore be important in Lima to find a good balance so that a positive outcome can be achieved for all the Parties.

---

572. UNFCCC Articles 15 and 17.

There is no doubt that considerable political mobilisation will be required in the run up to Paris. The United Nations Climate Summit, organised by the Secretary General Ban Ki-moon last September, breathed a certain optimism into the process by securing the support of numerous Heads of State for an ambitious agreement in Paris. In this spirit, it is anticipated that Lima will address urgently the outlines of the Paris agreement whilst recognising within the agreement the technical issues to be finalised during subsequent sessions.

The Lima Conference is therefore the last step in a long negotiation process. Its success is therefore essential in order to reach an ambitious, universal and binding agreement for adoption in 2015 in Paris for the post-2020 period.

# FACT SHEETS

## Sheet 1.

### Timeline of important milestones in the negotiations on climate change

	Important milestones	Negotiation terms
1990	<i>Submission of the first Assessment Report of the Intergovernmental Panel on Climate Change (IPCC)</i>	
1992	United Nations Conference on Environment and Development - Rio de Janeiro	United Nations Framework Convention on Climate Change (UNFCCC)
1994		Entry into force of the UNFCCC
1995	Second IPCC evaluation report submitted COP1 - Berlin	Berlin Mandate
1996	COP2 - Geneva	
1997	COP3 - Kyoto	Kyoto Protocol
1998	COP4 - Buenos Aires	Buenos Aires Action Plan: timetable for implementation of the Protocol
1999	COP5 - Bonn	
2000	COP6 - The Hague	
2001	<i>Third IPCC evaluation report submitted</i> COP6 resumed - Bonn COP7 - Marrakesh	Bonn Agreements: agreement on the implementation of the Protocol  Marrakesh Accords: finalisation of technical details relating to the Kyoto Protocol
2002	World Summit on Sustainable Development - Johannesburg COP8 - New Delhi	Delhi Declaration
2003	COP9 - Milan	
2004	COP10 - Buenos Aires	Buenos Aires Work Programme: agreement on adaptation and response measures
2005	COP11 - Montreal CMP1 - Montreal	Entry into force of the Kyoto Protocol Formation of the AWG-KP
2006	COP12 - Nairobi CMP2 - Nairobi	Nairobi Work Programme on impacts, vulnerability and adaptation to climate change
2007	Fourth IPCC evaluation report submitted COP13 - Bali CMP3 - Bali	Bali Action Plan Formation of the AWG-LCA

	Important milestones	Negotiation terms
2008	COP14 - Poznań COP4 - Poznań	Poznań strategic programme for technology transfer
2009	COP15 - Copenhagen CMP5 - Copenhagen	Copenhagen Accord
2010	COP16 - Cancún CMP6 - Cancún	Cancún Agreements
2011	COP17 - Durban CMP7 - Durban	The Durban Platform
2012	"Rio +20" United Nations Conference on Sustainable Development COP18 - Doha CMP8 - Doha	The future we want  Doha climate gateway Doha amendment
2013	<i>Fifth IPCC Assessment Report sub- mitted (first working group)</i> COP19 - Warsaw COP9 - Warsaw	Warsaw framework for REDD+ Warsaw international mechanism on loss and damage
2014	<i>Fifth IPCC Assessment Report submitted (continued: second and third working groups)</i>	



## Sheet 2.

### United Nations Framework Convention on Climate Change (UNFCCC)

**Date of entry into force:** March 1994

**Ratification status:** 196 Parties<sup>573</sup>, including the European Economic Community<sup>574</sup> (EEC)

**Supreme decision-making body:** Conference of the Parties (COP)

**Main objective [Article 2]:** *"[...] stabilisation of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Such a level should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner."*

#### UNFCCC Annexes:

Annex I - List of 43 Parties, including the EEC: developed countries and countries with economies in transition<sup>575</sup>;

Annex II - List of 23 Parties, including the EEC: wealthiest developed countries<sup>576</sup>.

#### Commitment of the Parties:

- **All Parties:** for example, prepare a national greenhouse gas emission inventory, implement mitigation programmes and adaptation actions, offer cooperative support in technological research and dissemination and facilitate the education and awareness of the general public (Article 4.1).
- **Annex I Parties:** mainly, implement national policies to mitigate climate change and weaken emissions in the long term (Article 4.2).
- **Annex II Parties:** support developing countries financially, mainly by helping to prepare their national communications, to ease their adaptation to climate change and encourage access to technologies (Articles 4.3, 4.4 and 4.5).

**Link to the Convention site:** [www.unfccc.int](http://www.unfccc.int)

**Link to the Convention text:** <http://unfccc.int/resource/docs/convkp/conveng.pdf>.

---

573. As at 30 September 2014. <http://unfccc.int/2631>.

574. As the European Union signed the Convention whilst it was still the European Economic Community (EEC), this name continues to be used officially in any formal dealings over the Convention.

575. <http://unfccc.int/2774>.

576. Originally 24, but Turkey was deleted from Annex II by an amendment that entered into force on 28 June 2002, in accordance with Decision 26/CP.7.

### Sheet 3.

## Kyoto Protocol

**Date of entry into force:** 16 February 2005.

**Ratification status of the Kyoto Protocol** 192 Parties<sup>577</sup>, including the EEC; four Parties to the Convention have not ratified the Kyoto Protocol.

**Ratification status of the Doha Amendment to the Kyoto Protocol:** Eighteen Parties (as at 30 September 2014).

**Supreme decision-making body:** Conference of the Parties serving as the Meeting of the Parties (CMP).

**Main objective:** instigate quantified and legally-binding targets for limiting and reducing greenhouse gas emissions to boost the UNFCCC.

#### Protocol Annexes:

**Annex A:** List of the six greenhouse gases targeted by the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), dinitrogen oxide (N<sub>2</sub>O), hydrofluorocarbons (HFC), perfluorocarbons (PFC) and sulphur hexafluoride (SF<sub>6</sub>).

**Annex B:** List of 39 Parties, included the EEC: developed countries and countries with economies in transition which have made quantified commitments to reducing or limiting greenhouse gas emissions.

#### Commitment of the Parties:

##### Annex B Parties

- Limit or reduce the quantity of GHG emissions. This quantity is expressed, for the period 2008-2012, as a percentage of the 1990 emission level (Article 3)<sup>578</sup>;
- Implement national or regional policies and measures to fulfil compliance with quantified commitments to limit and reduce greenhouse gases (Articles 2 and 4). The Parties can fulfil their commitments through domestic measures and flexibility mechanisms;
- Publish an initial report giving the information required to implement the commitments, especially for the accounting of assigned amounts (Article 7);
- Publish a report demonstrating the progress made in achieving commitments (Articles 3 and 7); and
- Set up a national emissions inventory system based on methodologies approved by the Intergovernmental Panel on Climate Change (IPCC) (Article 5);

##### Annex A Parties

- Prepare programmes to establish the national inventory of greenhouse gas emissions, to mitigate and facilitate the adaptation to climate change, cooperate to support technology transfer, research and education and present in their national communications information on the actions undertaken to combat climate change (Article 10);

577. As at 03 September 2014. [http://unfccc.int/kyoto\\_protocol/status\\_of\\_ratification/items/2613.php](http://unfccc.int/kyoto_protocol/status_of_ratification/items/2613.php)

578. The reference year need not be 1990 for countries with economies in transition.

**Parties included in Annex II of the UNFCCC**

- Finance developing countries, mainly to help them set in place their national emissions inventory and encourage technology transfer (Article 11).

**Doha amendment:**

The second period of commitment of the Kyoto Protocol was adopted at CMP8 under the title "Doha Amendment". It commenced on 1 January 2013 and will end on 31 December 2020<sup>579</sup>. Thus this period will last eight years and not five years as for the first period. Regarding its effective date, although the Doha Decision encourages countries to implement the second commitment period before the countries ratify it, the countries are free to choose from what date they will enforce it.

**Link to the Protocol text:** <http://unfccc.int/resource/docs/convkp/kpeng.pdf>.

**Link to the text of the Amendment to the Kyoto Protocol according to paragraph 9 of Article 3 (Doha Amendment) for the second period of commitment:** [http://unfccc.int/files/kyoto\\_protocol/application/pdf/kp\\_doha\\_amendment\\_english.pdf](http://unfccc.int/files/kyoto_protocol/application/pdf/kp_doha_amendment_english.pdf)

---

579. Decision 1/CMP.8.

## Sheet 4.

### The Durban Platform

**Context:** The Conference of the Parties in Durban in 2011 provided a new opportunity to discuss the structure of the climate regime pre- and post-2020. Although the 2011 Durban Conference did not result in the adoption of the agreed outcome that the Bali Action Plan provided for, the Conference did give the mandate required to negotiate a single agreement under the auspices of the UNFCCC, with the creation of an Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP).

**Supreme decision-making body:** New subsidiary body called the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP)<sup>580</sup>. This new working group commenced its work in 2012.

#### Objectives:

- "Prepare a protocol, another legal instrument or an agreed outcome with legal force, applicable to all the Parties" - or "2015 agreement", which should be adopted by the COP21 in Paris in 2015 and enter into force no later than 2020;
- Identify and explore the options to raise the ambition levels in line with the conclusions of the 5<sup>th</sup> Report of the Intergovernmental Panel on Climate Change (IPCC);
- Prepare its work plan, including the mitigation, adaptation, financing, development and transfer of technologies, transparency of measures, support and capacity building.

**Link to the text of the Durban Platform:** [https://unfccc.int/files/meetings/durban\\_nov\\_2011/decisions/application/pdf/cop17\\_durbanplatform.pdf](https://unfccc.int/files/meetings/durban_nov_2011/decisions/application/pdf/cop17_durbanplatform.pdf)

---

580. Decision 1/CP.17

## Sheet 5.

### UNFCC structure and the role of the main decision-making bodies

The Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP)<sup>581</sup> commenced its mandate in 2012 and aims "to prepare a protocol, another legal instrument or an agreed outcome with legal force, applicable to all the Parties" for 2015 which should enter into force in 2020.

The Conference of the Parties (COP), the highest authority of the Convention, brings together those countries which, by signing and ratifying the United Nations Framework Convention on Climate Change (UNFCCC), have become Parties to this Convention. As such, the COP aims to implement the ultimate Convention objective.

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP)<sup>582</sup> is a totally separate legal entity from the COP and is the supreme decision-making body of the Kyoto Protocol. The CMP includes the sub-group of Parties to the Convention which have ratified the Kyoto Protocol. The Parties to the Protocol alone have the right to participate in decisions made by the CMP.

The Bureau of the COP and the Bureau of the CMP administers the intergovernmental process for the COP and for the CMP.

The UNFCCC Secretariat coordinates and organises the meetings of the various bodies and provides technical expertise.

The Global Environment Facility (GEF) and the Intergovernmental Panel on Climate Change (IPCC) are two partner organisations of the UNFCCC and play a key role in the process. The GEF has been in existence since 1991 and was named as the entity responsible for administering UNFCCC funds earmarked to help developing countries. The IPCC helps establish the scientific base by publishing climate change assessment reports every five years and specialist studies on specific topics.

The Table 2 presents the description of the role of organisations created by COP and CRP.

---

581. Decision 1/CP.17

582. See Gagnon-Lebrun et al. 2005 for further information on how the CMP operates.

**TABLE 2 :  
SUBSIDIARY AND SPECIALIST BODIES**

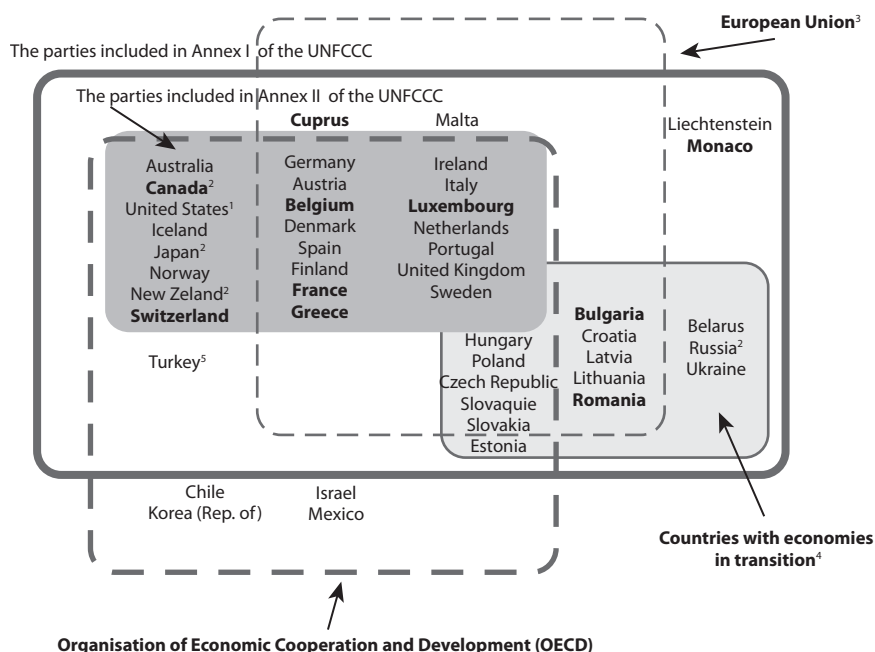
Institution	Responsibilities
<b>Subsidiary bodies common to the COP and CMP</b>	
Subsidiary Body for Scientific and Technological Advice (SBSTA)	Advises the COP and CMP on scientific and technical issues which are specific to or shared by them.
Subsidiary Body for Implementation (SBI)	Advises the COP and CMP on improving the effective application of the Convention and the Kyoto Protocol.
<b>Specialist bodies created by virtue of the COP</b>	
Consultative Group of Experts on national communications of non-Annex I Parties (CGE)	Assist the non-Annex I Parties in preparing their national communications.
Least Developed Countries Expert Group (LDCEG)	Advises the least developed countries on preparing and implementing adaptation plans, among other things.
Expert Group on Technology Transfer (EGTT)	Provides scientific and technical advice to advance the development and transfer of technologies.
<b>Specialist body created by virtue of the COP</b>	
Ad Hoc Working Group on Long-term Cooperative Action of the Convention (AWG-LCA) (closed as from end of 2012)	Spearheads the process allowing the integral, effective and on-going application of the Convention by concerted action from now until 2012 and beyond, with a view to adopting a "agreed result" ratified in Doha in 2012.
<b>Specialist body created by virtue of the ADP</b>	
Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP)	Prepare a protocol, another legal instrument or an agreed outcome with legal force, applicable to all the Parties, which should enter into force no later than 2020.
<b>Specialist bodies of the CMP</b>	
CDM Executive Board	Ensures the effective implementation and correct operation of the clean development mechanism (CDM).
Supervisory Committee of the Joint Implementation (JISC)	Spearheads the implementation and verification of the Joint Implementation (JI) in the countries referred to in Annex I.
Compliance Committee	Is responsible for guaranteeing compliance with commitments and supports the Parties finding it difficult to comply with their obligations under the Kyoto Protocol. This committee includes a facilitative branch and an enforcement branch.
Ad Hoc Working Group on the new commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) (closed since end of 2012)	Supports the process for making commitments for the post-2012 period by Annex I Parties that are also Parties to the Kyoto Protocol, as adopted in 2012 in Doha.

## Sheet 6.

### The Parties to the Convention and the Protocol

FIGURE 3:

#### THE PARTIES INCLUDED IN ANNEX I (SEPTEMBER 2014)

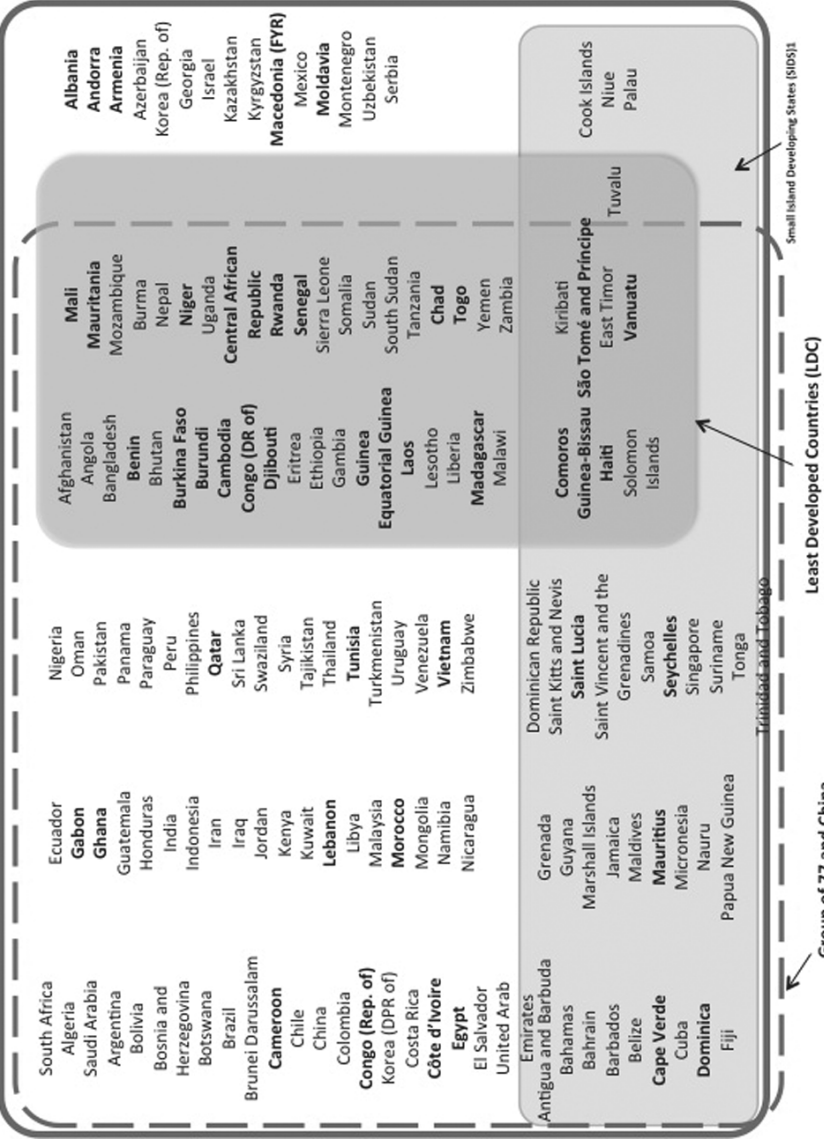


Note:

1. Countries which have signed, but not ratified, the first commitment period of the Kyoto Protocol.
2. Countries listed in Annex I of the Convention that have not committed to a second period.
3. The European Community is itself a Party included in Annexes I and II of the UNFCCC.
4. As listed in the Doha Amendment to the Kyoto Protocol for Annex B.
5. Turkey was deleted from Annex II by an amendment that entered into force on 28 June 2002, in accordance with Decision 26/CP.7.

**Name in bold:** member (or associate member) countries of the International Organisation of La Francophonie (OIF)

**FIGURE 4:  
UN MEMBER COUNTRIES OR PARTIES TO THE UNFCCC NOT  
INCLUDED IN ANNEX I (SEPTEMBER 2014)**



Notes:  
Apart from Bahrain, these countries are all members of the Alliance of Small Island States (AOSIS).  
Name in bold: Member (or associated member) country of the International Organization of La Francophonie (OIF)



## Sheet 7.

### The regional groups and the main negotiation coalitions

The climate change negotiations process revolves around regional groups and negotiation coalitions. The regional groups are derived from the official United Nations classification system, according to their geographical situation, whilst the negotiation coalitions are political alliances formed on the basis of common interests. During negotiations, the countries usually speak on their own behalf or on behalf of a negotiation coalition.

#### United Nations Regional Groups

The regional groups do not necessarily share the same interests in relation to the negotiations on climate change. The members of the Bureau are elected from regional groups and Small Island Developing States (SIDS).

The regional groups are Africa, Asia and the Pacific Region (including Japan), Eastern and Central Europe, Latin America and the Caribbean (GRULAC, from the Spanish) and the Western Europe and Others Group (WEOG). "The others" are Australia, Canada, the United States, Iceland, New Zealand, Norway and Switzerland.

#### The African Group

The African Group is the only regional group to function as a genuine negotiation coalition. It has 54 members, all of whom share a variety of causes for concern, such as desertification, the lack of water resources, vulnerability to the impacts of climate change and the fight against poverty. The Group currently makes joint statements, mainly on questions relating to adaptation, technology transfer, capacity building and financing.

#### Negotiation coalitions

##### AOSIS (Alliance of Small Island States)

AOSIS is an ad hoc lobbying group which gives a voice to the majority of Small Island Developing States (SIDS) during negotiations at the United Nations. The SIDS share their vulnerability to the impacts of climate change, especially the rise in sea levels which is threatening the very existence of several islands. AOSIS has 39 members and five observers. Most AOSIS countries also belong to the Group of 77 and China (G-77/China) and nine are among the Least Developed Countries (LDC)<sup>583</sup>. Bahrain is the only SIDS member of the United Nations which does not belong to AOSIS; conversely, the Cook Islands and Niue belong to AOSIS but are not SIDS members of the United Nations<sup>584</sup>.

##### Least Developed Countries (LDC)

The group of LDC comprises 48 countries among the least developed (34 in Africa, thirteen in Asia and one in the Caribbean)<sup>585</sup>. They defend their interests jointly with the United Nations, especially in relation to climate change. They share considerations about their vulnerability and their need for support in planning their adaptation. The UNFCCC also recognises the special needs of the LDC, which are the least capable of facing up to the impacts of climate change.

---

583. <http://aosis.org/members/> and <http://unohrrls.org/about-sids/country-profiles/>

584. *Ibid.*

585. <http://unohrrls.org/about-ldcs/>.

### Group of 77 and China (G-77/China)

The G-77/China comprises 133 developing countries and China<sup>586</sup>. China is an associate member rather than a full member of the G-77. China cooperates closely with the G-77 over climate change-related issues; the group therefore takes its positions "on behalf of the G-77 and China". In particular, the G-77/China supports the economic interests of its members in miscellaneous questions within the United Nations. The G-77/China member countries can sometimes adopt diverging positions during the climate change negotiations, which they then defend via another negotiation coalition or regional group<sup>587</sup>.

### European Union

The EU is a political and economic union of 28 member countries. It is represented by the European Community, which is a Party to the Convention and the Kyoto Protocol, but which has no voting right distinct from that of individual countries. Despite some differences, they often adopt a common position and speak with a single voice during climate change negotiations.

### Umbrella Group

The Umbrella Group is a flexible coalition of developed countries which do not belong to the European Union and which has been formed in the context of climate change negotiations. It has emerged from the JUSSCANNZ<sup>588</sup> group and is active in all the UN forums despite the group not always comprising the same countries. Although informal, the list normally includes Australia, Canada, the United States, Russia, Iceland, Japan, New Zealand, Norway and Ukraine (other countries are added periodically, depending on the topics addressed).

### Coalition for Rainforest Nations

This coalition started to take shape in 2005 under the initiative of Papua New Guinea. Its goal is recognition of the efforts made by developing countries to slow down emissions caused by deforestation. This coalition includes 47 countries: sixteen countries from Africa, six from Central America, eight from South America, nine from Asia, five from Oceania, and three from the Caribbean<sup>589</sup>.

### Environmental Integrity Group (EIG)

The Environmental Integrity Group was formed in 2002 by OECD members which did not agree with the positions adopted by the Umbrella Group, namely Switzerland, Mexico and the Republic of Korea. It has subsequently been joined by Monaco and Liechtenstein. Mexico and South Korea are rare OECD members that are not included in Annex I (see Sheet 6). Member countries are frequently known to negotiate on an individual basis given the huge differences in their national contexts<sup>590</sup>. Otherwise, the group is normally coordinated by Switzerland.

### Group of Countries of Central Asia and the Caucasus, Albania and Moldova (CACAM)

CACAM groups countries from Eastern and Central Europe and Central Asia, including Albania, Armenia, Georgia, Kazakhstan, the Republic of Moldova, Uzbekistan and Turkmenistan. There are also observers, such as Azerbaijan. These countries have created a coalition seeking recognition for their status as non-Annex I countries with economies in transition under the UNFCCC and the

586. <http://www.g77.org/doc/members.html>.

587. <http://unfccc.int/6343.php>.

588. JUSSCANNZ is the acronym for "Japan, the USA, Switzerland, Canada, Australia, Norway and New Zealand".

589. [www.rainforestcoalition.org](http://www.rainforestcoalition.org).

590. Yamin, F. and Depledge, J., 2004.

Kyoto Protocol. The reason is that the UNFCCC does not define the term "developing country" clearly and that these countries do not view themselves as developing countries despite their exclusion from Annex I of the Convention<sup>592</sup>. The CACAM countries rarely take a common stance on other issues.

#### **Bolivarian Alliance for the Peoples of our America (ALBA, from the Spanish)**

ALBA was originally a political, social and economic organisation to promote cooperation in these areas between the socialist countries of Latin America and the Caribbean and offer an alternative to the Free Trade Area of the Americas advocated by the United States<sup>593</sup>. ALBA thus became a negotiation coalition in 2010, representing a hub of five countries: Venezuela, Cuba, Bolivia, Ecuador, Nicaragua and Antigua and Barbuda, joined occasionally by Dominica and Saint Vincent and the Grenadines. This coalition bases its positions on a goal of restricting global warming to 1 to 1.5°C compared with pre-industrial levels and on the principle whereby the developed countries must take a lead partner role in the global effort to combat climate change<sup>594</sup>.

#### **Cartagena Dialogue:**

The Cartagena Dialogue is an informal group created during the COP16 in Cancún in 2010. This "alliance of progressive countries" brings together some thirty industrialised and developing countries working with a view to establishing a comprehensive and legally-binding regime within the UNFCCC. The aim of the dialogue is to openly discuss the reasons behind each country's position and to explore the areas in which convergence and reinforcement of shared action could emerge. The members commit, nationally, to becoming or remaining low-carbon. Although the group is informal, there are members from the European Union, the Group of LDC's, African Group, APEID countries and the Umbrella countries. At the third meeting of the Cartagena Dialogue (1-4 April 2014, Majur, Marshall islands), the group discussed ambitious objectives for the new climate agreement that should be signed in 2015<sup>595</sup>.

#### **BASIC**

BASIC is a group of countries made up of Brazil, South Africa, India and China. It was founded at a meeting held in November 2009 to define a common stance for the Copenhagen Conference (COP15, December 2009). After the meeting, BASIC published a series of positions considered to be non-negotiable by its members, in particular a second commitment period for developed countries by virtue of the Kyoto Protocol and scaled-up financing for the mitigation and adaptation of developing countries<sup>596</sup>. Since then, the group regularly meets in order to share their positions and to develop a shared strategy. As BASIC is made up of the most important emerging countries and large emitters, it now stands out as an indispensable actor in international climate negotiations.

---

591. *Ibid.*

592. <http://unfccc.int/1031.php>.

593. [www.alianzabolivariana.org](http://www.alianzabolivariana.org) and [www.americasquarterly.org/hirst/article](http://www.americasquarterly.org/hirst/article).

594. [www.portalalba.org/index.php/2014-03-29-22-04-24/documentos/1299-2010-06-25-x-cumbre-otavalo-ecuador-declaracion-especial-sobre-cambio-climatico](http://www.portalalba.org/index.php/2014-03-29-22-04-24/documentos/1299-2010-06-25-x-cumbre-otavalo-ecuador-declaracion-especial-sobre-cambio-climatico).

595. <http://climate-l.iisd.org/news/cartagena-dialogue-to-accelerate-preparations-for-post-2020-targets/>.

596. [www.sei-international.org/publications?pid=1643](http://www.sei-international.org/publications?pid=1643).

### Like Minded Group of States

The Like Minded Group is a spontaneous coalition of countries created during the Bonn Conference on climate change in May 2012. It is part of the G-77/China and aims to reinforce and unify this group<sup>597</sup>. It is made up of several countries from the Arab world, India, China, several emerging Asian economies and certain active South American Parties, especially Venezuela, Bolivia and Cuba. Commonly called the Like Minded Group, this coalition is also found in other international forums, especially the World Trade Organisation. It is a group of States uniting around a very strong central position on major questions for developing countries, mainly equity and respect for the principle of common but differentiated responsibilities<sup>598</sup>. Note that several large oil producers are found in this group.

---

597. [www.twinside.org.sg/title2/climate/info.service/2012/climate20121005.htm](http://www.twinside.org.sg/title2/climate/info.service/2012/climate20121005.htm).

598. [www.twinside.org.sg/title2/climate/info.service/2013/climate130301.htm](http://www.twinside.org.sg/title2/climate/info.service/2013/climate130301.htm).

## Sheet 8.

### Positions of main countries and negotiation coalitions

Alliance of Small  
Island States  
(AOSIS)<sup>599</sup>

AOSIS wishes to limit average global warming to below 1.5°C compared with pre-industrial levels, to minimise the damage and climate change to which the SIDS are especially vulnerable given the rise in sea levels<sup>600</sup>. AOSIS believes that the INDC must include mitigation and adaptation commitments. It considers that more Parties should submit an INDC and that support must be given to developing countries in preparing INDC if appropriate. It asks that the relationship between mitigation, adaptation and loss and damage be defined in the 2015 agreement and that it contains commitments by developed countries to financing. Indeed, AOSIS emphasises the need for adequate, additional and predictable financial support for developing countries in implementing mitigation and adaptation measures.

For Work stream 2 (WS2) for the pre-2020 period, AOSIS considers that the developed countries must make an effort to plug the mitigation gap by 2020, but that the possibilities for mitigation must be examined by all the countries, taking account of the support necessary for their implementation in the developing countries. AOSIS underlines that a technical, collaborative process focused on solutions is necessary to identify and review the options to reduce the mitigation ambition gap. It requests leading countries to share with others their experiences by informing the potential of attenuation measures they envisage. Technical discussions on the potential of attenuation of measures taken or to be taken will enable to have the opinion of experts and identify the necessary means to implement them.

Independent Alliance  
of Latin America and  
the Caribbean  
(AILAC)<sup>601</sup>

AILAC believes that all components of the 2015 agreement should enjoy the same relevance and have the same legal nature, including mitigation (and therefore REDD+), adaptation and loss and damage and the means of implementation. These countries favour a revision mechanism so that the Parties can increase the ambition level. AILAC emphasises the importance of means of implementation and asks that the historical responsibility of developed countries be included in the agreement along with the relationship between this responsibility and climate finance. It considers that the developed countries must make mitigation efforts. For AILAC, Lima must culminate in a draft text that sets out the ambition level, extent and nature of the agreement. It considers that the Warsaw mechanism on loss and damage deserves a central position in this agreement.

599. IISD 2014a; IISD 2014b; AOSIS: [https://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp2-5\\_submission\\_by\\_aosis\\_ws2\\_20140607.pdf](https://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp2-5_submission_by_aosis_ws2_20140607.pdf) ; et [https://unfccc.int/files/bodies/awg/application/pdf/aosis\\_ws2\\_submission\\_-\\_final\\_-\\_18\\_sept\\_14.pdf](https://unfccc.int/files/bodies/awg/application/pdf/aosis_ws2_submission_-_final_-_18_sept_14.pdf) .

600. FCCC/SB/2014/MISC.1/Add.1.

601. IISD, 2014b; AILAC: [https://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp2.4\\_submission\\_by\\_ailac\\_20140310.pdf](https://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp2.4_submission_by_ailac_20140310.pdf).

Bolivarian Alliance for the Peoples of our America (ALBA, from the Spanish)	ALBA underscores that the key to a new agreement must be equity and the principle of common but differentiated responsibilities <sup>602</sup> . It asks that adaptation be given the same attention as mitigation in the new agreement <sup>603</sup> . ALBA is in favour of non-market-based approaches and is concerned that the market mechanisms can reduce the responsibilities of the Parties <sup>604</sup> .
South Africa <sup>605</sup>	South Africa stresses the importance of fair and equitable distribution of efforts and encourages common and binding commitments for the adaptation and implementation <sup>606</sup> with technology transfer, promotion of local innovation and the participation of women and young people <sup>607</sup> . It considers that the 2015 agreement must include a global adaptation objective that recognises the localised nature of adaptation needs, themselves affected by the mitigation ambition level. It wishes to set a 50% reduction in global emissions compared with 1990 by 2050 as a long-term global objective. The objective for the developed countries would be to reduce their emissions rapidly by 2030, having reached their maximum in 2015, and to have a zero emission objective in 2050. South Africa is in favour of a hybrid approach for assuming commitments (which consist in the combination of ascending and descending approaches) and a system of international verification of commitments and actions based on rules accompanied by a mechanism of conformity <sup>608</sup> . It believes that the equity and relevance of INDC and the adequacy of their financial components should be assessed by a technical committee in 2016, with a final inclusion in the agreement in 2017 <sup>609</sup> .
Saudi Arabia	For the 2015 agreement, Saudi Arabia is emphasising the principles of equity and common but differentiated responsibilities along with the sustainable development objectives <sup>610</sup> . It considers that the economic and social consequences of response measures must be dealt with in the future agreement. Given its dependence on hydrocarbon exports, Saudi Arabia must adapt to the response measures as well as to climate change. Saudi Arabia wishes equal attention to be given to finance, technology transfer and capacity-building and would like the emphasis placed on the action of the public, rather than the private sector <sup>611</sup> .

---

602. IISD, 2013b.

603. IISD, 2014a.

604. IISD, 2014b.

605. South Africa: [https://unfccc.int/files/bodies/application/pdf/adp\\_elements\\_southafrica.pdf](https://unfccc.int/files/bodies/application/pdf/adp_elements_southafrica.pdf) and [https://unfccc.int/files/bodies/application/pdf/adp\\_indc\\_southafrica.pdf](https://unfccc.int/files/bodies/application/pdf/adp_indc_southafrica.pdf).

606. IISD, 2013b.

607. IISD, 2013b.

608. IISD, 2014a.

609. IISD, 2014b.

610. IISD, 2014a and IISD, 2014b.

611. *Ibid.*

Brazil

In the framework of discussions on the spectrum of commitments, Brazil has clarified the proposal made in 1997 that aims to promote a differentiation on the basis of contributions to planet climate warming rather than on current emissions<sup>612</sup>. Each country defines their commitment at the national level on the basis of its historical responsibility thanks to a methodology elaborated by GIEC who will guide the national consultation process<sup>613</sup>. Brazil considers that two sorts of commitment should be possible for the developing countries, one achieved with national financing and the other with additional financing<sup>614</sup>.

Brazil has also proposed the development of a procedure aimed at authorising the parties to remove URCE from resulting MDP projects and thus not to use them to compensate their emissions in order to increase the demand for these credits and consequently the ambition<sup>615</sup>. Brazil has underlined the importance of incorporating adaptation systematically into the INDC and ensuring the required financing. It has warned against setting a global adaptation objective that "would freeze the needs"<sup>616</sup>.

China<sup>617</sup>

China is of the opinion that any attempt to modify the differentiation between developed and developing countries is useless because it is the basis of the Convention. It insists that any advancement be based on the Bali Plan of Action and that the legal nature of the agreement be defined by the substance of the results of negotiations. It considers that the commitments of developed countries to provide financial, technological and capacity-building support must be as legally-binding as the mitigation commitments. According to China, the pre-2020 ambition gap may be eliminated if the Annex I countries reduce their emissions by 40% compared with 1990 and it calls on these countries to make commitments to this effect. It suggests that the economic recovery serve as an opportunity for developed countries to start a transition towards strategies of development based on low carbon intensity<sup>618</sup>.

---

612. IISD, 2013b.

613. Brazil: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_brazil\\_workstream\\_1\\_brazilian\\_proposal\\_20130912.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_brazil_workstream_1_brazilian_proposal_20130912.pdf).

614. IISD, 2014a.

615. Brazil: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_brazil\\_workstream\\_2\\_cdm\\_voluntary\\_cancellation\\_20130918.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_brazil_workstream_2_cdm_voluntary_cancellation_20130918.pdf).

616. IISD, 2014b.

617. China: [https://unfccc.int/files/bodies/application/pdf/20140306-submission\\_on\\_adp\\_by\\_china\\_without\\_cover\\_page.pdf](https://unfccc.int/files/bodies/application/pdf/20140306-submission_on_adp_by_china_without_cover_page.pdf).

618. IISD, 2013b.

Coalition for Rainforest Nations <sup>619</sup>	The aim of this coalition is recognition of the efforts made by developing countries to slow down emissions caused by deforestation. This coalition seeks the inclusion of an REDD+ mechanism as a key component of the 2015 agreement, based on the Warsaw Framework for the REDD+. It considers that the commitments of the 2015 agreement must be to limit global warming to 1.5°C or less compared with pre-industrial levels.
South Korea <sup>620</sup>	South Korea insists on the need to apply the principle of common but differentiated responsibilities and respective capacities. It also wishes for a balance between the strength of a future agreement and a wide participation by countries to that agreement. That requires a reflection on the experience of Kyoto with binding commitments limited to certain countries. It underlines that greater participation requires sufficient incentives through the input of means of implementation for the developing countries, mainly the LDC and the SIDS. It also proposes preparing an MRV system for financing and a better cooperation with existing mechanisms <sup>621</sup> .
United States	<p>The United States calls for ministers to become more involved to take political decisions in order to highlight the level of ambition and underscores the need for transparency and imputability <i>ex ante</i> and <i>ex post</i> of commitments made. The United States has emphasised that the Cancún Agreements should serve as the basis for negotiations (as opposed to the Bali Action Plan). On the issue of financing the United States insist on adequate environments for private investments that developing countries must create in order to attract financial support. It also sustains a better understanding of international cooperation initiatives. Elsewhere they sustain the progressive elimination of subsidies for fossil fuels<sup>622</sup>.</p> <p>It is also in favour of an bottom-up approach combined with a consultation process that it views as a guarantee of the ambition that must be achieved. Regarding the form of the agreement it proposes that decisions be adopted on the operational details of the 2015 agreement in order that the agreement capture only the essential elements in order to facilitate the revision of decisions in the future<sup>623</sup>. The United States seeks a new categorisation of Parties and asks that the agreement takes into account changes in emissions and the economic development of the Parties<sup>624</sup>.</p>

619. Coalition of Rainforest Nations: [https://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp2-5\\_submission\\_by\\_cfrn\\_20140604.pdf](https://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp2-5_submission_by_cfrn_20140604.pdf).

620. South Korea: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_republic\\_of\\_korea\\_workstream\\_1\\_20130319.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_republic_of_korea_workstream_1_20130319.pdf).

621. IISD, 2013b.

622. United States: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_usa\\_workstream\\_2\\_20130312.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_usa_workstream_2_20130312.pdf).

623. United States: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_usa\\_workstream\\_1\\_20130312.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_usa_workstream_1_20130312.pdf).

624. United States: [https://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/u.s.\\_submission\\_on\\_elements\\_of\\_the\\_2105\\_agreement.pdf](https://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/u.s._submission_on_elements_of_the_2105_agreement.pdf).



The United States acknowledges the need to include adaptation as a key component of the 2015 agreement in order to advance the scheduling and national action for adaptation through the NAP. In terms of mitigation, it intends to submit its INDC during the first quarter of 2015. It suggests an end date for initial INDC of 2025 in order to encourage the ambition (rather than 2030). For Lima, the United States wishes the Parties to agree on the information to be included in the INDC and to devote time within the ADP to present and discuss the INDC of Parties in 2015<sup>625</sup>.

Group of 77 and  
China (G  
77/China)<sup>626</sup>

The G-77/China argues for more targeted and urgent progress, taking into account the observations of the fifth IPCC Assessment Report. It calls on a balanced approach for both ADP work streams for mitigation, adaptation and the means of implementation. Adopting mitigation measures by developed countries in the scope of SA2 is for them key given their historical responsibility. It is also the reason for which the G77/China considers that the negotiations for a post-2012 regime should focus on the Annex I Parties adopting restrictive targets for reducing GHG emissions covering all sectors of the economy. It also requests that these countries increase the ambition level of their commitments by 2020. In terms of the financing for the post-2020 period, the G-77/China considers the 100 billion US dollars a year as a "*starting point*".

The African Group<sup>627</sup>

The African Group suggests a scheme based on equitable multilateral rules with a strong link to fair access to sustainable development. This group wishes to see a global objective for adaptation and a mitigation objective in the 2015 agreement to limit global warming to below 1.5°C compared with pre-industrial levels. The African Group proposes the use of a reference framework to reflect mitigation actions and adaptation measures taken by the countries leading to equity. It would also allow supplying a mechanism to review commitments made. According to this group the Parties contemplated in Annex I would assume quantified commitments of reduction of emissions and those in Annex II commitments in support of developing countries, mainly through the supply of Green Funds for Climate. It asks that the financing commitments match the temperature limitation objective and the needs of developing countries in terms of mitigation and adaptation, especially in Africa. This group proposes a medium-term objective for 2016 of sixty to seventy billion US dollars annual financing to achieve

625. United States: [https://unfccc.int/files/bodies/awg/application/pdf/us\\_submission\\_fall\\_2014\\_final.pdf](https://unfccc.int/files/bodies/awg/application/pdf/us_submission_fall_2014_final.pdf).

626. IISD, 2014b.

627. African Group: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_african\\_group\\_workstream\\_2\\_20130919.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_african_group_workstream_2_20130919.pdf); [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_african\\_group\\_workstream\\_2\\_20130919.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_african_group_workstream_2_20130919.pdf); [https://unfccc.int/files/bodies/application/pdf/adp\\_w1\\_elements\\_africangroup.pdf](https://unfccc.int/files/bodies/application/pdf/adp_w1_elements_africangroup.pdf); [https://unfccc.int/files/bodies/awg/application/pdf/adp2-5\\_submission\\_by\\_sudan\\_on\\_behalf\\_of\\_the\\_african\\_group\\_finance\\_20140610.pdf](https://unfccc.int/files/bodies/awg/application/pdf/adp2-5_submission_by_sudan_on_behalf_of_the_african_group_finance_20140610.pdf).

the objective of 100 billion US dollars a year by 2020. It thinks that 600 billion US dollars a year will be necessary later on in 2030. It stresses balanced financing between mitigation and adaptation.

Like Minded Group of States <sup>628</sup> The Like Minded Group of States criticises the Parties belonging to Annex I and Annex II for not having fulfilled their respective commitments satisfactorily whilst developing countries make greater efforts. It stresses therefore that from now onwards the commitments made for the pre- and post-2020 periods must be respected and that the allocated funds are sufficient. This group wishes that the efforts by developing countries are combined with adequate and additional financial support. It supports top-down mitigation objectives for the Parties included in Annex I and bottom-up for the other Parties.

Environmental Integrity Group (EIG) The EIG is of the view of making a decision on the common understanding of the commitment of mitigation for the objective of 2°C, its modalities, schedule and structure. It also wishes a reform to the subsidies to fossil fuels<sup>629</sup>. EIG is also in favour of making commitments that are legally restricting and a system of conformity on the basis of common but differentiated principles and equity as well as common rules of accountability and MRV. According to EIG all countries should provide information on their commitments ex ante in order to become the object of consultations<sup>630</sup>. It underlines that a draft text on the 2015 agreement must see the light of day in Lima by emphasising the importance of clarity, transparency and understanding of INDC and the information that has to be provided. EIG believes that adaptation deserves equal priority with mitigation in the agreement, which should require all Parties to prepare and implement national adaptation plans and strategies. It supports the participation of local and sub-national players in adaptation and gender-sensitive approaches<sup>631</sup>.

India<sup>632</sup> India insists that GIEC, the examination 2013-2015 and the subsidiary organs be implicated in the work of the ADP and that the GCF, the Technological Mechanism and the Adaptation Committee be operational. It wishes

F  
a  
c  
t  
s  
h  
e  
e  
t  
s

628. Like Minded Group of States: [http://unfccc.int/files/bodies/awg/application/pdf/adp2\\_lmhc\\_29042013.pdf](http://unfccc.int/files/bodies/awg/application/pdf/adp2_lmhc_29042013.pdf); [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_lmhc\\_workstream\\_2\\_20130312.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_lmhc_workstream_2_20130312.pdf); [https://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp2-5\\_submission\\_by\\_malaysia\\_on\\_behalf\\_of\\_the\\_lmhc\\_crp.pdf](https://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp2-5_submission_by_malaysia_on_behalf_of_the_lmhc_crp.pdf).  
 629. IISD, 2013b.  
 630. IEG: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_eig\\_workstream\\_1\\_20130923.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_eig_workstream_1_20130923.pdf).  
 631. IEG: [https://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp2-5\\_submission\\_by\\_eig\\_20140605.pdf](https://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp2-5_submission_by_eig_20140605.pdf).  
 632. Inde: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_india\\_workstream\\_2\\_2030309.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_india_workstream_2_2030309.pdf) and India: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_india\\_workstream\\_1\\_20130913.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_india_workstream_1_20130913.pdf).

for increased ambitions. It underscores that for the agreement of 2015 to be valid it must be generated by a process of formal negotiation, structured, open, participatory and led by the Parties. Like China, India insists on the application of the principles of the Convention in a manner such that they not be reinterpreted. India also encourages the development of MRV demands for support and a common scheme of accountability for mitigation commitments of the Parties included in Annex I and a system of conformity. For the Parties not included in Annex I, India considers that the INDC depend on national development priorities and that sufficient financing is a prerequisite to their submission<sup>633</sup>. For India the technological pillar of the ADP must also resolve the stakes of intellectual property rights.

Japan<sup>634</sup>

Japan supports a new, unique and legally-binding instrument including all the major economies. It calls on major economic powers to present quantified emission reduction objectives for the entire economy. It supports the global objective of 50% reduction in emissions by 2050 and to achieve this, an 80% reduction in GHG emissions compared with 1990 for developed countries. For Japan, the commitments of the Parties must be decided at national level, but according to international accounting rules and a common mechanism of transparency to allow for comparison. This mechanism will include a review of the performance of Parties.

Organisation of  
Petroleum Exporting  
Countries (OPEC)<sup>635</sup>

The OPEC countries emphasise the need to consider the potential negative impacts of mitigation measures of the Annex I Parties on the economies of developing countries. These countries also underline the importance of being able to adapt, especially by diversifying their economies.

Group of Least  
Developed Countries  
(LDC)<sup>636</sup>

The LDC Group requires more targeted and ambitious negotiations and deplores the slow progress and the lack of willingness to increase the pre-2020 ambition. It believes that this is primordial in facilitating the limitation of the rise in temperatures to below 1.5°C. This group calls on proactive participation by all countries.

For the 2015 agreement, the LDC Group stresses the importance of the principles of equity and common but differentiated responsibilities. In order that countries select the highest level of ambition possible, the LDC propose a differentiation between developed countries, transition, average income, most vulnerable and less advanced. They stress the fact that international cooperation initiatives cannot replace commitments of countries in the medium and long term<sup>637</sup>. They propose that the agreement

633. IISD, 2014b.

634. Japan: [https://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_japan\\_workstream\\_1\\_and\\_2\\_20130910.pdf](https://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_japan_workstream_1_and_2_20130910.pdf).

635. OPEC: [www.opec.org/opec\\_web/en/2670.htm](http://www.opec.org/opec_web/en/2670.htm)

636. LDC Group: [https://unfccc.int/files/bodies/awg/application/pdf/submission\\_by\\_nepal\\_on\\_behalf\\_of\\_ldc\\_group\\_on\\_views\\_and\\_proposals\\_on\\_the\\_work\\_of\\_the\\_adp.pdf](https://unfccc.int/files/bodies/awg/application/pdf/submission_by_nepal_on_behalf_of_ldc_group_on_views_and_proposals_on_the_work_of_the_adp.pdf).

637. IISD, 2013b.

take the form of a protocol accompanied by decisions setting out the details and modalities of implementation to allow immediate operability<sup>638</sup>. They support a five-year cycle for the contributions that should be linked to the IPCC assessment reports and a periodic review. They propose for the developed countries absolute emission reduction objectives for the entire economy, with a more flexible approach for the developing countries. The LDC seek the creation of a conformity mechanism based on the MRV principles to ensure compliance of Party commitments. The Group asks that adaptation be given balanced attention based on the mitigation measure applied. It also requests commitments from the developed countries to provide sufficient means of implementation. The LDC seek the inclusion of loss and damage in the agreement, especially with provisions for investment in risk management and financial compensation for residual loss and damage.

Russia<sup>639</sup>

Russia is in favour adopting a legally-binding agreement including the participation of all countries, especially large emissions countries, that compensates for the weaknesses of Kyoto Protocol whilst taking into consideration its positive aspects and accomplishments. This agreement must also consider scientific, ecological, economic and political aspects in order to have a solid base for a fair settlement of climatic stakes in the long term. The commitments of developed and developing countries can be differentiated but must be the subject of a single international legal instrument. Russia does not agree to the distinction of countries as operated by the 1992 Convention and asks that the contributions of Parties be based on their respective levels of social and economic development. It supports a ten-year commitment period and emphasises the preparation of commitments by the Parties as it does not agree to a top-down approach.

European Union<sup>640</sup>

The European Union wishes a new agreement to be equitable, global, legally binding and dynamic. It proposes the following structure for the agreement: the objectives, a common scheme for accounting and MRV (mainly through the consolidation of current MRV rules), market mechanisms, adaptation, means for implementation, transparency of support, regular evaluation, and the adjustment of efforts of mitigation and conformity. It encourages the Parties not committed to do so as soon as possible and to reinforce the role of UNFCCC on the issue of HFCs. It demands further work on the use of land, energy efficiency, renewable energy, carbon

- 
- 638. LDC Group: [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_ldcs\\_20130903.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_ldcs_20130903.pdf).
  - 639. Russia: [https://unfccc.int/files/bodies/awg/application/pdf/submission-awg-dp-russia-april\\_2014-eng.pdf](https://unfccc.int/files/bodies/awg/application/pdf/submission-awg-dp-russia-april_2014-eng.pdf).
  - 640. European Union: [https://unfccc.int/files/bodies/application/pdf/el-05-20\\_eu\\_adp\\_ws2\\_submission.pdf](https://unfccc.int/files/bodies/application/pdf/el-05-20_eu_adp_ws2_submission.pdf); [https://unfccc.int/files/bodies/application/pdf/el-02-28-eu\\_adp\\_ws1\\_submission.pdf](https://unfccc.int/files/bodies/application/pdf/el-02-28-eu_adp_ws1_submission.pdf); [http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_eu\\_workstream\\_1\\_design\\_of\\_2015\\_agreement\\_20130916.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_eu_workstream_1_design_of_2015_agreement_20130916.pdf);

sequestration and sustainable development. The European Union also proposes a process of evaluation of commitments made by countries through the definition in Lima of required information, the submission of country commitments in the first quarter 2015 at the latest (for those ready to do so), their evaluation and inclusion in the agreement of 2015. This evaluation will be made on the basis of criteria used to measure ambitions. It considers that the 2015 agreement has a critical role to play in increasing adaptation activities, incorporating them in national scheduling and providing the necessary support for their implementation. For the pre-2020 mitigation ambition, the European Union believes that a results-based approach relying on the existing mechanisms is necessary, mainly through technical meetings of experts.

**Sheet 9.**  
**UNFCCC side discussion forums**

In 2013, several events included the issue of climate change on their agenda, including the G7, the third International Conference of Small Developing Island States and the 69th Session of the United Nations General Assembly. Note that in September the United Nations Secretary General gathered world leaders together at a summit dedicated to climate change issues, in order to boost the political dynamics prior to the COP20 negotiations. A description of each of these meetings (and several others) is provided below.

Remember also that 2012 was marked by the United Nations Conference on Sustainable Development (Rio+20) that had occupied a large space on the international environmental scene. Rio+20 launched a process for introducing a post-2015 development agenda, including new sustainable development objectives include one relating to combating climate change (see Box 5 Box 5).

**Ministerial meetings of BASIC countries on climate change**

**Participants:** Brazil, South Africa, India and China.

**Description:** The 18th ministerial meeting of the BASIC group of countries on climate change was held on 7-8 August in New Delhi, India. Following this meeting, the press release from the BASIC countries underlined the importance of capitalising immediately the Green Climate Fund (mainly from public sources) and to achieve a draft text during negotiations in Lima for the 2015 climate agreement<sup>641</sup>. These countries reiterated their statements on the fact that the agreement should include the six pillars of mitigation, adaptation, financing, technological transfer, capacity-building and transparency. They emphasises the principle of common but differentiated responsibilities and the historical responsibility of developed countries, by requiring these countries to make global efforts towards GHG mitigation and increase their support for developing countries for mitigation and adaptation measures<sup>642</sup>.

On 10 October 2014, the 19th meeting was held in Sun City, South Africa, where the member countries discussed the results of the United Nations Climate Summit (see Box xxx). Although they welcome the commitments announced by the world leaders relating to mitigation measures and to contributions and financial partnerships, they also underlined the need to increase the ambition level of developed countries for the mitigation of GHG by 2020. The BASIC countries reiterated their position above on the 2015 agreement and requested visibility for the support that will be provided to the developing countries for the implementation of their contributions post 2020<sup>643</sup>.

641. Press release from the 18th meeting of BASIC countries on climate change: <http://envfor.nic.in/sites/default/files/press-releases/Joint-statement-18th-BASIC-New-Delhi.pdf>.

642. <http://climate-l.iisd.org/news/basic-call-for-finalizing-elements-of-draft-negotiating-text-in-lima/>.

643. Press release from the 19th meeting of BASIC countries on climate change: [www.environment.gov.za/mediarelease/19thbasic\\_ministerialmeeting\\_concluded](http://www.environment.gov.za/mediarelease/19thbasic_ministerialmeeting_concluded).

### G7 Summit

**Member countries (7):** United States, Japan, Germany, United Kingdom, France, Italy and Canada<sup>644</sup>

**Description:** This group of seven of the most developed countries in the world meets annually to discuss economic questions and global issues such as combating climate change. During the last meeting of the G7 on 4-5 June 2014 in Brussels, Belgium, and despite pressing political issues like events in Syria and Ukraine, the member country leaders also set aside some discussion time for the issues of climate change, mainly in the light of the 5th IPCC Assessment Report (see Sheet 12)<sup>645</sup>. After the Brussels Summit, their declaration recognises the need for "urgent and concrete action" on climate change. It reiterates their commitment to achieving, in 2015, an ambitious climate agreement for the post-2020 period and to honour the target of mobilising financial support of 100 billion US dollars a year by 2020<sup>646</sup>.

### G20 Summits

**Member countries (19 + European Union):** Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, United States and the European Union.

**Description:** This group of twenty of the most developed countries in the world meets annually to facilitate world cooperation and discuss questions that are mainly economic but which also relate to global issues such as development, energy and climate finance. During their meeting Saint Petersburg in Russia on 5-6 September 2013 the countries recognised that climate change will have a significant impact on the world economy. The G20 countries committed in full to implement the results of Cancún, Durban and Doha. They greeted the efforts of the secretary general of the UN in mobilising political will as well as complementary initiatives through multilateral approaches based among others on the Montreal Protocol. They also affirmed sustaining the operations of the Green Funds for Climate and repeated their demand for examination of means to mobilise resources efficiently considering the objectives, regulations and principles of the UNFCCC with their Finance Ministers<sup>647</sup>. In 2014, the G20 leader summit was held in Australia on 15-16 November, with "growth and resilience" as its theme<sup>648</sup>.

### Major Economies Forum on Energy and Climate (MEF)<sup>649</sup>

**Participants:** Sixteen countries (Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, South Africa, South Korea, United Kingdom, United States) and the European Union.

**Description:** Since 2009, the MEF has been uniting representatives of seventeen major economies to promote discussions between developed and developing countries on the questions of energy and climate change. The aim is to mobilise political will towards an ambitious climate agreement in

---

644. Russia was excluded from the G8 in 2014 and therefore the group, which was the G8 with Russia, is currently the G7.

645. <http://climate-l.iisd.org/news/g7-declaration-highlights-energy-security-climate-change-sustainable-development/>.

646. [www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ec/143078.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/143078.pdf).

647. Declaration of G20 in St Petersburg: <http://www.g20.org/documents/>.

648. [www.g20.org/](http://www.g20.org/).

649. [www.majoreconomiesforum.org/](http://www.majoreconomiesforum.org/).

Paris in 2015. These countries examine concrete solutions to the challenges of clean energy supply and GHG emission mitigation. In 2014, the 18th, 19th and 20th meetings of the MEF were held in May in Mexico City, Mexico, in July in Paris, France and in September in New York, United States respectively<sup>650</sup>. The participating countries addressed several key issues about preparations for the 2015 agreement during these discussions. Regarding the INDC, the participants all agree that mitigation must be included in INDC, but opinions diverged on including adaptation and financing. There are also divergences over the end date of INDC (2025 or 2030) and on the differentiation of Parties in the agreement. Despite these divergences, the MEF delegates agreed that the INDC should be submitted as early as possible to facilitate the consultation phase and most MEF members expect to be ready to do this during the first quarter of 2015. In Paris last July, the delegates addressed the question of climate finance, underlining the importance of mobilising both public and private sources and developing incentives for "green" investments, whilst diverting the financing of energy production from fossil fuels.

### 12th UN-REDD programme's Policy Board Meeting<sup>651</sup>

**Participating countries:** 25

**Description:** The UN-REDD programme, launched in 2008, is a joint initiative between the FAO, UNEP and UNDP. This programme aims to support the developing countries in preparing the implementation of their national programmes for the reduction of emissions from deforestation and forest degradation (REDD+).

The UN-REDD Programme Policy Board has the goal of providing strategic direction to the global REDD programme and approving the financial allocations to the programmes in the partner countries. The Board is made up of representatives from partner countries, donors from the multi-partner trust fund, the civil society, indigenous peoples, the FAO, UNDP and UNEP. During the 12th meeting in Lima, Peru on 8-9 July 2014, the Board approved the allocation of more than 35 million US dollars to support the national programmes for the REDD+ in several countries, including Argentina, Côte d'Ivoire and Mongolia. During a day of exchanging information, several ministers underlined the important recognition of forests in the negotiations at the UN Climate Summit (see below) and the COP20 in Lima.

### Third International Conference on Small Developing Island States (SDIS)<sup>652</sup>

**Participating countries:** representatives of 115 countries

**Description:** Climate change was the subject of a specific multi-stakeholder dialogue during the 3rd International Conference on the SDIS (1-4 September, Samoa). The discussions underlined the need to incorporate climate change and the reduction of disaster risks in the development policies and to set up partnerships to facilitate adaptation, mainly at local level<sup>653</sup>. The Samoa Pathway, the final document of the conference, reiterates the special circumstances of SIDS in sustainable development and climate change given their vulnerability especially with rising sea levels<sup>654</sup>. For this purpose, the SIDS seek the implementation of the International Warsaw Mechanism on loss and damage. They deplore the gap in global mitigation ambition pre- and post-2020 and the inadequate financial support for the implementation of mitigation and adaptation measures in the deve-

650. [www.majoreconomiesforum.org/past-meetings/](http://www.majoreconomiesforum.org/past-meetings/).

651. [www.un-redd.org/PolicyBoard/12thPolicyBoard/tabid/133354/Default.aspx](http://www.un-redd.org/PolicyBoard/12thPolicyBoard/tabid/133354/Default.aspx).

652. [www.sids2014.org/](http://www.sids2014.org/).

653. [www.sids2014.org/content/documents/593climate.pdf](http://www.sids2014.org/content/documents/593climate.pdf).

654. [www.un.org/ga/search/view\\_doc.asp?symbol=A/CONF.223/3&referer=/english/&Lang=F](http://www.un.org/ga/search/view_doc.asp?symbol=A/CONF.223/3&referer=/english/&Lang=F).



loping countries. The SIDS stress the importance of climate finance, requesting the developed countries to increase the support provided and to capitalise the Green Climate Fund.

### **United Nations Summit on Climate Change<sup>655</sup>**

**Description:** The aim of the Climate Change Summit was to facilitate the adoption of a post-2020 climate agreement by 2015, even though it was not held under the auspices of the UNFCCC. It took place on 23 September 2014 in New York. On this occasion, the United Nations Secretary-General, Mr Ban Ki-moon, invited heads of government, directors of private companies and civil society representatives to set out ideas for ambitious actions to combat climate change. Over 120 Heads of State accepted the invitation and announced their national commitments and ambition to reduce GHG emissions and provide financing. Further information, see Box 3.

### **69<sup>th</sup> Session of the United Nations General Assembly**

**Participants:** General Assembly member States

**Description:** In September 2014, the General Assembly launched its 29th session, which must culminate in September 2015 with the adoption of a post-2015 development agenda, including sustainable development goals (SDG), three months before COP 21 in Paris (see Box 5). Following a work programme in 2012 and 2013, culminating in proposed SDG, we are now entering the intergovernmental negotiation phase. The question of whether climate issues should be included in the SDG has proven to be controversial, particularly in terms of the cross-cutting nature of this topic and of the need to avoid overlapping with the UNFCCC negotiations. At this stage, a specific climate goal has been proposed as follows: "*Take urgent action to combat climate change and its impacts*" while acknowledging that the UNFCCC is the primary forum for negotiations in this area<sup>656</sup>. At the closure of the general debate of GA-69 on 30 September 2014, numerous member States underlined the importance of taking climate change into account in the post-2015 development agenda. The climate regime agreement post-2020 also occupied an important place in the discussions due to its implications for the implementation of future SDG. The negotiations within AG-69 between now and September 2015 will determine the final place of climate in the SDG and in the post-2015 development agenda and therefore the strength of the signal to send to the negotiators for the Paris COP in December 2015.

---

655. [www.un.org/climatechange/summit/](http://www.un.org/climatechange/summit/).

656. A/68/970, goal 13, p.22: [www.un.org/fr/ga/search/view\\_doc.asp?symbol=A/68/970](http://www.un.org/fr/ga/search/view_doc.asp?symbol=A/68/970).

## Sheet 10.

### Basic information on the Kyoto Protocol flexibility mechanisms

To allow Annex B countries a certain flexibility and lower the cost of reducing GHG emissions, three market mechanisms have been included in the Kyoto Protocol: joint implementation (JI), the clean development mechanism (CDM) and emissions trading see Table 3).

#### Joint implementation (JI)

Under JI, two Annex I Parties can trade emission reduction units (ERU) from projects to reduce GHG emissions or to build up the carbon sinks<sup>657</sup>. There are two tracks for participating in the JI projects<sup>658</sup>, depending on whether a Party satisfies or does not satisfy all the eligibility criteria, mainly involving the holding of a national inventory:

- Track 1 applies if both Parties comply with all the criteria. In this case, State negotiates with State and the credits (ERU) are subtracted from the number of assigned amount units (AAU) granted initially to the country hosting the project.
- Track 2 applies if one Party does not comply fully with all the criteria. The project then proceeds under the same process as the one set up for the CDM. An independent auditor must validate the project and satisfy himself as to the number of GHG emissions actually avoided. The allocation of credits (ERU) generated by the project is governed by the JI Supervisory Committee.

The JI Supervisory Committee operates under the authority of the CMP. It is responsible for checking the reductions in GHG emissions coming from JI projects carried out under Track 2 and must also account for these activities in an annual report submitted to the CMP<sup>659</sup>. During CMP-2, the Parties adopted the internal regulations of the Supervisory Committee and the forms for the description of the JI project as proposed by the Supervisory Committee in its annual report. In addition, in respect of guidelines, the Parties decided to adjust the thresholds for small JI projects in line with the revised thresholds for small-scale projects under the CDM<sup>660</sup>.

#### Clean development mechanism (CDM)

The CDM allows an Annex I Party to obtain certified emission reductions (CER) by performing projects to reduce GHG emissions or build up the carbon sinks in the territory of a non-Annex I Party<sup>661</sup>.

To be eligible for the CMD, a project must meet the principle of additionality, i.e. it must lead to a reduction in GHG emissions which would not have occurred without it. A "baseline scenario" - a business-as-usual situation - has to be defined, therefore, so that the additionality of a project can be assessed. The CER calculation must also take account of leaks, i.e. the net variation in GHG emissions produced outside the scope of a project, but which is nevertheless attributable to the project<sup>662</sup>.

657. By virtue of Article 6 of the Kyoto Protocol.

658. Decision 9/CMP.1.

659. *Ibid.*

660. The thresholds for activities of small-scale projects under the CDM were revised in Decision 1/CMP.2.

661. By virtue of Article 12 of the Kyoto Protocol.

662. Decision 3/CMP.1.

The procedures and rules governing the CDM were laid out in the Kyoto Protocol before being defined more precisely by the Marrakesh Accords at the COP7 in 2001. The CDM Executive Board is the body responsible for supervising the CDM and must submit recommendations to the CPM<sup>663</sup>. For this purpose, it submits an annual report containing information on the progress made from Executive Board actions for the implementation and correct operation of the CDM.

The CDM has evolved rapidly since its introduction in 2001. More than 7,560 CDM projects had been registered by September 2014 and more than 1.5 million CER had been issued<sup>664</sup>.

### **GHG emission trading (and emission trading systems)**

GHG emission trading, as a Kyoto Protocol flexibility mechanism, provides for GHG emission trading by the national governments of Annex B Parties between themselves in order to achieve their mitigation targets more easily. Following a market logic, a country can choose to reduce its own GHG emissions or purchase some from elsewhere. The GHG emissions are therefore reduced where they cost the least, which makes the reduction efforts all the more effective.

The three flexibility mechanisms of the Kyoto Protocol form "emission trading systems". These systems, which together form the carbon market, have seen major expansion, although this has slowed in recent years, mainly because of the economic recession and the lack of demand for carbon credits. The carbon market is made up of regulated and voluntary market systems:

- the regulated market has come about thanks to "cap-and-trade systems", the result of national, regional or international regulations;
- the voluntary market results from speculation in the value of reduction credits or the demand by consumers or companies that want to offset their GHG emissions.

The so-called "voluntary" market runs on the fringes of the regulated market. It does not rely on the legal obligations of participating entities to generate the demand. Purchasers of reduction credits are either speculators anticipating an increase in the value of credits in the future or businesses seeking to comply with voluntary commitments or businesses and consumers wishing to offset their GHG emissions. The voluntary markets accounts for a small share of the carbon market, but is growing rapidly: 123.4 million tonnes of carbon dioxide equivalent were traded in 2008, double the volume of transactions on the voluntary market in 2007<sup>665</sup>. In 2009, 107 million tonnes of CO<sub>2</sub>eq. were traded on the voluntary market. This drop over 2008 can be partly explained by the recent financial crisis. 131 million tonnes of equivalent carbon dioxide were traded in 2010, about 100 million in 2011 and 2012 and 76 million in 2013<sup>666</sup>. The value of transactions in 2013 diminished by 28% compared with 2012 to reach 379 million American dollars. This is partly due to changes in the Californian carbon market system and a drop in demand from the private sector<sup>667</sup>.

The global market is also compartmentalised over and beyond the division between the regulated market and the voluntary market, due to the fact that the cap-and-trade systems are not fungible. Indeed, each market is virtually independent. The prices of different carbon units vary according to supply and demand in the various market segments.

---

663. Decision 17/CP.7.

664. <http://cdm.unfccc.int/index.html>.

665. Hamilton, et coll., 2009

666. Peters-Stanley and Gonzalez, 2014.

667. *Ibid.*

**TABLE 3 :  
KYOTO PROTOCOL FLEXIBILITY MECHANISMS**

Mechanism	Parties involved	Transaction unit		Description
Emissions trading (Article 17)	Between the Annex B Parties	AAU	Assigned Amount Unit	Allocation of AAU based on the GHG emission reduction objective published in Annex B and market trading.
		RMU	Removal Unit	Allocation of the RMU based on Land Use, Land Use Changes and Forestry (LULUCF) for the sequestration of GHG and trading within a market system.
Joint implementation (JI) (Article 6)	Between the Parties included in Annex I	ERU	Emission Reduction Unit	Issuing of an ERU to finance an activity to reduce GHG emissions in another Annex I Party, in the 2008-2012 period.
Clean development mechanism (CDM) (Article 12)	Between an Annex I Party and a non-Annex I Party.	CER	Certified Emission Reduction	Issuing of an CER to finance a project to reduce GHG emissions in a non-Annex I Party, in the 2008-2012 period.
		tCER	Temporary CER	Issuing of a tCER, valid until the end of a given commitment period, for an afforestation and reforestation activity under the CDM.
		ICER	Long-term CER	Issuing of an ICER, valid until the end of a given commitment period, for a reforestation activity under the CDM.

## Sheet 11.

### UNFCCC and Kyoto Protocol document listings

Name	Description
Decision x/CP.x	COP decision
Decision x/CMP.x	CMP decision
FCCC/AWGLCA/x	AWG-LCA preparatory document or provisional or current agenda
FCCC/CP/x	COP preparatory document or provisional or current agenda
FCCC/KP/CMP/x	CMP preparatory document or provisional or current agenda
FCCC/KP/AWG/x	AWG-KP preparatory document or provisional or current agenda
FCCC/SBI/x	SBI preparatory document or provisional or current agenda
FCCC/SBSTA/x	SBSTA preparatory document or provisional or current agenda
FCCC/SB/x	Preparatory document or provisional or current agenda of the two subsidiary bodies
GCF/x	Preparatory document of the Green Climate Fund
/ARR/x	Report of the individual examination of the GHG inventory (from 2005)
/TRR.x/x	Report of the technical review of the biennial report
/WEB/IRI/x	Report of the individual examination of the GHG inventory/Document published on the Web only (listing used until 2004 inclusive)
/ASR/x	GHG inventory annual status report
/WEB/SAI/x	GHG inventory summary and assessment report/Document published on the Web only
/COM/x	National communication
/DPR/x	Demonstrable Progress Report (Demonstrable Progress Report)
/IDR.x	In-depth Review (In-Depth Review)
CDM EB-x	CDM Executive Board Report
SMSN/IGO/x	Document submitted by intergovernmental organisations
SMSN/NGO/x	Document submitted by non-governmental organisations
/TP/x	Technical Paper
/Add.x	Text added to a document presented previously (Addendum)
/Amend.x	Amendment to a text
/Corr.x	Correction of a text
/CRP.x	Conference Room Paper
/INF.x	Information series containing general information
/L.x	Limited distribution document: Draft report or text
/MISC.x	Miscellaneous documents: Points of view of Parties and observers; list of participants
/Rev.x	Text revision which supersedes the text published previously
Non paper	Internal, unofficial document to facilitate the negotiations

Note:

x indicates a serial number.

For the Green Climate Fund documents (GCF/x), see: [www.gcfund.org/documents/in-session-documents.html](http://www.gcfund.org/documents/in-session-documents.html)

Source: <http://unfccc.int/2644>

## Sheet 12.

### Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC)

The IPCC was created in 1988 to provide policymakers with regular assessments of the climate situation, in order to understand better changes in the climate, the risk and consequences of climate change and any adaptation and mitigation strategies.

Since 1990, the IPCC has been publishing every five to six years an Assessment Report of the climate made up of observations from three working groups. The first group takes an inventory of scientific research into changes in the climate. The second assesses the consequences of climate upheavals in miscellaneous sectors and attempts to propose adaptation solutions. The third covers the mitigation of the effects of human activity on the climate.

The Fifth IPCC Assessment Report, published in 2013 and 2014, represents the most comprehensive assessment to date and is based on several thousand scientific and archived climate studies<sup>668</sup>. Its observations are based on more efficient systems than previously, enabling more in-depth understanding and analyses than in previous reports.

#### First working group: Scientific elements (published in September 2013)<sup>669</sup>

This section presents the major observations with a higher level of confidence than the previous reports, mainly in terms of the role of human activities in climate change. Thus, "*It is extremely likely that human influence has been the dominant cause of the observed warming since the mid-20th century*"<sup>670</sup>. Note that these observations depend on four different mitigation scenarios (Representation Concentration Pathways - RCP). The four RCP contain "one mitigation scenario leading to a very low forcing level (RCP2.6), two stabilisation scenarios (RCP4.5 and RCP6) and one scenario with very high greenhouse gas emissions (RCP8.5)"<sup>671</sup>.

Other key observations include<sup>672</sup>:

- "Warming of the climate system is **unequivocal**".
- "Since the 1950s, **many of the observed changes are unprecedented** over decades to millennia. The atmosphere and ocean have warmed, the amounts of snow and ice have diminished, sea level has risen, and the concentrations of greenhouse gases have increased"
- "**Human influence on the climate system is clear**. This is evident from the increasing greenhouse gas concentrations in the atmosphere, positive radiative forcing<sup>673</sup>, observed warming and understanding of the climate system".
- "New GHG emissions will imply continued warming".

668. 5<sup>th</sup> IPCC Assessment Report: [www.ipcc.ch/report/ar5](http://www.ipcc.ch/report/ar5).

669. First working group: [www.climatechange2013.org](http://www.climatechange2013.org).

670. [http://www.climatechange2013.org/images/report/WG1AR5\\_SPM\\_FINAL.pdf](http://www.climatechange2013.org/images/report/WG1AR5_SPM_FINAL.pdf)

671. [http://www.climatechange2013.org/images/report/WG1AR5\\_SPM\\_FINAL.pdf](http://www.climatechange2013.org/images/report/WG1AR5_SPM_FINAL.pdf) (box RID.1).

672. [http://www.climatechange2013.org/images/report/WG1AR5\\_SPM\\_FINAL.pdf](http://www.climatechange2013.org/images/report/WG1AR5_SPM_FINAL.pdf)

673. Radiative forcing is "the change in energy flux caused by a driver and is calculated at the tropopause or at the top of the atmosphere". The surface will be warmed when the radiative forcing is positive [http://www.climatechange2013.org/images/report/WG1AR5\\_SPM\\_FINAL.pdf](http://www.climatechange2013.org/images/report/WG1AR5_SPM_FINAL.pdf).

- "Limiting climate change will require **substantial and sustained reductions of greenhouse gas emissions**".
- "Global surface temperature change for the end of the 21st century is **likely to exceed 1.5°C** relative to 1850 to 1900 for all RCP scenarios except the most ambitious<sup>674</sup>". "It is likely to exceed 2°C" according to the mitigation scenarios where the radiative forcing has not reached its maximum towards 2100.
- In all the envisaged mitigation scenarios, except for the most ambitious, "**warming will continue beyond 2100**".
- "Most aspects of climate change will persist for many centuries even if emissions of CO<sub>2</sub> are stopped".

### **Second working group: Impacts, Adaptation, and Vulnerability (published in March 2014)**<sup>675</sup>

This section reviews the potential and adaptation limits to climate change by taking into account impacts noted and future risks of climate change along with the vulnerability of human and natural systems. It emphasises the possible risks of climate change and the principles to be followed for efficient adaptation. It includes a regional atlas that underlines the observations for each continent. The main global observations include<sup>676</sup>:

- "**Increasing magnitudes of warming increase the likelihood of severe, pervasive, and irreversible impacts**"
- "**Changes in climate have already caused impacts on natural and human systems** on all continents and across the oceans". Evidence of these impacts has increased since the last IPCC Assessment Report.
- With sufficient mitigation, these changes pose **huge risks for human health, food security and economic development**.
- The impacts of recent extreme climate events "highlight the **serious vulnerability and exposure**" of certain natural and human systems to the current climate variability, whilst major uncertainties exist over responses to these systems in the future.
- With rising sea levels, the world's coastal communities "will increasingly experience adverse impacts such as submergence, coastal flooding and coastal erosion".
- An increasing number of land and fresh water species worldwide face a **high risk of extinction**.
- **Immediate mitigation measures are essential** to avoid hazardous climate change; early action will earn more time for us to adapt to the impacts.
- **Adaptation measures are also essential**, but there are limits and some risks will be inevitable.
- "Many key risks constitute particular challenges for the least developed countries [...], given their limited ability to cope".

This report notes that adaptation is starting to be incorporated in certain scheduling processes and that adaptation experience is accumulating in all regions.

---

674. The mitigation scenarios used by IPCC are called Representation Concentration Pathways (RCP) The four RCP contain one mitigation scenario leading to a very low forcing level (RCP2.6), two stabilisation scenarios (RCP4.5 and RCP6) and one scenario with very high greenhouse gas emissions (RCP8.5)". The RCP can therefore represent a whole range of climate policies for the 21st century. See: [http://www.climatechange2013.org/images/report/WG1AR5\\_SPM\\_FINAL.pdf](http://www.climatechange2013.org/images/report/WG1AR5_SPM_FINAL.pdf)

675. Second working group: [www.climatechange2014.org](http://www.climatechange2014.org).

676. [http://ipcc-wg2.gov/AR5/images/uploads/WG2AR5\\_SPM\\_FINAL.pdf](http://ipcc-wg2.gov/AR5/images/uploads/WG2AR5_SPM_FINAL.pdf)

### Third working group: Mitigation of Climate Change (published in April 2014)<sup>677</sup>

This section is linked to the global UNFCCC goal<sup>678</sup>. It presents the changes in GHG emissions up to the present day and possible trajectories until 2100 using different mitigation scenarios. It assesses the cross-cutting and sectoral mitigation measures, the needs of such measures and the climate finance issues. The key observations of this section include<sup>679</sup>:

- Despite a growing number of mitigation policies, total anthropogenic GHG emissions "**were the highest in human history from 2000 to 2010**".
- "About half of cumulative anthropogenic CO<sub>2</sub> emissions between 1750 and 2010 have occurred in the **last forty years**".
- "**Economic and population growth** continue to be the most important drivers of increases in carbon dioxide emissions from fossil fuel combustion".
- "Mitigation scenarios in which it is likely that the temperature change caused by anthropogenic GHG emissions can be kept to less than 2°C relative to pre-industrial levels are characterised by **atmospheric concentrations in 2100 of about 450 ppm CO<sub>2</sub>eq**" (compared with 396 ppm in 2013 globally<sup>680</sup>). These scenarios require a large-scale transition in the power supply sector, which is currently a major source of GHG emissions.
- "Baseline scenarios, those without additional mitigation, results in **global mean surface temperature increases in 2100 from 3.7°C to 4.8°C** compared with pre-industrial levels".
- **International cooperation** is required to reduce the GHG emissions effectively along with **new forms of investment**.
- "Within appropriate enabling environments, **the private sector**, along with the public sector, can play an important role in financing mitigation".

### Synthesis Report<sup>681</sup>

This report for policymakers incorporates and summarises the observations of the three working groups and two special reports on renewable energy (2011) and extreme event risk management (2012).

### What is the importance of the Fifth IPCC Report for the Lima negotiations and beyond?

The IPCC observations will feed the negotiations in Lima this year and Paris in 2015, mainly in terms of the mitigation commitments by the Parties to remedy the pre-2020 ambition gap (Section 2.1.1)<sup>682</sup> and under the new 2015 agreement (Section 2.1.2). The Fifth IPCC Report is also viewed as an essential contribution to the 2013-2015 review (Section 2.2.13).

677. Third working group: [www.mitigation2014.org](http://www.mitigation2014.org).

678. Convention objective (Article 2): "stabilisation, in accordance with the relevant provisions of the Convention, of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system".

679. [http://report.mitigation2014.org/spm/ipcc\\_wg3\\_ar5\\_summary-for-policymakers\\_approved.pdf](http://report.mitigation2014.org/spm/ipcc_wg3_ar5_summary-for-policymakers_approved.pdf)

680. WMO: [https://www.wmo.int/pages/mediacentre/press\\_releases/documents/1002\\_GHG\\_Bulletin.pdf](https://www.wmo.int/pages/mediacentre/press_releases/documents/1002_GHG_Bulletin.pdf)

681. <http://www.ipcc-syr.nl>.

682. See also UNEP "Emissions Gap Report 2013": [www.unep.org/publications/ebooks/emissionsgapreport2013](http://www.unep.org/publications/ebooks/emissionsgapreport2013).



In 1995, the Second IPCC Report had provided the scientific knowledge base necessary for the Kyoto Protocol negotiations (1997). Can the Fifth Report stimulate, through the ADP, a sufficiently ambitious new agreement to plug the gap between the current emissions trajectory and the one required to limit the rise in temperatures above 2°C (see Section 2.1.2 on the ADP)? How will the Parties capitalise on this Report to intensify their efforts in implementing mitigation and adaptation measures and in granting financial and technological support for these measures? How should the various sectoral and regional issues be managed? Through the NAMA (Section 2.2.2) and the national adaptation plans (Section 2.2.8.2), for example?

## Sheet 13.

### Abbreviations and acronyms

#### Abbreviations and acronyms English - French

English		French	
AAU	Assigned Amount Unit	UQA	Unité de quantité attribuée
ADP	Ad Hoc Working Group on the Durban Platform for Enhanced Action	ADP	Ad Hoc Working Group on the Durban Platform for Enhanced Action
AILAC	Independent Alliance of Latin America and the Caribbean	AILAC	Alliance indépendante de l'Amérique latine et les Caraïbes
AOSIS	Alliance of Small Island States	AOSIS	Alliance des petits États insulaires en développement ( <a href="http://www.sidsnet.org/aosis">www.sidsnet.org/aosis</a> )
AWG-KP	Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol	AWG-KP	Groupe de travail spécial sur les nouveaux engagements pour les Parties visées à l'Annexe I au titre du Protocole de Kyoto
AWG-LCA	Ad Hoc Working Group on Long-Term Cooperative Action under the Convention	AWG-LCA	Groupe de travail spécial de l'action concertée à long terme au titre de la Convention
BUR	Biennial Update Reports	RBA	Rapports Biennaux Actualisés
CACAM	Central Asia, Caucasus, Albania and Moldova Group	CACAM (de l'anglais)	Groupe de pays de l'Asie centrale, du Caucase, de l'Albanie et de la Moldavie
CBD	Convention on Biological Diversity	CDB	Convention on Biological Diversity
CCS	Carbon capture and storage	CSC	Capture et stockage du carbone
CDM	Clean Development Mechanism	MDP	Mécanisme pour un développement propre ( <a href="http://cdm.unfccc.int">cdm.unfccc.int</a> )
CER	Certified Emission Reduction	CER	Unité de réduction certifiée des émissions
CGE	Consultative Group of Experts on non-Annex I national communications	GCE	Groupe consultatif d'experts des communications nationales des Parties non visées à l'Annexe I
CMP ou COP/MOP	Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol	CMP	Conference of Parties acting as a Reunion of Parties to the Kyoto Protocol
COP	Conference of the Parties to the United Nations Framework Convention on Climate Change	COP	Conférence des Parties à la Convention-cadre des Nations Unies sur les changements climatiques
CTCN	Climate Technology Centre and Network	CRTC	Centre et réseau des technologies du climat
DNA	Designated national authority	AND	Autorité nationale désignée
DOE	Designated Operational Entity	EOD	Entité opérationnelle désignée
EEC	European Economic Community	CEE	Communauté économique européenne
EGTT	Expert Group on Technology Transfer	GETT	Groupe d'experts sur le transfert de technologies
EIG	Environmental Integrity Group	GIE	Environmental Integrity Group
ERU	Emission Reduction Unit	ERU	Unité de réduction des émissions

English		French	
EU	European Union	<i>UE</i>	<i>European Union</i>
EUA	European Union allowances		<i>Quota de la Communauté européenne</i>
Executive Board of the CDM	Executive Board of the Clean Development Mechanism	<i>CDM Executive Board</i>	<i>Conseil exécutif du Mécanisme pour un développement propre</i>
FAO	Food and agriculture organisation of the United Nations	<i>FAO</i>	<i>Organisation des Nations Unies pour l'alimentation et l'agriculture</i>
FVA	Framework for various approaches	<i>CDD</i>	<i>Cadre pour les Diverses Démarches</i>
G-77/China	Group of 77 and China	<i>G-77/China</i>	<i>Groupe des 77 et de la Chine (www.G-77.org)</i>
GCOS	Global Climate Observing System	<i>SMOC</i>	<i>Système mondial d'observation du climat (www.wmo.ch/web/gcos/gcos-home.html)</i>
GCF	Green Climate Fund	<i>FVC</i>	<i>Fonds vert pour le climat</i>
GDP	Gross domestic product	<i>PIB</i>	<i>Produit intérieur brut</i>
GEF	Global Environment Facility	<i>FEM</i>	<i>Global Environment Facility (www.gefweb.org)</i>
GHG	Greenhouse gas	<i>GES</i>	<i>Gaz à effet de serre</i>
GRULAC (from the Spanish)	Regional group of Latin America and Caribbean Countries	<i>GRULAC (de l'espagnol)</i>	<i>Groupe régional de l'Amérique latine et des Caraïbes</i>
GTOS	Global Terrestrial Observing System	<i>SMOT</i>	<i>Système mondial d'observation terrestre (www.fao.org/gtos)</i>
GWP	Global Warming Potential	<i>PRP</i>	<i>Potentiel de réchauffement de la planète</i>
IAR	Independent Assessment Report	<i>REI</i>	<i>Rapport d'évaluation indépendant</i>
IAR	International assessment and review	<i>EEI</i>	<i>Évaluation et examen au niveau international</i>
ICA	International Consultation and Analysis	<i>CAI</i>	<i>Consultation et analyse internationale</i>
ICAO	International Civil Aviation Organisation	<i>OACI</i>	<i>Organisation de l'aviation civile internationale</i>
IEU	Independent Evaluation Unit	<i>UIE</i>	<i>Unité Indépendante d'Évaluation</i>
IIU	Independent Integrity Unit	<i>UII</i>	<i>Unité Indépendante d'Intégrité</i>
INDC	Intended Nationally Determined Contributions	<i>CPDN</i>	<i>Contributions prévues déterminées au niveau national</i>
IEA	International Energy Agency	<i>AIE</i>	<i>Agence internationale de l'énergie (www.iea.org)</i>
IETA	International Emissions Trading Association	<i>IETA</i>	<i>Association internationale du marché des émissions (www.ieta.org)</i>
IMO	International Maritime Organisation	<i>OMI</i>	<i>Organisation maritime internationale</i>
IPCC	Intergovernmental Panel on Climate Change	<i>GIEC</i>	<i>Groupe d'experts intergouvernemental sur l'évolution du climat (www.ipcc.ch)</i>
IPR	Intellectual Property Rights	<i>DPI</i>	<i>Droits de propriété intellectuelle</i>

English		French	
IRM	Independent Redress Mechanism	<i>MIR</i>	<i>Mécanisme Indépendant de Redressement</i>
ITL	International Transaction Log	<i>RIT</i>	<i>Relevé international des transactions</i>
JI	Joint Implementation	<i>MOC</i>	<i>Mise en œuvre conjointe (ji.unfccc.int)</i>
JISC	Joint Implementation Supervisory Committee	<i>CSAC</i>	<i>Comité de Supervision de l'Application Conjointe</i>
JUSS-CANNZ	Japan, US, Switzerland, Canada, Australia, Norway and New Zealand	<i>JUSS-CANNZ</i>	<i>Groupe du JUSSCANNZ</i>
KP	Kyoto Protocol	<i>PK</i>	<i>Kyoto Protocol</i>
LEDS	Low-emission development strategies	<i>SDFIC</i>	<i>Stratégies de développement à faible intensité de carbone</i>
LDCs	Least Developed Countries	<i>PMA</i>	<i>Pays les moins avancés</i>
LDCF	Least Developed Countries Fund	<i>LDC Fund</i>	<i>Fonds pour les pays les moins avancés</i>
LEG	Least Developed Country Expert Group	<i>GEPMA</i>	<i>Groupe d'experts sur les pays les moins avancés</i>
LMDC	Like Minded Developing Countries (Like Minded Group)	<i>GEMO</i>	<i>Groupe d'États ayant la même optique</i>
LULUCF	Land Use, Land Use Changes and Forestry	<i>LULUCF</i>	<i>Utilisation des terres, changement d'affectation des terres et foresterie</i>
MRV	Measurable, reportable and verifiable	<i>MNV</i>	<i>Mesurable, notifiable et vérifiable</i>
NAMA	Nationally Appropriate Mitigation Actions	<i>MAAN</i>	<i>Mesures d'atténuation appropriées au niveau national</i>
NAPs	National Adaptation Plan	<i>PNA</i>	<i>Plans nationaux d'adaptation</i>
NAPA	National Adaptation Programme of Action	<i>PANA</i>	<i>Programme d'action national aux fins de l'adaptation</i>
NFMS	National Forest Monitoring Systems	<i>SNSF</i>	<i>Système National de Surveillance des Forêts</i>
NGO	Non-governmental organisation	<i>ONG</i>	<i>Organisation non gouvernementale</i>
NMA	Non-market-based approaches	<i>DFM</i>	<i>Démarches non Fondées sur le Marché</i>
NWP	Nairobi work programme on impacts, vulnerability and adaptation to climate change	<i>PTN</i>	<i>Programme de travail de Nairobi sur les incidences des changements climatiques et la vulnérabilité et l'adaptation à ces changements</i>
OECD	Organisation for Economic Co-operation and Development	<i>OCDE</i>	<i>Organisation de coopération et de développement économiques</i>
OPEC	Organisation of Petroleum Exporting Countries	<i>OPEP</i>	<i>Organisation des pays exportateurs de pétrole</i>
ppm	Parts per million (volume/weight)	<i>ppm</i>	<i>Parties par million (volumepoids)</i>
PSF	Private Sector Facility (of the GCF)	<i>FSP</i>	<i>Facilité pour le Secteur Privé (du FVC)</i>
QELRO	Quantified emission limitation and reduction objectives	<i>QELRO</i>	<i>Objectifs chiffrés de limitation et de réduction des émissions</i>

# Guide to the negotiations UNFCCC - COP20 and CMP10

English		French	
RAF	Resources Allocation Framework	<i>DAR</i>	<i>Dispositif d'allocation des ressources</i>
REDD	Reducing emissions from deforestation and degradation	<i>REDD</i>	<i>Réduction des émissions découlant du déboisement et de la dégradation</i>
RGGI	Regional Greenhouse Gas Initiative		<i>Initiative régionale sur les gaz à effet de serre (<a href="http://www.rggi.org">www.rggi.org</a>)</i>
RL	Reference Levels	<i>NR</i>	<i>Niveaux de référence</i>
REL	Reference Emission Levels	<i>NRE</i>	<i>Niveaux de référence des émissions</i>
SB	Subsidiary Body	<i>OS</i>	<i>Organe subsidiaire</i>
SBI	Subsidiary Body for Implementation	<i>SBI</i>	<i>Organe subsidiaire de mise en œuvre</i>
SBSTA	Subsidiary Body for Scientific and Technological Advice	<i>SBSTA</i>	<i>Organe subsidiaire de conseil scientifique et technologique</i>
SCCF	Special Climate Change Fund	<i>FSCC</i>	<i>Fonds spécial pour les changements climatiques</i>
SCF	Standing Committee on Finance	<i>CPF</i>	<i>Comité Permanent du Financement</i>
SED	Structured Expert Dialogue	<i>DSE</i>	<i>Dialogue Structuré entre Experts</i>
SIDS	Small Island Developing States	<i>PEID</i>	<i>Petits États insulaires en développement (<a href="http://www.sidsnet.org">www.sidsnet.org</a>)</i>
SLCPs	Short-lived Climate-forcing Pollutants	<i>PCCD</i>	<i>Polluants climatiques à courte durée</i>
tCER	Temporary Certified Emission Reduction	<i>tCER</i>	<i>Unité de réduction certifiée des émissions temporaire</i>
TEC	Technology Executive Committee	<i>CET</i>	<i>Comité exécutif des technologies</i>
TTE	Team of Technical Experts	<i>EET</i>	<i>Equipe d'experts techniques</i>
UNDP	United Nations Development Programme	<i>PNUD</i>	<i>United Nations Development Programme</i>
UNEP	United Nations Environment Programme	<i>PNUE</i>	<i>United Nations Environment Programme</i>
UNFCCC	United Nations Framework Convention on Climate Change	<i>CCNUCC</i>	<i>United Nations Framework Convention on Climate Change (<a href="http://unfccc.int">http://unfccc.int</a>)</i>
UNFCCC Dialogue	Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention	<i>Dialogue de la CCNUCC</i>	<i>Dialogue sur l'action de coopération à long terme pour faire face aux changements climatiques à travers l'amélioration de la mise en application de la Convention</i>
UNFF	United Nations Forum on Forests	<i>FNUF</i>	<i>Forum des Nations Unies sur les forêts</i>
WEOG	Western Europe and Others Group		<i>Groupe de l'Europe de l'Ouest et des autres</i>
WMO	World Meteorological Organisation	<i>OMM</i>	<i>Organisation météorologique mondiale</i>
WS1	Workstream 1	<i>SA1</i>	<i>Secteur d'activité 1</i>
WS2	Workstream 2	<i>SA2</i>	<i>Secteur d'activité 2</i>

**Sheet 14.**  
**Lexicon**  
**English - French**

English	French
Additionality	Principe d'addition
Adverse effects	Conséquences néfastes
Assigned Amount	Quantité attribuée
Baseline	Scénario de référence
Capacity building	Renforcement des capacités
Carbon capture and storage	Captage et stockage du carbone
CDM Executive Committee	Comité exécutif du MDP
Compliance action plan	Plan d'action structurel d'observance
Compliance Committee	Comité de contrôle de respect des dispositions
Compliance System	Système de conformité
Eligibility criteria	Critères d'admissibilité
Emissions cap	Plafond d'émissions
Enforcement branch	Branche coercitive
Facilitative branch	Branche facilitatrice
Flexibility mechanism	Mécanisme de flexibilité
Fungibility	Fongibilité
Guidelines	Lignes directrices
International emissions trading	Échange international de droits d'émissions
International Consultation and Analysis	Consultation et analyse internationales
Inventory	Inventaire
JI Supervisory Committee	Comité de surveillance de la MOC
Kyoto Protocol Adaptation Fund	Fonds d'adaptation du Protocole de Kyoto
Measurable, reportable and verifiable	Mesurable, notifiable et vérifiable
National communication	Communication nationale
National inventory system	Système national d'inventaire
Nationally Appropriate Mitigation Actions	Mesures d'atténuation appropriées au niveau national
Project-based mechanism	Mécanisme de projets
Response measures	Mesure de riposte
Technology clearing house	Centre d'information sur les technologies
Technology transfer	Transfert de technologies
Umbrella Group	Groupe parapluie (ou Groupe chapeau ou Groupe de l'ombrelle)

## Sheet 15.

### Thematic glossary

<b>Additionality</b>	Characterises the GHG emission reductions generated by the compensatory projects must be greater than the emissions which would have occurred without these projects. The goal of environmental additionality is to demonstrate that a project produces actual, measurable, additional and long-term GHG reductions.
<b>Adaptation</b>	Ability of a system to adjust its mechanisms, processes and structure to climate change. Adaptation can be spontaneous or planned; it can occur in response to or in advance of a change in conditions.
<b>Hot air</b> <b>"Hot Air"</b>	Due to their industrial recession in the 1990s, certain Annex B countries to the Kyoto Protocol (like Russia and Ukraine) received higher emission limitation targets than their total amount of emissions without taking any measures for domestic reduction. This quota surplus (hot air) could potentially be sold to other countries via flexibility mechanisms.
<b>Improvement in greenhouse gas removals</b>	Calculated improvement of greenhouse gas removals between a baseline scenario and a project. The removal designates the penetration of greenhouse gases in a living organism that assimilates these gases and therefore the disappearance of the removed greenhouse gases.
<b>Annex I</b>	Annex I is attached to the United Nations Framework on Climate Change. It quotes forty developed countries and countries with economies in transition that have made commitments to stabilise the greenhouse gas emissions at 1990 levels.
<b>Annex II</b>	Annex II is attached to the United Nations Framework on Climate Change. It identifies 24 developed countries (including in Annex I) that have agreed to provide financial and technological aid to developing countries to combat climate change.
<b>Annex B</b>	Annex B is attached to the Kyoto Protocol. It identifies 38 developed countries and countries with economies in transition that have made commitments to limit or reduce greenhouse gas emissions during the period 2008-2012.
<b>Anthropogenic</b>	Greenhouse gas emissions caused by human activities are called anthropogenic when they do not come from natural emissions. These are additional emissions which can be considered as pollution.
<b>Mitigation</b>	Human intervention to reduce the sources of greenhouse gases or reinforce the sinks of greenhouse gases, either by extending the surface area or by improving their removal capacity.

Afforestation	Action of planting trees on land that has had no forest cover for a certain number of years.
Carbon dioxide capture and storage	The process of increasing the carbon content of a carbon reservoir other than the atmosphere. This process designates the separation of CO <sub>2</sub> from flue gases or from processing fossil fuels to produce CO <sub>2</sub> -rich fractions and long-term storage underground in exhausted oil and gas reservoirs, coal seams and saline aquifers.
Carbon neutrality	Objective of no longer emitting GHG, or more realistically, action of investing in one or more projects that will avoid producing an equivalent quantity of GHG than generated by the entity seeking carbon neutrality.
Climate change	Climate variations that are attributed directly or indirectly to human activity, altering the composition of the atmosphere, and which are added to the natural variability of the climate note during comparable periods.
Fossil fuel	Natural gas, petroleum, coal or any solid, liquid or gaseous fuel derived from these materials.
Supplementarity	In the context of the UNFCCC, supplementarity refers to the option available to the Parties to the Kyoto Protocol to introduce, in addition to the Kyoto mechanisms, suitable domestic policies, energy-related or otherwise, to fulfil the GHG emission reduction objectives in the long term.
Compliance	Obligation whereby the emitter is required to comply with his objectives of GHG emission reductions. The verification of compliance with the commitments and mandatory objectives is an essential factor in a mandatory emission reduction system. Compliance includes the verification modalities, the organisation responsible for verifying the compliance and the possible sanctions. Synonym: obligation compliance
Business as usual	Greenhouse gases resulting from general trends in an economy with no emission control policy. This reference is used to estimate the effectiveness of policies and measures undertaken to combat greenhouse gas emissions.
Compensatory credits	Emission right representing a tonne of sequestered or removed equivalent CO <sub>2</sub> , given to the promoter of a compensatory credit project to reduce GHG emissions.
Woodland clearance	Conversion of forest to non-forest. Synonym: Deforestation
Emission right	Any emission right symbolising the reduction of GHG emissions by one metric tonne of equivalent carbon dioxide, i.e. an emission unit, an emission quota or a compensatory credit. These rights can be traded inside international or national carbon trading systems.



<b>Greenhouse gas emission</b>	Total mass of a GHG which is released into the atmosphere during a given period.
<b>CO<sub>2</sub> equivalent</b>	<p>The concentration of carbon dioxide (CO<sub>2</sub>) that would cause the same amount of radiative forcing as a given mixture of CO<sub>2</sub> and other greenhouse gases.</p> <p>NOTE 1: The CO<sub>2</sub> equivalent is calculated using the mass of a given GHG multiplied by its global warming potential.</p> <p>NOTE 2: Annex B lists global warming potentials established by the Intergovernmental Panel on Climate Change.</p>
<b>Greenhouse gas emission or removal factor</b>	<p>Factor reporting the activity data on the GHG emissions or absorptions.</p> <p>NOTE: A greenhouse gas emission or removal factor can include an oxidation factor.</p>
<b>Fungibility</b>	Quality of what is consumed through use and which can be replaced by other similar products. In the context of the carbon market, fungibility makes no distinction between the categories of units and considers them all identical (one AAU would therefore be equivalent to a JI project unit and also to a unit resulting from an internal measurement of energy efficiency).
<b>Carbon leakage</b>	<p>Part of GHG emission reductions in Annex B countries that may be offset by an increase in emissions in non-constrained countries above their baseline levels. This can occur through (i) relocation of energy-intensive production units in non-constrained regions; (ii) increased consumption of fossil fuels in these regions through decline in the international price of oil and gas triggered by lower demand for these energies; and (iii) changes in revenues (thus in energy demand) due to improved economic conditions.</p> <p>NOTE: The term also refers to the situation in which a carbon capture activity (tree planting, for example) on one piece of land inadvertently, directly or indirectly, triggers an activity, which in whole or part, counteracts the carbon effects of the initial activity.</p>
<b>Greenhouse gases (GHG)</b>	Gaseous constituents of the atmosphere, both natural and anthropogenic, that remove and re-emit the infrared radiation. They help maintain the heat in the Earth's atmosphere. These gases are produced by both natural and anthropogenic processes. The main gases are water vapour, carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), dinitrogen oxide (N <sub>2</sub> O), the chlorofluorocarbons, hydrofluorocarbons (HFC), nitrogen trifluoride (NF <sub>3</sub> ), perfluorocarbons (PFC) and sulphur hexafluoride (SF <sub>6</sub> ).
<b>Energy intensity</b>	Ratio of energy consumption to economic or physical output. At the national level, energy intensity is the ratio of total domestic consumption or final energy consumption to Gross Domestic Product or physical output.

<b>GHG inventory</b>	Assessment that measures the GHG emissions from activities of an entity (country, business, municipality, etc.). This assessment is calculated in relation to a reference year.
<b>Carbon market</b>	Name for a group of greenhouse gas emissions trading and transaction mechanisms. The carbon market designates both the voluntary market for the voluntary compensation of GHG emissions and the regulated markets that make the regulated emitters compliant.
<b>Voluntary market</b>	Carbon credits trading mechanism not linked to national or international regulations.
<b>Materiality</b>	An item of information, an error or an inaccuracy are normally considered as material if they can influence people building on them. This concept comes into play when verifying project data and embodies the idea that there is a threshold beyond which the search for other potential errors is not longer justified in terms of time, money or the efforts required. Thus, if the error found generates a difference in the emission reductions of the project which is below the set threshold, this error is viewed as negligible or, in other words, immaterial.
<b>Clean development mechanism (CDM)</b>	Flexibility mechanism provided for under the Kyoto Protocol (Art. 12). It assumes the implementation of emission reduction or avoidance projects in the developing countries. The CDM projects require at least three partners: the developing country (project host), the private investor (project manager) and the Annex B country from which the private investor comes.
<b>Joint implementation (JI)</b>	Flexibility mechanism provided for under the Kyoto Protocol (Art. 12). This mechanism is used by the governments of developed countries and countries with economies in transition, and their companies, to finance greenhouse gas emission reduction projects in the other developed countries and countries with economies in transition (mainly the Eastern European countries and Russia). In return, these States receive emission credits that they can sell or deduct from their own national efforts.
<b>Baseline</b>	This is a historical level used to calculate subsequent changes in greenhouse gas emissions. This level is determined micro-economically or macro-economically. It is of crucial importance in determining the additionality level of reductions resulting from joint initiative projects or those implemented under the Clean Development Mechanism or the Joint Implementation.
<b>Global warming potential (GWP) or planet warming potential (PWP)</b>	Index describing the radiation characteristics of greenhouse gases. The GWP or PWP represents the combined effect of the time these gases remain in the atmosphere and their relative effectiveness in absorbing outgoing infrared radiation. This index approximates the time-integrated warming effect of a unit mass of a given greenhouse gas in the atmosphere, relative to that of CO <sub>2</sub> . NOTE: The reports of the Intergovernmental Panel on Climate Change contain planet warming potential tables.

<b>Greenhouse gas programme</b>	Voluntary or mandatory, international, national or sub-national system or plan which records, counts or manages the emissions, removals, greenhouse gas emission reductions or improvements in greenhouse gas removals.
<b>Carbon sink</b>	Any process, activity or mechanism, natural or artificial, that removes a greenhouse gas, an aerosol or a precursor of a greenhouse gas from the atmosphere (for example, trees, plants and oceans).
<b>Reforestation</b>	Planting of forests on lands that had previously contained forests but have been converted to other uses.
<b>Additional reductions</b>	See Additionality
<b>Greenhouse gas emission reduction</b>	Calculated drop in GHG emissions between the baseline scenario emissions and the actual emissions avoided by a project.
<b>Reduction in emissions from deforestation and forest degradation (REDD+)</b>	International issue of the post-2012 climate regime on the financial provisions and the transfer of technology under the reduction plan for emissions caused by deforestation and forest degradation. This issue also includes the protection and sustainable management of forests and the promotion of forest carbon stocks in the developing countries resulting, for example, from adapted silvicultural practices or plantings.
<b>Greenhouse gas reservoir</b>	Physical unit or biosphere, geosphere or hydrosphere component capable of storing or accumulating a GHG removed from the atmosphere by a greenhouse gas sink or a GHG captured at its source. NOTE 1: The total mass of carbon contained in a GHG reservoir at a given moment can be called reservoir carbon stock. NOTE 2: A GHG reservoir can transfer GHG to another reservoir. NOTE 3: Collecting a GHG at its source before it enters the atmosphere and storing the GHG collected in a GHG reservoir can be called GHG capture and storage.
<b>Baseline scenario</b>	Hypothetical reference case that represents in the best possible way the conditions that would be the most likely in the absence of the greenhouse gas project. NOTE: The baseline scenario coincides with the GHG project chronology.
<b>Sequestration</b>	CO <sub>2</sub> sequestration projects can participate in two distinct and sometimes complementary ways to carbon sequestration: (i) by extracting the carbonic gas from the atmosphere and storing it as over- and underground biomass; (ii) by producing additional renewable biomass where the waste-to-energy conversion can avoid the recourse to fossil fuels.
<b>Greenhouse gas source</b>	Physical unit or process releasing a GHG into the atmosphere.

<b>Affected greenhouse gas source, sink or reservoir</b>	<p>GHG source, sink or reservoir influenced by the activity of a project through modifications to the supply and demand of the market regarding its associated products or service or through physical movement.</p> <p>NOTE 1: Whilst the associated GHG sources, sinks or reservoirs are linked physically to a GHG project, the affected GHG sources, sinks or reservoirs are linked to a GHG project by changes caused by market supply and demand.</p> <p>NOTE 2: An affected GHG source, sink or reservoir is normally found off the project site.</p> <p>NOTE 3: The reductions in emissions or the increases in GHG removals attributable to the affected GHG sources, sinks or reservoirs are commonly called "leaks".</p>
<b>Controlled greenhouse gas source, sink or reservoir</b>	<p>A GHG source, sink or reservoir that operates under the guidance or influence of an author of a greenhouse gas project proposal through financial, political, management or other instruments.</p> <p>NOTE: A controlled GHG source, sink or reservoir is normally found on the project site.</p>
<b>Associated greenhouse gas source, sink or reservoir</b>	<p>A GHG source, sink or reservoir with material or energy flows entering or exiting the project or which are contained within it.</p> <p>NOTE 1: An associated GHG source, sink or reservoir is normally found upstream or downstream of the project and can be located on or off the project site.</p> <p>NOTE 2: An associated GHG source, sink or reservoir can also include activities relating to the design, construction or declassification of a project.</p>
<b>Standard of performance</b>	<p>Simplified approach of additionality and the baseline scenario. Rather than seeking to prove the additionality and to determine the baseline scenario for each project, the standard of performance is an approximate evaluation that establishes a generic baseline scenario as a quantitative standard of performance. Any project where the emissions are below this predefined standard is considered as additional.</p>
<b>Monitoring</b>	<p>Continuous or periodic assessment of emissions and removals of GHG or other GHG-related data.</p>
<b>Emission cap-and-trade system</b>	<p>System that assigns rights to companies for their greenhouse gas emissions based on governmental environmental objectives. Compensatory credits issued thanks to a GHG reduction project can also be traded in this system.</p>
<b>Tonne of carbon equivalent</b>	<p>See equivalent CO<sub>2</sub></p>
<b>Removal units</b>	<p>Units issued by the Parties to the Kyoto Protocol and which covers the net removal by carbon sinks of GHG from Land Use, Land Use Changes and Forestry (LULUCF) activities.</p>

<b>Emissions unit</b>	Under the cap-and-trade system, an emission unit designates a right of emission generated by the government according to the declared GHG emissions verified by the companies. A right of emission relates to the authorisation to emit 1 tCO <sub>2</sub> eq.
<b>Assigned amount units (AAU)</b>	Units issued by the Parties to the Kyoto Protocol in their national register. The amount assigned is calculated according to emissions of the base year and quantified emission reduction commitments. This quantity is expressed as a percentage.
<b>Certified emission reductions (CER)</b>	Certified emission reductions (CER) are emission credits obtained through CDM projects. These credits can be applied directly to fulfil the quantified commitments of Annex B countries. Note : the acronym UCRE for Certified units of emissions reduction is also used.
<b>Emission reduction units (ERU)</b>	Units converted from an assigned amount unit (AAU) or a removal unit and handed to the project participant under joint implementation activities.
<b>Target user</b>	Person or organisation identified by those in charge declaring information relating to greenhouse gases and which relies on this information to take decisions. NOTE 1: The target user can be the customer, the responsible party, the administrators of the GHG programme, regulators, the financial community or other stakeholders involved such as local authorities, ministerial departments or non-governmental organisations. NOTE 2: The level of assurance is used to determine the accuracy a validator or verifier gives to his validation or verification plan to detect any errors, omissions or false declarations. NOTE 3: There are two assurance levels (reasonable or limited) that result in validation or verification reports that are formulated differently. See ISO 14064-3: 2006 A.2.3.2 for sample validation and verification reports.
<b>Land Use, Land Use changes and Forestry (LULUCF)</b>	Land use and their changes (forest, agriculture, natural areas, etc.) have a significant influence on carbon storage (sink) and methane (CH <sub>4</sub> ) releases and therefore on climate change. They contribute to the anthropogenic emissions taken into account by the Kyoto Protocol. The problem of land and forest use goes hand in hand with the concerns of two other conventions: biodiversity and desertification.
<b>Vulnerability</b>	Vulnerability defines to what extent a system can be degraded or damaged by climate change. It depends not just on the sensitivity but also on the adaptability of the system to new climatic conditions.



## BIBLIOGRAPHY

- Climate Action Tracker 2013 "Climate shuffle" likely to lead to increased warming. <http://climateactiontracker.org/publications/briefing/143/Climate-shuffle-likely-to-lead-to-increased-warming.html>.
- Climate Action Tracker 2014 *Climate Action Tracker: Developed Countries Effective emissions limit compared to 1990 (including credits and debits from forestry)*. <http://climateactiontracker.org/countries.html>.
- IPCC (2007). *Summary for policymakers in 2007 Climate Change Assessment: Climate change mitigation, Contribution by Working Group III to the fourth Assessment Report of the Intergovernmental Panel on Climate Change*. B. Metz, O.R. Davidson, P.R. Bosch, R. Dave and L.A. Meyer (eds.). Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA.
- IISD (2013a). *Warsaw Climate Change Conference 11-23 November 2013*. Earth Negotiations Bulletin, Vol. 12 No. 583-593 (compilation report). <http://www.iisd.ca/climate/cop19/enb/compilation.pdf>.
- IISD (2013b). *Bonn Climate Change Conference 3-14 June 2013*. Earth Negotiations Bulletin, Vol. 12 No. 569-580 (compilation report). <http://www.iisd.ca/climate/sb38/compilation.pdf>.
- IISD (2014a). *Report of the Bonn Climate Change Conference 10-14 March 2014*. Earth Negotiations Bulletin, Vol. 12 No. 595, <http://www.iisd.ca/download/pdf/enb12595e.pdf>.
- IISD (2014b). *Report of the Bonn Climate Change Conference 4-15 June 2014*. Earth Negotiations Bulletin, Vol. 12 No. 598, <http://www.iisd.ca/download/pdf/enb12598e.pdf>.
- IISD (2014c). *Summary Report of the UN Climate Summit 2014*. Earth Negotiations Bulletin. Vol. 172 No. 18, [www.iisd.ca/download/pdf/sd/crsvol172num18e.pdf](http://www.iisd.ca/download/pdf/sd/crsvol172num18e.pdf).
- IISD (2014d). *Report of the Bonn Climate Change Conference 20-25 October 2014*. Earth Negotiations Bulletin, Vol. 12 No. 605, <http://www.iisd.ca/download/pdf/enb12605e.pdf>.
- Kameyama, Y., Takamura, Y., Niizawa, H. et Tamura, K. (2013). *What is the likely outcome of the Durban Platform process? Results of an online questionnaire survey*. Ministry of Environment, Japan and National Institute for Environmental Studies (NIES). [www.nies.go.jp/media\\_kit/2013/7.1.pdf](http://www.nies.go.jp/media_kit/2013/7.1.pdf).
- Kollmuss, A., J. Fuessler, M.Lazarus, M. Herren and L. Schneider (2013). *New climate mitigation market mechanisms: stocktaking after Doha*. Ministry of Infrastructures and Environment (I&M) and Federal Environment Office (OFEV), Zurich and Berne.
- Ngwadla, X., and Rajamani, L. (2014). *Operationalising an Equity Reference Framework (ERF) in the Climate Change Regime: Legal and technical perspectives*. Cape Town: MAPS. [www.mapsprogramme.org/wp-content/uploads/Paper\\_Operationalising-ERF.pdf](http://www.mapsprogramme.org/wp-content/uploads/Paper_Operationalising-ERF.pdf).
- Peters-Stanley, M. et Gonzalez, G. (2014). *Sharing the Stage : State of the Voluntary Carbon Markets 2014. Executive Summary*. Forest Trend's Ecosystem Marketplace. [www.forest-trends.org/vcm2014.php](http://www.forest-trends.org/vcm2014.php).
- UNDP, 2012 *Taking stock of Durban: The main results and the road ahead*. United Nations Development Programme, [www.undp.org/content/dam/undp/library/Environment%20and%20Energy/UNDP\\_DURBAN\\_FR\\_22\\_5.pdf](http://www.undp.org/content/dam/undp/library/Environment%20and%20Energy/UNDP_DURBAN_FR_22_5.pdf).
- UNEP (2012). *Report on the gap between requirements and perspectives on matters of emissions reduction*. United Nations Environment Programme. [www.unep.org/pdf/2012gapreport.pdf](http://www.unep.org/pdf/2012gapreport.pdf).

- UNEP (2013a). *The emissions gap report 2013: a UNEP synthesis report*. United Nations Environment Programme. [www.unep.org/emissionsgapreport2013](http://www.unep.org/emissionsgapreport2013).
- UNEP (2013b). *Report on the gap between requirements and perspectives on matters of emissions reduction: Analytical summary*. United Nations Environment Programme. [www.unep.org/publications/ebooks/emissionsgapreport2013/portals/50188/Executive\\_Summary\\_fr.pdf](http://www.unep.org/publications/ebooks/emissionsgapreport2013/portals/50188/Executive_Summary_fr.pdf).
- UNEP (2014). *Climate Finance for Cities and Buildings - A Handbook for Local Governments*. UNEP Division of Technology, Industry and Economics (DTIE), Paris. [www.unep.org/publications](http://www.unep.org/publications).
- World Bank (2014). *State and Trends of Carbon Pricing 2014*. Washington, DC: World Bank. <https://openknowledge.worldbank.org/handle/10986/18415>.
- Yamin, F. and J. Depledge (2004). *The International Climate Change Regime: A Guide to Rules, Institutions and Procedures*, Cambridge University Press, Cambridge.





**ENERGIES 2050** was born with the certainty that the development trajectories of our societies are not inevitable and that they can be changed for the better. As an informal network since 2007, and as a French non-profit and non-governmental organisation working exclusively in the general interest since 2011, ENERGIES 2050 contributes relentlessly to the transformation of our societies for a more humane, plural and united future.

Gathering members and partners from more than fifty nationalities, ENERGIES 2050 works in France and internationally to set up a new, positive and inclusive development model and to convert constraints into opportunities for action. As a collective adventure in the quest for better ways of living together, ENERGIES 2050 has committed to the Great Transition, including the energy transition, sustainable cities and regions and the shift towards a more humane, plural and united society, bringing peace and respecting the common goods of humanity.

ENERGIES 2050 is active in the following topics: eco-development and sustainable development; climate, environment and energy policy; energy transition; development of renewable energy sources; responsible and sustainable tourism; buildings and the construction sector; challenges and opportunities in rural and urban areas; sustainable cities; natural resources and the common goods of humanity; ecological and environmental economics; responsible business dynamics and corporate performance; low-carbon development strategies; gender; environmental education; social dynamics; behaviour change and citizen action; and the social solidarity economy.

ENERGIES 2050's activities are part of an ongoing vision for solidarity and equity. ENERGIES 2050 argues for all world citizens to be involved in setting up a new, shared development model, to be designed together.

ENERGIES 2050's actions and research simultaneously take place at the local level - as the anchorage point for implementing and testing new approaches - and at the global level, since the idea is to share and spread successful experiences, whilst learning from mistakes made along the way.

## **ENERGIES 2050**

688 chemin du Plan - 06410 Biot - France  
contact@energies2050.org - [www.energies2050.org](http://www.energies2050.org)  
+33 (0)6 80 31 91 89



*L'Institut de l'Énergie des Pays ayant en commun l'usage du Français* (IEPF - Energy Institute for Countries with French as a common language) came into being in 1988 following the 11th Summit of the Francophonie held in Quebec in 1987. It was created following the global energy crises from a desire of Heads of State and Government for cooperative action to develop the energy sector in member countries. In 1996, the Institute took the resolutions of the Rio Earth Summit 1992 as the major guide for its action and became the *Institut de l'énergie et de l'environnement de la Francophonie* (Energy and Environment Institute of the French-speaking World) And in 2013, following the Rio+20 Conference, it was renamed **Institut de la Francophonie pour le développement durable** (IFDD - Institute of the French-speaking world for Sustainable Development). The Institute is a subsidiary body of the Organisation internationale de la Francophonie (OIF - International Organisation of the Francophonie) and its headquarters are in Quebec City.

Its mission is to contribute to:

- training and capacity-building in sustainable development of various categories of development players in French-speaking countries in the energy and environment sectors;
- support for development players in initiatives to prepare and implement sustainable development programmes;
- the promotion of the sustainable development approach in French-speaking countries;
- the development of partnerships in the various economic and social development sectors, mainly environment and energy, for sustainable development.

The IFDD programme is implementing the following five projects in synergy with the other programmes of the International Organisation of La Francophonie, especially those coming from mission D of the Ten-year strategic framework of the Francophonie - "Developing cooperation to ensure sustainable development and solidarity":

- Support for institutional frameworks for preparing and implementing national sustainable development strategies;
- Support in mastering environmental management tools;
- Support in preparing and implementing energy policies;
- Support in participating in international negotiations on the environment and sustainable development;
- Support for the broadcasting of information for sustainable development.

[www.ifdd.francophonie.org](http://www.ifdd.francophonie.org)



The International Organisation of La Francophonie (OIF) is an institution founded on sharing a language - French - and common values. It currently groups 77 States and governments, including has to date 57 members and twenty observers. The Report on the French language worldwide 2010 sets the number of French speakers at 220 million.

The OIF carries out political and cooperation actions on all five continents in the following priority areas: French language and cultural and linguistic diversity; peace, democracy and human rights; education and training; sustainable development and solidarity. OIF pays special attention in all its actions to young people and women and to access to information and communication technologies.

The Secretary General runs the political action of the Francophonie as its international spokesman and official representative. Abdou Diouf has been the Secretary General of the Francophonie since 2003.

#### **57 member States and governments**

Albania • Principality of Andorra • Armenia • Kingdom of Belgium • Benin • Bulgaria • Burkina Faso • Burundi • Cambodia • Cameroon • Canada • Canada-New Brunswick • Canada-Quebec • Central African Republic • Chad • Comoros • Congo • Côte d'Ivoire • Cyprus • Democratic Republic of Congo • Djibouti • Dominica • Egypt • Equatorial Guinea • Former Yugoslav Republic of Macedonia • France • Gabon • Ghana • Greece • Guinea • Guinea-Bissau • Haiti • Laos • Lebanon • Luxembourg • Madagascar • Mali • Mauritania • Mauritius • Moldavia • Principality of Monaco • Morocco • Niger • Qatar • Romania • Rwanda • Saint Lucia • São Tomé and Príncipe • Senegal • Seychelles • Switzerland • Togo • Tunisia • Vanuatu • Vietnam • Wallonia-Brussels Federation.

#### **Twenty observers**

Austria • Bosnia Herzegovina • Croatia • Czech Republic • Dominican Republic • Estonia • Georgia • Hungary • Latvia • Lithuania • Montenegro • Mozambique • Poland • Serbia • Slovakia • Slovenia • Thailand • Ukraine • United Arab Emirates • Uruguay.

#### **ORGANISATION INTERNATIONALE DE LA FRANCOPHONIE**

19-21, avenue Bosquet, 75007 Paris France  
Tel. : +33 (0)1 44 37 33 00  
[www.francophonie.org](http://www.francophonie.org)

## Guide to Negotiations assessment form - COP20 and CMP10 on climate change

To assist us in improving the next versions of the Guide to Negotiations, we should be grateful if you would assess this version on a scale of 1 to 4, adding your comments below.

1 = highly satisfactory 2 = satisfactory 3 = rather unsatisfactory 4 = highly unsatisfactory

---

Clarity of issues

- ☐ 1  
☐ 2  
☐ 3  
☐ 4

---

Presentation of sheets

- ☐ 1  
☐ 2  
☐ 3  
☐ 4

---

Relevance of the level of detail:

- ☐ 1  
☐ 2  
☐ 3  
☐ 4

---

Comments on the format:

---

Other comments:

---

Please forward the form at the address below:

Institut de la Francophonie pour le  
développement durable (IFDD)  
56 rue Saint-Pierre, 3rd floor  
Quebec City G1K 4A1 Canada  
Fax: +1 418 692-5644  
E-mail: [ifdd@francophonie.org](mailto:ifdd@francophonie.org)

The international scientific community has reached a consensus: human influence on changes to the climate system is clear. The impacts associated with climate change present huge risks for human health, food security and economic development. It is in this context that negotiators are meeting in Lima for the 20<sup>th</sup> Conference of the Parties to the United Nations Framework Convention on Climate Change. Here they will embark on a major step in the preparations towards the adoption, at the Paris Conference in 2015, of a new agreement on the post-2020 climate regime. The Lima negotiations will play a decisive role in the success of the Paris Conference. Many key issues still have to be resolved regarding the form and the principles of the 2015 agreement as well as the contributions from Parties for the pre- and post-2020 periods. Support for developing countries - notably through the Green Climate Fund - is also a key issue in the negotiations. For some Parties, commitments from developed countries and the provision of means of implementation are an essential prerequisite to the participation of all Parties in the 2015 agreement.

To help readers in better understanding the challenges of the Lima Conference, this guide provides a brief history of the negotiations (Part 1) and an analysis of the main issues that will be discussed this year, based on the most recent negotiation texts and country positions (Part 2). It concludes by presenting the expectations for the Lima Conference. The final section comprises a set of fact sheets that will provide a useful reference for new readers (Part 3). Although this guide is intended especially for negotiators from member countries of the International Organisation of la Francophonie (OIF), it will also be a useful tool for all other delegates.



INSTITUT DE LA FRANCOPHONIE POUR LE DÉVELOPPEMENT DURABLE (IFDD)  
56, RUE SAINT-PIERRE, 3E ÉTAGE, QUÉBEC (QUÉBEC) G1K 4A1 CANADA

L'IFDD is a subsidiary body of Organisation internationale de la Francophonie (OIF).

[www.ifdd.francophonie.org](http://www.ifdd.francophonie.org)