

발 간 등 록 번 호

11-1480000-001360-10

유엔기후변화협약

제20차 당사국 총회 참가결과 자료집 (COP20)

2014.12.1~14, 페루 리마

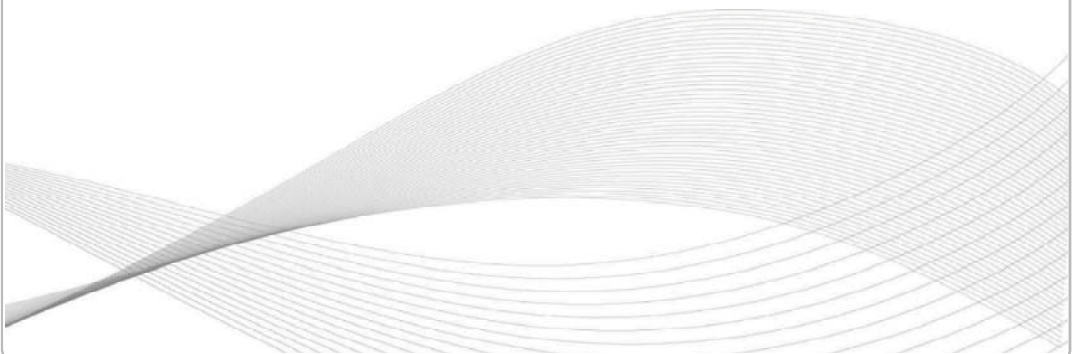
2015. 1

대한민국 정부대표단

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1. 제20차 당사국총회(COP20) 개요



1

COP20 회의개요

□ 회의 개요

- (일시·장소) '14.12.1(월)~14(일)(고위급회의 12.9(화)~12(금)), 페루 리마
※ 당초 12.12(금) 종료 예정이었으나, 2일 연장되어 12.14(일) 02:30에 폐회
- (참가규모) 188개국 정부대표(6,300여명), 국제기구(900여명), 민간단체(NGO 등 3,100여명), 언론(900여명) 등 총 11,185여명 참가
 - (우리나라) 환경부장관(수석대표), 외교부(기후대사), 국조실, 산업부, 기재부 등 정부대표단 41명, 자문단 43명, 시민단체, 언론 등 참석

□ 회의 구성

- 제20차 유엔기후변화협약 당사국총회 (COP20)
- 제10차 교토의정서 당사국회의 (CMP10)
- 제2-7차 더반플랫폼 특별작업반 회의 (ADP2-7)
- 제41차 과학기술부속기구회의(SBSTA41) 및 이행부속기구회의(SBI41)

□ 주요 의제

- 각국이 정하는 기여(INDC)와 2020년 이전 기후대응 강화(Pre-2020)에 대한 당사국총회 결정문 채택
 - ※ INDC : Intended Nationally Determined Contribution
- Post-2020 신기후체제 합의문 초안 마련 시한('15.5월) 대비, 합의문 주요요소 세부내용에 대한 합의 도출
- EU, 미국 등 17개 부속서I 국가의 격년보고서 제출내용에 대한 다자평가 최초 실시를 통해 협약이행의 투명성 증진
- 녹색기후기금(GCF) 초기재원 조성 관련 논의 진전

2

COP20 회의일정

일 시		회 의 일 정	
11.30(일)		<input type="checkbox"/> 의장단 회의	
12.1(월)	10:00~13:00	<input type="checkbox"/> COP 개회	<input type="checkbox"/> CMP 개회
	11:30~13:00	<input type="checkbox"/> SBSTA 개회	
	15:00~18:00	<input type="checkbox"/> SBI 개회	
12.2(화)	10:00~13:00	<input type="checkbox"/> ADP 개회	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> 비공식 회의	
12.3(수)	10:00~13:00	<input type="checkbox"/> 비공식 회의	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> 비공식 회의	
12.4(목)	10:00~13:00	<input type="checkbox"/> 비공식 회의	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> 비공식 회의	
12.5(금)	10:00~13:00	<input type="checkbox"/> 비공식 회의	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> SBI 폐회(1차)	
12.6(토)	10:00~13:00	<input type="checkbox"/> 비공식 회의	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> SBSTA 폐회	
12.7(일)	10:00~13:00	<input type="checkbox"/> 비공식 회의	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> 비공식 회의	

일 시		회의 일정	
12.8(월)	10:00~13:00	<input type="checkbox"/> 비공식 회의	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> SBI 폐회(2차)	
12.9(화)	10:00~13:00	<input type="checkbox"/> COP·CMP 합동 고위급회의 개최	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> 기후재정 고위급 대화	
12.10(수)	10:00~13:00	<input type="checkbox"/> COP·CMP 합동 고위급회의(국가별 기초연설)	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~19:00	<input type="checkbox"/> COP·CMP 합동 고위급회의 (오퍼버 기초연설)	<input type="checkbox"/> 신기후체제 고위급 대화
12.11(목)	10:00~13:00	<input type="checkbox"/> COP·CMP 합동 고위급회의(국가별 기초연설)	
	10:00~12:30	<input type="checkbox"/> 리마 기후행동 고위급 회의	
	15:00~18:00	<input type="checkbox"/> ADP 폐회	
12.12(금)	10:00~13:00	<input type="checkbox"/> 비공식 회의	
	13:15~14:45	<input type="checkbox"/> 비공식 회의	
	15:00~18:00	<input type="checkbox"/> CMP 폐회(결정문 채택)	<input type="checkbox"/> COP 폐회(결정문 채택)

※ 당초 12.12(금) 종료 예정이었으나, 2일 연장되어 12.14(일) 02:30에 폐회

3

대표단 명단

가. 수석대표

부처명	성명	직위	출장기간
환경부	윤성규	환경부장관	12.7-12.14

나. 교체수석대표

부처명	성명	직위	출장기간
외교부	최재철	기후변화대사	11.28-12.15

다. 협상대표단/자문단

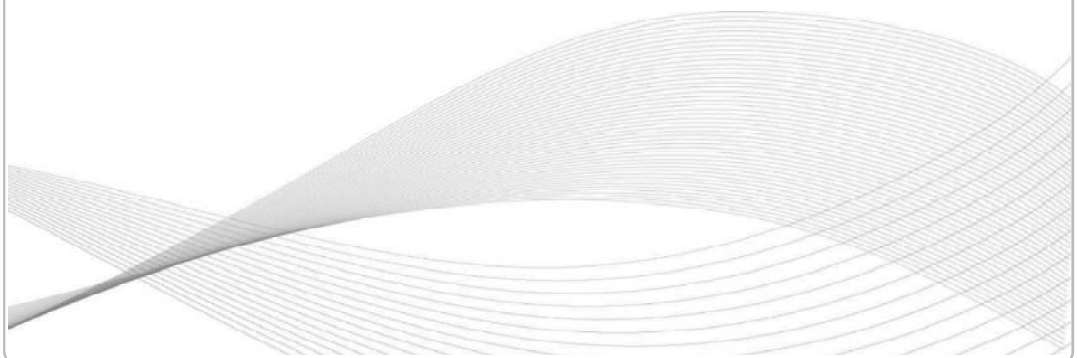
부처명	성명 및 직책		출장기간
외교부	최재철	기후변화대사	11.28-12.15
	이형종	국제경제국 심의관	12.7-12.15
	이현우	기후변화환경과장	11.28-12.7
	조계연	기후변화환경과 서기관	11.28-12.16
	박꽃님	기후변화환경과 사무관	11.28-12.16
	노현정	기후변화환경과 외행관	11.28-12.16
	오일영	주본부관 환경관	
	정서용	고려대학교 교수	
	김상협	KAIST 교수	
국무조정실	정훈	녹색성장지원단 부단장	12.8-12.12
	차은철	기후변화대응과장	12.5-12.12
	정수명	기후변화대응과 사무관	12.5-12.12
	황재운	기후변화대응과 전문위원	12.5-12.12
기획재정부	유병희	녹색기후기획과장	12.7-12.13
	이상윤	녹색기후기획 사무관	11.30-12.13
	오승균	녹색기후기획 주무관	12.7-12.13
	문진영	대외경제정책연구원	12.7-12.13

부처명	성명 및 직책		출장기간
환경부	윤성규	환경부 장관	12.7-12.14
	이희철	국제협력관	12.7-12.14
	유호	지구환경담당관	12.7-12.14
	박정현	지구환경담당관실 사무관	11.28-12.15
	김철홍	지구환경담당관실 사무관	12.7-12.14
	고덕규	장관실 수행비서	12.7-12.14
	이현준	지구환경담당관실 사무관	11.29-12.14
	김선아	지구환경담당관실 주무관	11.28-12.15
	김화진	지구환경담당관실 에디터	12.7-12.14
	최흥진	기후대기정책관	12.7-12.15
	최한창	기후대기정책관 사무관	12.7-12.15
	이창흠	대변인실 정책홍보팀장	12.7-12.14
	조용철	대변인실 정책홍보팀	12.7-12.14
	유승직	온실가스종합정보센터장	12.8-12.15
	김정환	온실가스종합정보센터 온실가스감축팀 과장	11.29-12.7
	이서현	온실가스종합정보센터 기획총괄팀 사무관	12.8-12.15
	신성훈	온실가스종합정보센터 국제협력팀 연구원	11.29-12.14
	이시진	한국환경공단 이사장	12.7-12.14
	홍대웅	한국환경공단 기후변화대응처 차장	12.7-12.14
	윤완우	한국환경공단 기후변화대응처 팀장	12.7-12.14
	민미연	한국환경공단 기후변화대응처 차장	11.29-12.15
	강영진	한국환경공단 기후변화대응처 대리	11.29-12.15
	육지혜	한국환경공단 기후변화대응처 대리	11.29-12.14
김현정	한국환경공단 기후변화대응처 사원	11.29-12.14	
이상윤	한국환경정책평가연구원 부연구위원	11.29-12.14	

부처명	성명 및 직책		출장기간
	이승준	한국환경정책평가연구원 부연구위원	11.29-12.14
	김이진	한국환경정책평가연구원 전문연구원	11.29-12.14
	송영일	한국환경정책평가연구원 국가기후변화적응센터장	12.8-12.12
	강주연	한국환경정책평가연구원 연구원	12.7-12.12
	이재형	고려대학교 교수	12.4-12.12
	이동욱	한국환경산업기술원 친환경생활실장	12.9-12.15
	김동근	한국환경산업기술원 친환경생활실	12.9-12.15
산업통상자원부	신동학	기후변화산업환경과장	12.7-12.14
	최익현	사무관	11.29-12.14
	정해윤	주무관	11.29-12.14
	정용헌	장관자문관	12.6-12.9
	임재규	에너지경제연구원	12.1-12.5
	노동운	에너지경제연구원	11.30-12.13
	오진규	에너지경제연구원	11.29-12.14
	정윤경	에너지경제연구원	11.29-12.7
	이상준	에너지경제연구원	11.30-12.13
	김길환	에너지경제연구원	11.30-12.13
	오대균	에너지관리공단 실장	12.6-12.13
	황인철	에너지경제연구원 팀장	11.30-12.7
	신호철	에너지경제연구원 팀장	11.30-12.7
	공승현	에너지경제연구원 대리	11.30-12.13
	정민영	에너지경제연구원 대리	11.30-12.13
	민병무	한국에너지기술연구원 전문연구위원	11.30-12.9
	박순철	한국생산기술연구원 전문위원	11.30-12.13
이대호	서강대학교 국제대학원 연구원	11.30-12.13	
신현우	녹색기술센터 선임연구부장	12.7-12.11	

부처명	성명 및 직책		출장기간
미래창조과학부	정환수	한국이산화탄소포집및처리연구개발센터, 정책팀장	12.7-12.11
	신현우	녹색기술센터 선임연구부장	12.7-12.11
	강상백	녹색기술센터 글로벌협력부장	12.7-12.12
	김형주	녹색기술센터 책임연구원	12.1-12.7
	이화영	녹색기술센터 연구원	12.7-12.12
국토교통부	윤영중	미래전략담당관실 과장	12.7-12.13
	김상수	항공기술과 과장	11.30-12.7
	서삼호	미래전략담당관실 사무관	12.7-12.13
	정연호	교통정책조정과 사무관	12.7-12.13
	정재향	항공기술과 주무관	11.30-12.6
	조준행	한국교통연구원 국제교통협력연구 연구위원	11.30-12.7
	박상준	한국교통연구원 국가교통 DB센터 부연구위원	12.7-12.13
해양수산부	박한선	선박안전기술공단	12.7-12.13
	전우석	선박안전기술공단	11.30-12.7
산림청	윤평화	국제협력담당관실 사무관	11.30-12.13
	김래현	국립산림과학원 임업연구사	11.30-12.13
기상청	이회성	IPCC 부의장	12.8-12.13
	박승균	기획조정관 국제협력담당관 기상사무관	12.7-12.13
	김진원	기후과학국 기후정책과 기상주사보	11.30-12.13
농촌진흥청	이종식	국립농업과학원 농업연구관	11.30-12.12
	박성진	국립농업과학원 농업연구사	11.30-12.12

II. 제20차 당사국총회(COP20) 주요결과



1 Post-2020 신기후체제 협상 결과

제2-7차 더반플랫폼 특별작업반(ADP) 회의 결과를 토대로 "리마 기후행동 촉진(Lima Call for Climate Action)"이라는 당사국총회 결정문 채택

□ 각국이 정하는 기여(INDC) 관련 구체적 지침 마련

- (제출범위) 협약의 목적(제2조)에 부합하는 감축목표를 제출하되, 적용에 대한 기여내용도 제출할 것을 고려
- (제출정보) 기준연도, 이행기간, 적용범위 등의 정보와 함께 INDC 내용이 얼마나 의욕적이고 공정한지 설명하도록 요청
- (후퇴방지) 현재의 감축행동을 넘어서는 강화된 수준의 기여 요청
- (제출절차) 가능한 국가는 '15.3월까지, 여타 국가는 '15.12월 차기 당사국총회에 충분히 앞서 INDC를 제출
 - 사무국은 각국 제출내용을 홈페이지에 공개하고, '15.10.1일까지 제출된 INDC에 대한 종합보고서를 '15.11.1까지 준비

□ 신기후체제 합의문 준비 진전

- 감축, 적응 등 신기후체제 주요요소별 개괄적 내용이 포함된 문서(element paper)를 공식문건(결정문 부속서)으로 인정(Acknowledge)
 - 동 문건을 토대로 '15.5월까지 세부문안 초안을 발표하기로 결정

□ 2020년 이전 기후대응 강화 촉구

- 현재의 감축목표가 산업화 이전 대비 지구평균기온 상승을 2°C 또는 1.5°C 이하로 억제하기에는 미흡하다는 데 공감
- 2013~2020년간 교토의정서 2차 공약기간 이행을 담보하기 위하여 교토의정서 도하개정안('12.12월 채택)의 비준 촉구
- 2015~2020년간 추가 감축기회 등에 대한 기술적 검토 지속
- 기후행동 이행을 촉진하기 위한 고위급회의 매년 개최 권고

2 기타 의제 논의 결과

□ 감축

- (부속서I) EU, 미국 등 부속서 I 국가 중 17개국의 격년보고서(BR, Biennial Report) 제출내용에 대한 다자평가 최초 실시
- (非부속서I) 싱가포르, 칠레, 베트남 등 非부속서I 국가들도 격년 갱신보고서(BUR, Biennial Update Report) 제출

□ 적응

- (국가적응계획) 개도국 및 최빈국의 적응계획 수립 및 이행 과정에 대한 현 보고체계의 강화 필요성을 확인하고, 이를 차기 회의(15.6월)에서 검토하기로 결정
- (손실 및 피해) 바르샤바 국제메커니즘의 '15~'16년 작업계획 승인
 - 집행위원회는 부속서I 국가 10인, 非부속서I 국가 10인으로 구성 결정

□ 재정

- (GCF) 회기 중 녹색기후기금(GCF) 공여금액 추가 발표로 초기재원 조성규모가 102억불로 증가
 - 노르웨이(1.29억불 추가지원), 호주(2억 호주달러), 벨기에(5천만유로), 페루(6백만불), 콜롬비아(6백만불) 등
- (기후재원) 재정상설위는 기후재원 규모를 측정·보고하였으며, 선진국들에게 장기재원의 투명성과 예측가능성 제고를 위한 정보 제공 강화 요청
 - 총회는 재정상설위에게 측정, 보고, 검증(MRV) 체계를 개선하여 기후재원에 대한 투명성을 강화할 것을 요청

□ 기타

- 토지이용, 교육 및 대중인식, 양성평등 등 관련 결정문 채택

3 대표단 주요활동

□ 수석대표의 다각적 활동을 통한 협력기반 강화

- **(고위급회의)** 수석대표 기조연설(12.10), 기후재원 장관대화(12.9) 및 신기후체제 장관대화(12.10) 발언을 통해 우리나라 의견 적극 개진
 - 모든 국가가 참여할 수 있도록 각국 상황과 역량을 충분히 반영하고, 감축과 적응을 균형있게 다루어야 함을 강조
 - 기후재원 장관대화 공동의장인 영국 장관이 우리나라의 리더십 치하
- **(유엔사무총장)** 생물다양성협약 제12차 당사국총회 의장으로서 Post-2015 개발아젠다에 생물다양성의 주류화 내용 포함 요청
- **(EIG)** 환경건전성그룹 회원국인 스위스, 멕시코, 리히텐슈타인 및 모나코 환경장관과 협상 동향을 논의하고, 지속적인 협력 의지를 다짐
- **(양자)** 중국, 일본, 사우디아라비아, 모로코, 파라과이 및 몰디브 환경장관과 환경분야 협력을 논의하고, IPCC 의장 선거(15.8월 예정)에서 우리나라 후보 지지 요청 등

□ 국가제안서 제출 등 구체적 협상 중재안 제시

- **(INDC)** 감축을 필수로 하되, 다른 내용도 자발적으로 제출할 수 있도록 허용, 간소화된 제출정보 요건 설정 등 우리나라 제안이 최종 결정문에 반영
- **(적응)** 정성적 글로벌 적응목표 설정, 적응위원회 중심의 조직체계 개선 등을 제시하는 국가제안서를 제출(11.30)하여 협상에 적극 기여
- **(재정)** GCF 재원 추가 공여 촉구 및 MRV 방법론 개선 요청 등을 내용으로 하는 국가제안서를 제출(12.4)하여 결정문 채택에 기여

□ 한국 홍보관(Pavilion) 운영을 통한 국가정책 홍보

- 배출권거래제, 그린카드, 국제협력 등 세미나 10회(1,000여명 참석) 개최
- 페루(TV Peru, RPP, ATV), 중국(CCTV), 한국(MBC) 등 국내외 언론 취재

4 관찰 및 평가

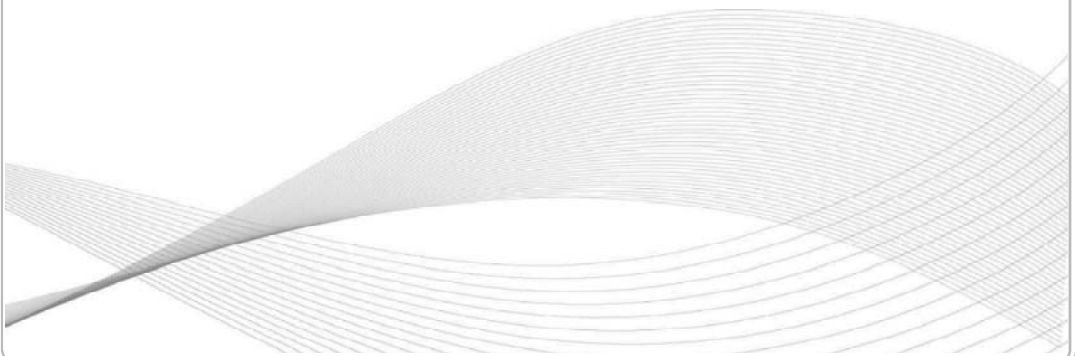
□ 전지구적 감축노력 강화를 위한 토대 마련

- **(Pre-2020)** 2020년 감축목표가 산업화 이전 대비 온도상승을 2°C 이하로 억제하는데 필요한 수준에 미치지 못한다는 공감대 형성
 - 우리나라도 '15.1.1일부터 시행되는 배출권거래제 등 감축정책을 충실히 이행하는 한편, 에너지효율화 등 추가적 감축수단 모색 필요
 - **(Post-2020)** 각국이 정하는 기여(INDC)에 대한 구체적 지침이 마련되어 각국의 기여내용 준비 및 제출 가속화 전망
 - 미국·EU 등 주요국들이 '15.3월까지 제출할 것으로 예상되는 바, 우리나라 제출 준비를 가속화할 필요가 있음
 - 국가의 능력과 수준에 부합하면서 현재 감축목표 수준보다 강화된 기여내용을 제출하도록 결정된 바, 우리나라도 이에 상응하는 목표 설정 필요
- ※ 우리나라 온실가스 배출수준(2012년 배출량 세계 7위, IEA), 능력(2014년 GDP 세계 13위, WB) 등 고려 필요
- 향후 신기후체제에서 모든 국가가 감축목표를 주기적으로 갱신하여 목표를 상향토록 하는 순환적 구조가 마련될 것으로 전망되는 바, 장기적 관점에서 감축목표 준비 필요

□ 신기후체제에 대한 문안협상 본격화 전망

- 금번 회의 결과를 토대로 '15년초부터 신기후체제 합의문에 대한 본격 문안협상이 진행될 것으로 예상되며, 이에 대한 우리나라의 구체화된 대응전략 마련 필요
- 선진개도국간 의무 차별화, 감축목표 설정 및 평가 주기(5년 또는 10년), 합의문의 국제법적 성격 등에 대해서는 향후 협상 난항 전망

III. COP20 결과에 대한 주요국 정부 및 언론 반응



1 주요국 반응

□ 유럽연합(EU)

- 기후변화협약 리마 COP 결과에 대해 '최소 공약수(lowest common denominator)에 대한 합의는 이루어졌지만, 파리 신기후체제 합의를 위한 프로세스는 살렸다'고 평가 (Giovanni La Via 유럽의회 환경위원회 위원장)
 - 아울러 각국 감축공약의 검토절차(review process) 미포함에 대한 실망과 함께 기후재원 문제를 향후 협상타결을 위한 최대 쟁점 이슈로 평가
- INDC 결정문에 대한 합의를 성과로 평가하고, ①투명성과 책임성 (transparency and accountability) 확보와 ②감축의욕의 주기적 갱신을 향후 핵심 이슈로 언급 (Jacob Werksman EU 기후변화 수석협상관)
- EU 환경장관이사회에서 교토의정서 도하개정 비준안을 채택함에 따라 2015년 중 비준이 이루어질 것으로 예상

□ 독일

- 독일 연방환경부는 2014.12.14(일) 보도자료를 통해 페루 리마에서 개최된 COP20이 선·개도국 전체가 온실가스 감축에 참여하는 길을 만들어주었고, 2015년 파리에서 채택해야 하는 신기후체제 협약의 기초를 만들어주었다고 긍정적으로 평가
 - COP20의 또 다른 성과로 총 28개 국가가 녹색기후기금(GCF) 초기 재원 조성에 참여하여 총 1백억 달러 이상을 조달하기로 약속함에 따라 개도국의 기후변화 대응 조치를 지원해줄 수 있는 기반이 마련되었다고 평가
- 대다수 독일 언론들은 금번 COP20이 2020년 이후 신기후체제의 핵심쟁점인 선·개도국간 차별화 등의 문제를 해결하지 못하고, COP21로 동 문제를 넘김으로써 COP21의 성공을 장담할 수 없다고 부정적으로 평가 (슈피겔誌 등)

□ 중국

- 리마총회는 2015년 협약의 요소를 더욱 세분화하여 각 당사국이 내년에 협약초안을 기안하고, 제출할 수 있는 토대를 마련해주었음 (NDRC 홈페이지 등)
 - 이는 2015년 내에 다자협약을 체결할 수 있다는 긍정적 신호를 국제사회에 전달한 것이라고 볼 수 있음
 - 리마총회는 2015년 협약이 공약체제하에 차별화된 책임원칙을 기본인식으로 준수할 것을 다시 한 번 명확히 함

□ 일본

- 일본 정부는 페루 리마에서 개최된 COP20에서 각국의 기여(INDCs) 제출시 함께 제공할 정보 등에 대한 COP 결정(Lima call for climate action) 등이 채택되었다고 발표
 - 모치즈키 환경대신이 12.10 고위급회의에 참석, 일본 대표로서의 연설을 통해, 2050년까지 전세계가 온실가스 50% 감축, 선진국이 80% 감축한다는 목표를 제시하고 일본의 국별 기여를 가능한 조기에 제출할 것을 목표로 한다고 언급
- 일본 주요언론은 금번 당사국총회에서 선진국과 신흥·개도국의 구분 없이 모든 나라가 2020년 이후 신기후체제에 참여하기로 합의한 소기의 성과가 있었으나, 그 내용면에서는 양측간 대립으로 큰 진전을 못 이룬 것으로 평가 (닛케이, 요미우리, 아사히 신문 등)
 - 최근 미중 주도의 기후변화 논의의 국제적 흐름 속에서 일본이 과거와 달리 존재감을 상실해 가고 있다고 평가하며, 그 회복을 위해서는 일본의 조속한 국별 기여 제출 등이 필요하다고 제언 (산케이 신문 등)

□ 인도

- 인도는 COP20에서 채택된 리마선언문에 개발도상국들의 우려가 반영되었을 뿐만 아니라 몇몇 나라들의 기후변화협약 개정 노력이 열매를 맺지 못한 것을 환영 (Javadekar 인도 환경산림기후변화 장관, 인도 공보국 보도자료)
 - 이로써 개도국들은 경제성장을 추진하고, 스스로 정한 온실가스 감축목표에 따라 적의의 조치를 취할 수 있게 되었다고 평가
 - 리마선언문은 형평성과 차별화된 책임 원칙을 바탕으로 내년 파리에서 개최 예정인 COP21에서 출범하게 될 신기후체제 채택의 교두보를 마련하였으며, 선진국들이 좀 더 확고한 재정적 지원과 기술 지원을 제공해야 한다고 강조
- 인도 주요언론은 COP20은 협상 시한 이틀 연장 후 막판에 극적으로 타결되었으며, 그 결과 채택된 리마선언문은 역사적인 합의로서, 이에 따라 개도국들이 주장해온 공통의 차별화된 책임 원칙을 재확인되는 등 인도의 우려가 해결되었다고 평가 (Economic Times紙)

2 주요 외신 반응

□ The New York Times(뉴욕타임즈, '14.12.13)

- 신기후체제 협정문 초안은 모든 국가의 온실가스 감축 행동을 요구함으로써, 리마 합의는 이전의 기후변화 회의를 좌절시킨 구세계 질서(선·개도국으로 구분된)를 변화시킬 수 있는 계기가 된 회의였음
 - 협정문 초안의 핵심은 모든 국가가 향후 6개월에 걸쳐 각국의 온실가스 배출량 감축 기여(INDCs)를 제출해야하며, 유엔기후변화협약 웹사이트에 게재 될 것이며, 내년 12월에 서명되고 2020부터 효력이 발생하게 되는 신(新)기후체제 협정문의 기반을 형성
 - 인도, 중국, 사우디아라비아 등 주요 석유 개발도상국로 구성된 LMDC 그룹은 합의에 "차별화"를 포함 할 것을 요구하며, 모니터링 및 검증에 반대하고, 배출량 통계를 제안할 때 선진국보다 더 쉬운 요건을 주장, 기후변화에 취약한 군서도서국은 기후변화에 적응하기 위한 재원을 요청

□ BBC(비비씨, '14.12.14)

- 리마 회의는 더 나은 파리 협약을 위한 여행 연습과 같았으며, 표면상으로 당사국이 기후변화에 대한 자국의 감축 기여를 어떻게 구성할지에 대해 논의한 회의였음
 - 온실가스 감축방안과 관련된 구체적인 정보를 포함할지 여부에 대해 의무(shall)사항에서 선택 사항(may)으로 수정하였으며, 이는 개도국이 미국과 EU와 동일하게 할 수 없다고 주장해온 개도국의 입장이 반영된 것임

- GDP가 독일보다 더 높지만 비부속서 I 국가로 구분된 싱가포르와 같은 나라들 때문에 체제의 개혁이 요구되고, 국가마다 다른 능력을 명확히 하기위해 CBDR의 중요성이 재확인됨
- “상이한 국가 조건의 관점에서 (in light of different national circumstances)”라는 중요한 문구가 추가되었으며, 미국과 중국 모두 이 추가 사항을 지지함

□ Xinhua(신화, '14.12.14)

- 리마 합의는 파리에서 합의될 신기후체제를 위해 다양한 선택 사항을 제시하고, 각 국가가 2015년 상반기에 어떻게 감축을 위한 계획을 제출할 것인지 제시함
- 합의는 공통의 차별화된 책임(CBDR)의 원칙을 포함하고 있고, 손실과 피해도 최종 문안에 포함됨
- 리마 회의에서 가장 눈에 띄는 발전은 온실가스 배출량 감축을 위한 장기적 노력의 지원임을 언급, 100여개 이상의 국가가 저탄소 경제가 불가피하다는 강력한 신호를 보내며, 장기적 감축 목표를 지지함

□ Reuters(로이터, '14.12.15)

- 2015년 말 파리 총회에서 채택될 신(新)기후체제가 발효되기 전인 2020년까지 기후재원 증가를 위한 절차를 확립할 것이라는 희망이 있었으나, 협상에서 승인된 결정문은 기대에 미치지 못함
- 전문가들은 단어가 모호하고 이전 초안에서부터 약화되었다고 언

급하며, 파리 회의를 위한 협상 카드로서 재원을 유지하기 위한 전략의 일부가 될 수 있다고 하더라도 개도국이 이를 허용할지는 불분명함을 지적

- 긍정적인 면으로는, 결정문에서 선진국이 위협에 처해있는 지역 사회가 야생 기후 및 해수면 상승에 적응하도록 돕기위한 조치인, 적응활동을 위한 공공 기후 기금의 “상당한 분담금 (substantial share)”을 동원하도록 요청한 것임

□ The guardian(가디언, '14.12.16)

- 37쪽에 걸쳐 작성된 합의문 내 ‘요소들(elements)’은 기본적으로 내년엔 있을 파리 협상 문안의 근간이 되지만 그 선택의 범위는 매우 광범위하다고 평가하며, 미국 등 선진국의 반대에도 손실과 피해가 포함된 것도 주목함
- 인도를 비롯한 많은 신흥 경제 국가들은 계속 선진국과 개도국으로 양분화 되기를 주장하고 있으나, 미국 및 다른 선진국들은 전 세계의 기후변화 문제에 발맞추어 개발도상국 역시 감축하기 위한 노력을 해야 한다고 주장함
- 극단적인 기후에 취약한 개도국들은 성공적으로 “손실 과 피해(loss and damage)”를 합의문에 포함하였음. 예를 들어, 슈퍼태풍에 대한 보상에 관한 내용을 포함시켰는데, 미국이 강력하게 반대하였음에도 불구하고 결정된 부분임

◆ (The New York Times) Nations Plod Forward on Climate Change Accord

(By CORAL DAVENPORT, Dec 13, 2014)

LIMA, Peru — Negotiators from around the globe were haggling into Saturday night over the final elements of a climate change agreement that would, for the first time, commit every nation to cutting its greenhouse gas emissions — yet would still fall far short of what is needed to stave off the dangerous and costly early impacts of global warming.

Delegates from nearly 200 countries have been working for two weeks here, in a temporary complex of white tents at the headquarters of the Peruvian Army, to produce the framework of a climate change accord to be signed by world leaders in Paris next year. Though United Nations officials had been scheduled to release the plan on Friday at noon, longstanding divisions between rich and poor countries kept them wrangling through Friday and into Saturday night.

At its core, the draft is expected to require every nation to put forward, over the next six months, a detailed domestic policy plan to cut its emissions of planet-warming greenhouse gases from coal, gas and oil. Those plans, which would be published on a United Nations website, would form the basis of the accord to be signed next December and enacted by 2020.

That basic structure represents a breakthrough in the impasse that has plagued the United Nations' 20 years of efforts to create a serious global warming deal. Until now, negotiations had followed a divide put in place by the 1997 Kyoto Protocol, which required that developed countries act but did not require anything of developing nations, including China and India, two of the largest greenhouse gas polluters.

By requiring action from every country, the Lima framework will fundamentally change the old world order that stymied earlier climate change talks. But on its own, that political breakthrough will not achieve the stated goal of the deal: to slow the rate of global emissions enough to prevent the atmosphere from warming more than 3.6 degrees Fahrenheit over the preindustrial average. That is the point at which scientists say the planet will tip into dangerous and irreversible effects, such as melting sea ice, rising sea levels, increased flooding and droughts, food and water shortages, and more extreme storms.

Speaking to delegates here on Thursday, Secretary of State John Kerry said, "We're still on a course leading to tragedy."

Given the current level of greenhouse gases in the atmosphere, and the fact that the new plans would not be enacted until 2020, most experts say the best that can be hoped for is that the deal would cut emissions by about half as much as is needed to stop the 3.6-degree rise.

"Nobody here thinks an agreement will be a silver bullet that eliminates this threat," Mr. Kerry said. "But we can't get anywhere without an agreement."

About 2 a.m. Saturday morning, hopes were high that a deal would soon be struck, as the Peruvian environmental officials leading the talks here circulated a draft text that included rigorous provisions laying out how countries must put forth their domestic emissions reduction plans.

But in a plenary session Saturday afternoon, the old divide of rich and poor emerged as nations fought over core provisions of the proposal.

A bloc known as the Like-Minded Countries, comprising India, China and a number of major oil-developing nations, including Saudi Arabia and Venezuela, demanded that the deal include what is known in United Nations parlance as "differentiation." They insisted on easier requirements than rich nations when putting forth their emissions statistics, balked at proposals that would allow aggressive outside monitoring and verification of each country's plan before a deal is signed next year, and said that their plans for reducing emissions rates be met with commitments of money in the rich countries' plans. Poor countries want rich countries' plans to include concrete pledges to help the poor countries pay to adapt to the coming ravages of climate change, and to help them pay for new, low-carbon technology, such as wind and solar, to replace cheap but heavily polluting coal. But that requirement is nonstarter for rich countries like the United States.

Speaking for the Like-Minded Countries, the Malaysian delegate, Gurdial Singh Nijar, said: "We are in a different stage of development. Many of you colonized us, and we started from a completely different point. Those red lines were not addressed in the text."

Meanwhile, Saudi Arabia has complained that any agreement designed to reduce consumption of fossil fuels like oil threatens its economy. Just as vulnerable island nations have called for financing to help them adapt to the ravages of climate change, Saudi Arabia has called for money to adapt to a world in which its economy is imperiled by climate change policy. Some negotiators feared that the Saudi delegation could try to stop progress on the deal at the last minute.

Faced with frustrated nations laying out hard lines, Peru's environment minister, Manuel Pulgar-Vidal, spent Saturday meeting with various blocs — from the least developed vulnerable countries to states that depend on oil revenue to fuel their economies — and announced that by day's end, he would put forth a new draft designed to answer their concerns and would continue the summit meeting's formal proceedings at 11 p.m.

Some delegations are scheduled to leave Lima before then. Privately, some negotiators worried that by that point, with delegates exhausted by lack of sleep, the talks could fall apart entirely. More likely, outside observers said, was the possibility that the new text would represent a weaker, less rigorous deal than had been anticipated. As evening approached on Saturday, workers began dismantling some of the temporary structures that have housed the talks since the end of November.

Speaking to the assembly, Todd D. Stern, the lead American negotiator, urged: "Failing to produce a decision on the text before us will be seen as a major breakdown. All that we have achieved thus far and all we hope to achieve will be at risk, as well."

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Antonio Marcondes, Brazil's ambassador to the conference, said he would continue to push for provisions demanding that developing nations receive financing to help them reduce carbon emissions and adapt to the effects of climate change.

"We're still concerned about differentiation, in all its forms," said Mr. Marcondes, whose country, like China and India, is one of the world's largest polluters and also home to millions of impoverished people.

In remarks to fellow delegates last week, India's environment minister, Prakash Javadekar, said the deal "should be able to address the genuine requirements of the developing countries by providing them equitable carbon space to achieve sustainable development and eradicate poverty."

One country that had been viewed as a wild card, and as a possible last-minute disrupter in the talks, was Russia. President Vladimir V. Putin has publicly scoffed at the science of human-caused climate change. But the lead Russian negotiator, Oleg Shamanov, expressed criticism this weekend of other countries that had slowed the process of forging a deal.

“Unfortunately, again and again, we step on the same rakes,” Mr. Shamanov said about 4 a.m. on Saturday, after a fraught negotiating session broke up. “The draft is not bad, per se. We strongly support the idea of having meaningful deliverables.” He added that Russia, whose economy is deeply dependent on oil and natural gas production, and is also one of the world’s top five carbon polluters, was already working on its plan to cut emissions.

“We are one of the few countries doing it,” he said. Speaking to the plenary, he surprised many observers, saying, “We are prepared to support this text.”

Even if the divisions expressed Saturday are resolved, much of the success of the Lima deal will be determined over the coming months, as governments put forth their plans.

Paul Bledsoe, an aide to President Bill Clinton’s administration on climate change who is now with the German Marshall Fund of the United States, said, “The really difficult issues — financing, adaptation, monitoring and ultimate emissions reductions — are left to be ironed out over the next 12 months.”

◆ (BBC) UN climate deal in Peru ends historic North-South split

(By Matt McGrath, Dec 14, 2014)

Unexpectedly, for a city that is in a desert area, rain drizzled from the night-time sky over Lima early on Sunday.

Just as unexpectedly, the gavel came down on UN climate talks that had almost collapsed because of wide gaps between the positions held by rich and poor nations.

So how was the agreement reached? And does it take the world any closer to dealing with climate change?

The Lima deal can be seen as a dry run for a much greater Paris compact. Ostensibly it was about how countries should format their intended national pledges on climate change.

In reality, it was about much weightier issues. It asked the 194 countries that came to the Peruvian capital if they were really serious about a long-term global climate deal.

If the answer was Yes, then some sacred cows would need to be sacrificed.

Prime among them was the binary view of the world that the UN convention on climate change brought into being in 1992.

Distinction ditched

It divided the world into rich and poor (Annex 1 and Non-Annex 1, in UN jargon). The richer countries would take on carbon-cutting commitments - the poorer ones would not.

Here in Lima, that old fashioned view of the world was consigned to history, though not without a desperate struggle.

Developing countries resolutely fought to keep this sense of differentiation firmly in the text. They were very upset when the original text about the pledges countries will make next year, used the word "shall".

It seemed to them that poor African countries and small island states were being corralled into making the same level of commitment on climate change as the big boys.

No one seriously expects the countries in sub-Saharan Africa will have to do the same as the US and the EU. Eventually the "shall" became a "may".

But when you have a situation where countries like Singapore, with a gross domestic product per capita larger than Germany, are still classed as a Non-Annex 1 ("poor") country, you can see why there were calls for reform.

So there is no mention of Annex 1 parties anywhere in the document. To make it clear there are different strokes for different folks, the text reiterates the importance of "common but differentiated responsibilities", or CBDR in the jargon.

But it adds an important rider: "in light of different national circumstances."

I am told that both China and the US supported this addition. Essentially it means there will be no fixed positions anymore. Countries can and do develop, and with that development will come a different level of commitment on climate change.

Hope for Paris

According to the executive secretary of the UN Framework Convention on Climate Change, Christiana Figueres, this was extremely significant.

"There are three pieces of that concept," she said. "One is the historical responsibility, which is undeniable, of industrialised countries; next is the respective capacities and capabilities of countries, which are an ongoing process; and the third part is actually the national circumstances.

"From a political and operational point of view it is a very important breakthrough that actually opens the way towards a Paris agreement."

Others agreed. This change was painful for some but it had to happen, said Liz Gallaher, from the think tank E3G.

"What we've had in the past is this north-south divide, and what this text does is to break that up, it's much more fluid," she added.

"There is lot of sense of differentiation, how do you apportion responsibility between countries rather than this north versus south which is great."

Green campaigners, though, are very upset with the Lima process. Too little had been achieved, too many decisions had been kicked down the road, they said.

"These talks delivered basically nothing for the poor and vulnerable in developing countries," said Harjeet Singh from Action Aid International.

"More exciting than the negotiations were the sheer number of impacted peoples marching in the streets in Lima and staging actions at the talks - the people who have the most to gain or lose from these talks. How long will governments continue to ignore people's demands?"

While the focus has undoubtedly been on the issue of pledges and the arguments about them, another important concept has quietly crept into the broader document.

This is the idea that a long-term goal for climate change might not be just keeping temperatures below 2C, but zero emissions from fossil fuels by 2050.

The idea has the backing of scientists, and now it is in the rough negotiating text.

If that was to remain in the final deal in Paris, it would be an idea that could, quite literally, change the world.

But there is a long way to go.

The ghosts of Copenhagen are everywhere in this talks process. One of the reasons Lima has been so important is that it got everyone to say what they will do, before they arrive in the French capital next year. That hopefully overcomes one of the key problems that saw efforts founder in Denmark five years ago.

But despite that, the Lima deal does have a critical weakness. There is, as yet, no meaningful way of ratcheting up the commitments countries make. That was sacrificed to keep the developing nations on board.

It is not the only can that has been kicked down the road and the big danger is that leaving too much to the last minute in Paris will ensure a repeat of the failings of Copenhagen.

◆ **(Xinhua) Difficult Lima talks reach acceptable deal on climate change**

(By Tian Shaohui , Dec 14, 2014)

The annual United Nations climate talks finally wrapped up in Lima, Peru, in the wee hours of Sunday, achieving an acceptable but not satisfying result and leaving unresolved issues to the climate conference in Paris in December 2015.

In the past two weeks, negotiators from over 190 countries and organizations gathered in the city hosting the 20th session of the Conference of the Parties (COP20) of the United Nations Framework Convention on Climate Change (UNFCCC) to negotiate a new agreement addressing climate change, which was planned to be passed at the end of 2015 in Paris and come into force in 2020.

The new global climate agreement will bind all countries to measurable targets for curbing greenhouse gas emissions.

It is hoped that this agreement would allow countries to avoid the most calamitous warming-induced climate effects -- including droughts, floods, storms, and sea-level rise -- by limiting global warming.

In addition, countries need to agree on measures for adapting to the near-term, unavoidable impacts of climate change.

While the COP20 was scheduled to release the plan on Friday afternoon, longstanding divisions between developed and developing countries kept them wrangling till the wee hours of Sunday morning.

Two main issues appeared to be holding up the talks.

One is whether developed and developing countries should face different obligations, or the Principles of Common but Differentiated Responsibilities (CBDR), under a 2015 deal.

The other one is what climate pledges for this agreement, known as intended nationally determined contributions (INDCs), should contain and how they will be assessed.

Rich countries insist the pledges should focus on efforts to control emissions while poor countries are resisting demands to include promises of financing to help poor countries tackle climate change.

As the final hours of the Lima conference ticked away and ran into dreadful overtime, parties began to soften their hard lines to come to an agreement.

Countries had strived very hard to reach a pact on the basis of a slimmed-down draft decision text which had been modified for several times.

By earlier today, delegates were cautiously optimistic that a deal would emerge later, but the language was much weaker than many nations, particularly those most vulnerable to the impacts of climate change, wanted to see.

After meeting key parties on the sidelines of the talks, Peru environment minister and COP20 president Manuel Pulgar-Vidal released the new, fourth draft. Without any objections from all of the participating countries, it was accepted.

"As a text it's not perfect but it includes the positions of the parties," said Pulgar-Vidal, who had spent all afternoon and evening meeting separately with delegations.

The Lima agreement lays out a wide range of options for a global pact to be reached in Paris and lays out how each nation will submit its own plans for curbing global warming in the first half of 2015.

The deal includes the principle of common but differentiated responsibilities, and also loss and damage is back in this version of the text.

The most inspiring development in Lima was the support for a long-term effort to reduce emissions. Over a hundred countries now advocate for a long-term mitigation goal, sending a strong signal that the low-carbon economy is inevitable.

Critics said that the new version of text released provided "a lot of clarity" on what countries have to put in their national plans and includes a review of how well they collectively measure up against the 2 degree Celsius warming limit, ahead of Paris.

Issues of major concerns during the conference have been reflected in the Lima deal. For example, loss and damage is back in this version of the text, albeit in the preamble and reference to the principle of common but differentiated responsibility has emerged fairly high up the text.

In response to the slow-moving negotiations in Lima, Xie Zhenhua, head of the Chinese delegation and vice chairman of the National Development and Reform Commission (NDRS), said that Lima conference paves the pathway towards Paris meeting next year, which is expected to be even more arduous and requires more flexibility and political will from all parties concerned.

In regards to the Lima deal, Xie said: "We hope that this decision can truly reflect the principle of common but differentiated responsibilities upon implementation and all elements in addressing climate change."

"Developed countries should honor their commitments and shoulder their responsibilities under the Convention to do more in support of developing countries in terms of mitigation, finance, technology, and capability building," he said.

◆ **(Reuters) Developing states left in dark on 2020 climate finance goal**

(By Megan Rowling, Dec 15, 2014)

Lima (Thomson Reuters Foundation) - Major questions persist over how rich countries will boost funding for poorer nations to tackle climate change in the next five years, after U.N. climate talks failed to decide on clear plans.

Back in 2009, wealthy governments promised to mobilise \$100 billion a year by 2020 from public, private and other sources to help vulnerable states adapt to more extreme weather and rising seas, and to develop cleanly.

The intended recipients of the money - from Africa to South Asia and the Pacific - have pressed donors to give a timeline for ramping up their assistance from levels now estimated in the low tens of billions of dollars per year.

Some developing countries had also wanted interim targets, an idea rebuffed by governments - including the United States and many in Europe - that have that have been forced by economic woes to tighten spending.

"Rich countries should not kid themselves that they can get away without a plan to deliver the \$100 billion a year they promised back in 2009. It's time to say how they're going to pony up," Nick Mabey, CEO of environmental think tank E3G, said in a statement after the negotiations ended.

There had been hopes this month's negotiations in Peru would yield a robust process for increasing climate finance in the years up to 2020, before a new global climate pact due to be agreed in Paris next year would come into force.

But decisions approved in Lima at the weekend fell short, many said.

"We are far away from a reliable roadmap towards the \$100 billion goal," said Sven Harmeling, climate change advocacy coordinator for development group CARE International, describing the agreed language on finance as "pretty weak".

Experts said the wording was vague and had been watered down from earlier drafts. It was unclear why developing countries accepted this, although it could be part of a strategy to keep finance as a bargaining chip for the key Paris conference, some said.

The Lima decision on finance merely recognises the \$100 billion commitment, and then requests developed countries in their next submissions on increasing climate finance to 2020 - due in 2016 - to "enhance the available quantitative and qualitative elements."

It says countries should put more emphasis on the transparency and predictability of funding.

But "it provides zero clarity on how developed countries are going to meet their \$100 billion promise, so countries in need of support in the battle against climate change are left in the dark," said Jan Kowalzig, senior climate change advisor with Oxfam Deutschland.

BIGGER SHARE FOR ADAPTATION?

More positively, the decision called on developed countries to channel a "substantial share" of public climate funds to adaptation activities, which are measures to help at-risk communities adjust to wilder weather and rising oceans.

Adaptation has received less than a fifth of allocations through international government-backed climate funds since 2003, figures show, with the vast majority going to mitigation, or actions to reduce planet-warming emissions.

There was disappointment in Lima, however, that no percentage was specified for the proportion of public finance that should go to adaptation.

Several countries at the talks - including Belgium, Australia, Peru and Colombia - put new pledges on the table for the Green Climate Fund (GCF). Those brought total contributions to the fledgling finance mechanism to nearly \$10.2 billion from 27 countries, reaching an informal target.

And Germany contributed 50 million euros (around \$62 million) to the Adaptation Fund, which was set up under the U.N. climate change convention and has committed \$265 million to climate resilience projects in 44 countries since 2010.

The fund aims to raise \$160 million in 2014 and 2015, but has received only the German pledge so far.

RESTORING FAITH

While welcoming the commitments of funds to the Green Climate Fund, many developing countries have pointed out that \$10 billion is nowhere near enough to protect people from growing climate change impacts and provide renewable energy to the millions who lack electricity, while transitioning their economies away from the use of polluting fossil fuels.

Saleemul Huq, director of the Dhaka-based International Centre for Climate Change and Development, criticised donor governments for failing to top up another fund meant to bankroll the adaptation plans of the least-developed nations to the tune of \$2 billion. It remained less than half full, he said.

These poorest countries have been "left high and dry", he said, exacerbating the feeling of "bad faith" over climate finance promises in recent years.

Earlier in the Lima talks, the U.N. climate change chief, Christiana Figueres, said governments should start working out what flows of money could be counted towards the \$100 billion goal, and highlighted the need for further research on climate finance after an initial report revealed knowledge gaps.

But little concrete progress was made on the issue of definitions and transparency in Lima.

"Everybody measuring in the same way is very important," Rachel Kyte, the World Bank's special envoy for climate change, said on the sidelines of the talks. "It's the only way you're going to build trust in the process, and it's the only way you're going to really have any faith in any numbers."

◆ (The guardian) Lima climate deal: what was agreed – and what wasn't

(Dec 15, 2014)

Greenhouse gas plans

All countries will be asked to submit plans for curbing greenhouse gas emissions, known as “Intended Nationally Determined Contributions,” or INDCs, to the United Nations by an informal deadline of 31 March 2015, as the core of a Paris deal.

But there will be few obligations to provide details and no review to compare each nation’s pledges – as had been demanded by the European Union – after China and other emerging nations refused.

The text says INDCs “may include” details such as base years and yearly targets, far weaker than a former draft that said nations “shall provide” such details.

INDCs will be published on the website of the UN climate change secretariat, which will prepare by 1 November 2015 a report of the overall climate effect of all the INDCs in slowing warming.

Who does what?

The text invites actions by all nations to combat warming, blurring a distinction in a 1992 climate convention that split the world into two camps of rich and poor – under which the rich had to lead the way.

Many emerging economies, such as India, insisted on that continued split. But the United States and other rich nations said the world had changed and that developing countries also had to curb their rising emissions.

The diplomatic formula encompassing the rival demands ended up in the text as: “Common but differentiated responsibilities and respective capabilities, in light of different national circumstances.”

Finance

Donations to a Green Climate Fund, due to help developing nations cut their greenhouse gas emissions and adapt to climate change, fractionally surpassed a UN goal of \$10bn, helped by donations by Australia and Belgium.

Lima reiterated a goal for developed nations to mobilise \$100bn a year, in public and private funds, in climate aid for developing nations by 2020.

Developing nations wanted rich nations to set a clear timetable for scaling up funds year by year. But a text merely “requested” that developed nations “enhance the available quantitative and qualitative elements of a pathway” towards 2020.

‘Elements’ of a long-term deal

The talks agreed on a 37-page document of “elements” that will form the basis of a negotiating text for Paris next year. But the range of options is very wide.

One option, for instance, is to set a long-term goal of a cut in greenhouse gas emissions to “net zero by 2050,” requiring a drastic shift from fossil fuels in coming years. Another long-term option for the same section would merely require “low-emission development strategies.”

Many developing nations want help to adapt to climate change, for instance helping farmers to grow drought- or flood-resistant food. One option, for instance, says: “Establish a global goal for adaptation” – another the opposite: “No global goal for adaptation.”

‘Loss and damage’

Developing countries vulnerable to extreme weather successfully won a mention of “loss and damage” – for instance, compensation for super typhoons – in the text, although the United States had pushed not to include it.

3 국내 언론 반응

< 국내 언론 반응 >

- 2015년 파리 총회(COP21)에 '신(新)기후체제'를 채택하기에 앞서 역사적인 온실가스 감축 초안 마련 및 기후재원 초기 목표달성 등 성과를 나타냈으나, INDC 제출 협상과정에 주요 당사국 간 명확한 의견대립으로 진전된 성과물을 얻는 데는 실패
- 금번 총회에서 '15.10.1까지 제출된 당사국들의 INDCs의 총량적 효과에 관한 종합 보고서를 '15.11.1까지 준비하도록 결정
 - 일부 주요 개도국들도 내년 상반기 중에는 제출할 것으로 예상되는 바, 우리나라도 국제적 위상을 고려하여 가급적 조기에 INDCs를 준비, 제출하는 것이 필요

□ 보도 기사

○ 회의 진행 및 결과에 대한 정보 전달

- 기후변화협약 당사국총회, 선진국 개도국 구분없이 온실가스 감축에 참여하기로('14.12.14, 중앙일보)
- 윤성규 장관, 기후변화협약 당사국총회 고위급회의 연설 "기후변화 대응 위한 우리나라 노력 소개"('14.12.11, 환경일보)
- 유엔기후변화회의서 각국 온실가스 감축안 형식 합의('14.12.14, KBS, SBS)
- 유엔기후변화회의서 각국 온실가스 감축안 형식 합의('14.12.14, 연합뉴스)
- 전세계 온실가스 감축 동참 첫 합의('14.12.14, YTN)
- 유엔기후회의서 전세계 온실가스 감축 동참 첫 합의('14.12.14, 헤럴드경제)
- Post-2020(2020년 이후) 국가별 온실가스 감축목표 제출 지침 확정(COP 20 결정)('14.12.14, 환경부 보도자료)

- 개도국도 2021년부터 온실가스 감축 의무화(14.12.15, 동아일보)
- 美·中 등 196개국, 온실가스 감축 합의(14.12.15, 한국경제)
- 2020년 이후 온실가스 감축목표 제출지침 합의 - 제20차 기후변화협약 당사국총회...’리마선언문’ 채택 후 14일 폐막(14.12.15, 뉴스1)
- 역사에 한 획 그은 리마 기후변화 총회(14.12.22, 이투뉴스)

○ 협상 결과의 부정적인 측면 부각

- 페루 리마 기후회의 폐막...새 기후체제 초안, 기대에 못미쳐(14.12.14, 경향신문)
- 유엔 기후협약 온실가스 감축 ‘반쪽 합의’(14.12.14, 세계일보)
- 유엔회의서 온실가스 감축안 초안 합의...’개도국 반발에 예상보다 낮은 수위’(14.12.14, 뉴시스)
- 리마 기후변화회의 낮은수준 합의 도출(14.12.14, 서울경제)
- 개도국 온실가스 감축 수준 선진국과 차등 합의-신기후체제협약 초안 마련(14.12.14, 한국일보)
- 정부, COP20서 기후행동 결정문 채택-배출권거래제 시행 및 GCF 1억달러 기여 선언(14.12.15, 투데이에너지)
- 협상 타결 ‘맑음’ 지구 평균온도 2℃ 억제엔 ‘호림’(14.12.16, 한겨레)
- 카지노 같은 기후변화 총회, ‘우리 공동의 실패?’(14.12.17, 프레시안)

□ 사설 및 기획기사

- 장관님 기고 “기후변화협약 리마 총회에 쏠린 눈”(14.11.28, 중앙일보)
- 장관님 기고 “新기후체제 길 연 리마 총회”(14.12.26, 서울신문)
- 리마 선언과 新기후체제(14.12.16, 동아일보)

기후변화협약 리마 총회에 쏠린 눈



비즈 칼럼

윤성규
환경부 장관

마지막 빙하기였던 5만~6만년 전에 출현한 이래로 현생 인류는 5도의 기온상승에 적응해 왔다. 이제 그 기간의 250분의 1에 불과한 단 200년 만에 그만한 기온상승에 적응해야 한다는 전망이 나오고 있다. 이것이 현실화될 경우 '만인에 대한 만인의 투쟁이 시작된다'는 주장(마크 라이너스 저 『6도의 악몽』)도 나온다.

우리는 산소와 먹거리의 100%를 동식물에 의존할 뿐 아니라 의약품(유효성분)의 46% 이상도 동식물에 의존하고 있다. 동식물이 기후변화에 적응하지 못하면 인간도 결국 생존할 수 없음을 의미한다.

최소한의 인간 생존환경을 지키기 위해서는 지구기온 상승을 산업화 이전에 비해 2도 이내로 억제해야 한다. 이산화탄소 배출량을 2900Gt(기가톤, 10억t)로 제한해

야 한다고 밝혀왔던 기후변화에 관한 정부간 협의체(IPCC)는 이달 초 1900Gt은 이미 배출됐고 이제 남은 것은 1000Gt 뿐이라고 밝혔다. 향후 십수 년의 온실가스 감축이 인류의 미래를 결정짓는다고 경종을 울린 것이다.

이같은 위기감 속에 제20차 유엔기후변화협약 당사국총회가 다음달 1일 페루 리마에서 열린다. 들여켜 보면 2005년 발효된 기후변화협약 부속 교토의정서는 선진국에만 감축의무를 부과했다. 그러나 개도국이나 신흥국의 온실가스 배출량이 급증하면서 교토의정서는 한계를 드러냈다. 2011년 제17차 총회에서는 선진국·개도국 모두 참여하는 이른바 '신 기후체제'를 만들기로 했고, 그 협상을 2015년 말까지 끝내기로 했다. 이번 총회에서 선진국과 개도국 간 차별화와 공평성 확보방안, 감축기간과 감축방법, 개도국에 대한 재정·기술지원과 역량강화 등에 대해 큰 틀에서의 합의를 도출해내야만 내년 말 협상은 타결될 수 있다. 2009년에 합의에 실패한 전력도 있어 낙관만 할 수는 없다.

최근 변화의 조짐도 나타나고 있다. 버

락 오바마 미국 대통령과 시진핑(習近平) 중국 국가주석이 12일 베이징에서 공동 기자회견을 갖고 온실가스감축 목표를 천명한 사례를 들 수 있다. 참여하게 대립하며 국제사회의 온실가스 감축협상과 그 실행에 난관을 조성해왔던 세계 1, 2위 온실가스 배출 대국들이 감축에 나서겠다고 국제사회에 공약한 것이다. 또 다른 희망적 조짐은 개도국의 기후변화 대응을 지원하기 위해 설립한 녹색기후기금(GCF)의 초기 자원 목표액(100억 달러)에 근접한 96억 달러를 기여하겠다는 주요국들의 공약이다.

과거적인 기후변화를 막는 것은 미래 세대를 위한 현 세대의 책임이다. 국내총생산(GDP) 세계 14위, 온실가스 배출량 세계 7위인 우리나라도 책임을 회피할 수는 없다. 책임에서 벗어날 수 없다면 적극적으로 참여하는 편이 낫다. 우리 상황에 맞는 공정한 수준의 역할을 감당하면서 신 기후체제 협상이 건설적으로 이루어지도록 기여해야 한다. 이번 리마 총회가 의미 있는 결과를 만들어내도록 우리의 지혜와 의지를 결집해야 할 시점이다.

新기후체제로의 길 연 리마 총회

□ 기 고



윤성규
환경부장관

페루 리마에서 개최된 제20차 기후 변화총회는 폐막일을 2일이나 넘긴 지난 14일 일요일 오전 2시 “반대가 없다면, 이 합의문을 기후행동을 위한 리마 선언이라 부릅시다”라는 총회 의장의 결어로 힘겨운 여정에 마침표를 찍었다. 국제사회가 2020년 이후의 온실가스 감축 등 신기후체제의 골간을 결정하는 순간이었다. 지구상 열대지방의 70%가 물려 있어 기후변화의 영향을 한 몸에 받는 페루 수도 리마에서 열린 기후변화총회는 그야말로 각본 없는 한 편의 드라마였다.

회의 개최를 한 달여 앞두고 미국과 중국 두 나라 정상이 베이징에서 온실가스 감축 공동선언을 발표하면서 내년 말 파리 총회에서 결정하기로 한 신기후체제의 윤곽이 뚜렷하게 잡힐 것이라는 기대 속에서 총회가 시작됐다.

그러나 선진·개발도상국 그룹 간 열띤 토론과 반론을 주고받으면서 난항이 이어졌다. 그중 지구온난화 유발 책임과 감축의무 부담 문제는 가장 뜨거운 이슈였다. 폐막 예정일에 도 일부 개도국들이 ‘잘못된 합의를 도출하기보다는 차라리 합의를 하지 않는 것이 낫다’고 버티는 등 협상 시계가 제로에 가까웠다. 돌파구는 미국과 중국이 만들어 냈다. ‘공통의 차별화된 책임’이라는 기존 원칙에 ‘각국 상황을 고려하여’라는 문안을 추가하기로 합의해 선진국만 온실가스 감축의무를 부여한 교토체제의 틀을

바꾸어 개도국도 감축 대상화하는 협상이 급물살을 타면서 최종 합의에 다다를 수 있었다.

리마 총회에서 그려진 신기후체제의 윤곽 중 중요한 결정을 살펴본다.

선진·개도국을 불문하고 2020년 이후의 온실가스 감축공약(INDC)을 제출토록 했고, 신기후체제 주요 항목 문서를 채택해 내년 2월부터 진행될 문안 협상의 기반도 마련했다. 인천 송도에 본부를 둔 녹색기후기금(GCF)의 초기 재원 목표 100억 달러도 초과 달성했다. 국제사회는 지난 9월 반기문 유엔 사무총장이 주재한 유엔기후정상회의에서 박근혜 대통령이 개도국인 우리나라가 1억 달러를 공여하겠다고 천명한 것이 초기 재원 조성의 기폭제가 됐으며 한국의 선도적 역할을 높게 평가했다.

2020년 이후 신기후체제는 선진국이든, 개도국이든 일정 수준 온실가스 감축 의무를 자발적 기여 형태로 지게 된다. 주요20개국(G20)이자 경제협력개발기구(OECD) 회원국이면서 수출의존형 경제 체제를 가진 온실가스 배출량 세계 7위, 국내총생산(GDP) 세계 13위국인 우리나라가 문제다. 온실가스 감축은 경제 체질의 변화를 수반할 수밖에 없기에 온실가스 다배출형 산업구조를 가진 우리에게 2020년까지의 시간은 결코 넉넉하지 않다. 바로 신기후체제 대응에 나서야 한다.

총회 기간중 ‘CAN 인터넷서널’이라는 시민단체는 매일 기후변화 대응을 저해하는 국가를 선정해 ‘오늘의 화석상’을 수여했다. 국경을 맞대고 있는 이웃 나라 등이 선정되는 상황을 목도하면서 기후변화라는 파고를 헤쳐 가야 하는 지구촌 방주를 탄 공동운명체로서 우리나라도 주어진 역할을 하지 않을 수 없다는 절박감을 새삼 느끼게 됐다.

개도국도 2021년부터 온실가스 감축 의무화

유엔기후변화협약 막판 극적 타결

2021년부터는 선진국뿐만 아니라 개발도상국도 온실가스 배출을 의무적으로 줄이기로 했다. 페루 리마에서 열린 유엔기후변화협약(UNFCCC) 당사국 총회에 참가한 196개국 대표단은 14일 온실가스 감축 기여방안 형식에 합의했다고 AP통신 등이 보도했다. 전 세계적으로 기후변화에 공동 대응하기로 한 것은 이번이 처음이다.

2015년 12월 파리 총회에서 채택을 목표로 논의 중인 '신기후체제' 도입을 위한 이번 총회에서 각국은 온실가스 감축방안을 각기 마련해 2015년 1분기까지 내놓기로 했다. 감축 목표량은 현재 감축량 이상으로 정한다. 다만 감축 기

준연도와 계산법, 감축 실행 시간표 제출 등은 재량에 맡기기로 했다.

특히 신기후체제는 선진국에만 온실가스 감축 의무를 부과한 교토의정서와는 달리 선진국뿐만 아니라 개도국도 감축 의무를 지도록 했다. 개도국의 감축량을 놓고 선진국과 개도국 간 견해차가 커 12일로 예정됐던 폐막일을 이를 연장하면서까지 설전을 거듭했고 결국 의무 감축량에 차등을 두도록 했다. 다만 온난화로 수장 위험이 있는 작은 섬나라와 최빈국은 의무 감축 대상에서 제외됐다.

UNFCCC는 각국의 감축 방안을 바탕으로 지구 온도 2도 상승 억제를 위한 목표에 부합하는지를 평가하는 보고서를 내년 11월 1일까지 작성하기로 했다. 유덕영 기자 firey@donga.com

美·中 등 196개국, 온실가스 감축 합의

유엔기후회의서 극적 타결 ‘리마 선언’ 2020년부터 발효

페루 리마에서 열린 제 20차 유엔기후 변화협약(UNFCCC) 당사국 총회에서 14일(현지시간) 전 세계 국가가 온실 가스 감축에 동참키로 하는 극적 합의가 이뤄졌다.

미국, 중국 등 선진국과 개발도상국 구분 없이 지구촌 196개국이 기후변화에 공동 대응키로 한 것은 이번이 처음이다. 1997년에 마련돼 2012년까지 시행된 교토의정서의 경우 선진국들에만 온실가스 감축 의무를 부과했으며, 한국이나 중국 등 개도국은 감축 의무가 없었다.

뉴욕타임스는 “지난 20년간 교착 상태에 있던 기후협약의 돌파구가 마련됐다”면서 “각국의 정책 마련에 이번 합

의의 성패가 달려 있다”고 전했다.

UNFCCC 총회는 온실가스 감축에 대한 기여 방안을 놓고 선진국과 개도국 간 의견이 대립한 가운데 폐회일을 연장하며 합의를 이뤄냈다. ‘기후대책에 관한 리마 선언’으로 명명된 이번 합의문 초안은 내년 파리 총회에서 정식으로 채택돼 2020년부터 발효될 예정이다.

내년 파리 회의에서 마련할 신기후체제 협약은 지구의 평균기온을 산업혁명 시기보다 2도 높은 수준에 맞추는 것이 핵심이다. 산업혁명 초기부터 현재까지 지구의 평균 기온은 약 0.8도 상승했다.


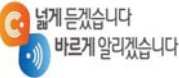
이번 합의로 각국은 내년 3월 말까지 2020년 이후 온실가스 감축 계획을 유엔에 제출하게 된다. 온실가스 목표 감축량은 현재 감축량을 웃돌아야 한다.

이번에 민감한 결정을 상당수 미뤄 기대보다 낮은 수위에서 합의가 이뤄졌다는 비판도 나오고 있다. 합의문에 ‘공동적이지만 차별화된(감축) 책임’이라는 모호한 문구가 들어가는 등 핵심 이슈가 해결되지 않았다는 지적이다.

이번 총회는 당초 지난 1일부터 12일 까지 열릴 예정이었다가 이를 연장돼 14일 오전까지 이어졌다. 개도국들은 지구온난화에 역사적 책임이 있는 선진국들이 개도국에 대한 재정적 지원을 강화해야 한다고 요구하면서 협상이 난항을 겪었다.

이번 합의는 내년 12월 파리 총회에서 신기후체제를 채택하기에 앞서 이뤄진 중간적 조치다. 신기후체제는 기존 교토의정서의 후속 체제로 개도국에도 온실가스 감축 의무를 부여한다.

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	담당 부서	환경부 지구환경(담)	유호 과장 / 박정현 사무관 044-201-6581 / 044-201-6586
		기재부 녹색기후기획과	유병희 과장 / 이상윤 사무관 044-215-8750 / 044-215-8751
		외교부 기후변화환경과	이현우 과장 / 조계연 서기관 02-2100-7859/02-2100-7861
		산업부 기후변화환경산업과	신동학 과장 / 최익현 사무관 044-203-4240/044-201-4242
		배포일시	2014. 12. 14.(일) / 총 9장

Post-2020(2020년 이후) 국가별 온실가스 감축목표

제출 지침 확정 (COP 20 결정)

- ◇ 제20차 기후변화협약 당사국총회 기후행동에 관한 결정문(Lima call for climate change)을 채택 14일 폐막
- ◇ 우리나라 기후변화 대응 노력(온실가스 배출권거래제 시행, GCF 유치 및 1억불 기여 등)에 대해 국제사회가 긍정적으로 평가

- 제20차 유엔기후변화협약 당사국총회(COP20)가 12월 1일(월)에 개최되어 종료 시한(12일)을 이틀 넘기는 열띤 협상 끝에 COP 결정문인 "**Lima Call for Climate Action**"을 채택하고 14일(일) 02:30경(한국 시간 14일(일) 16:30경) 폐막하였다.
 - 금번 총회에는 188개국 유엔기후변화협약(UNFCCC) 당사국 및 국제기구, 언론들이 참석하였으며(총 11,185명), 우리나라에서는 윤성규 환경부장관을 수석대표로 외교부(교체수석대표 : 최재철 기후변화대사) 등 관계부처 담당관들이 참석함

< 협상 결과 >

- (주요성과) 금번 총회에서는 1) Post-2020 감축목표 등 각국의 기여 (INDC; intended nationally determined contribution) 제출 범위, 제출시기, 협의절차, 제출정보 등을 담은 당사국총회 결정문을 채택하는 한편, 2) 2020년 이후 新기후체제를 규정하는 협정문("2015 Agreements") 작성을 위한 주요요소(elements)를 도출하였으며, 3) GCF의 초기 재원 조성 목표액인 100억불을 초과 확보하는 성과를 도출하였다.
- 특히, 금번 협상의 핵심으로 지적되었던 각국의 기여(INDCs)와 관련하여,
 - 1) 제출준비가 된 국가는 2015년 3월까지, 여타 국가는 COP21에 충분히 앞서(well in advance of COP 21) 제출하며, 사무국은 2015년 10.1까지 제출된 INDCs의 종합적 효과(aggregate effect)에 대한 종합보고서(synthesis report)를 2015.11.1까지 준비하고
 - 2) 감축목표와 함께 적응 관련 사항도 제출하기로 하였으며
 - 3) 감축목표와 함께 제출하여야 할 정보의 종류를 결정하는 등 INDCs 작성·제출에 관한 지침이 확정되어 많은 당사국이 내년에 감축목표 등을 담은 INDCs를 제출하여야 하는 상황임
- 또한, 2015년까지 합의하기로 한 2020년 이후 新기후체제 합의문의 초안에 담길 주요요소에 대한 공식문서(elements paper)를 마련하고,
 - 2015년 5월까지 협상문안 초안을 작성하도록 하여 본격적인 新기후체제 문안협상에 들어갈 준비를 마무리함
- 한편, 2020년까지(Pre-2020)의 감축을 강화하기 위하여 기존의 2020년까지의 기후변화 대응행동 이행에 대한 점검절차를 마련하고,
 - 추가적인 감축이 가능한 부문(신재생에너지, 건축, 도시 등)을 분석하여 기술보고서와 정책결정자용 요약보고서를 작성하여 추가적인 감축을 유도하기로 합의

□ (감축목표 등 각국의 기여 작성·제출) 당사국총회가 채택한 더반플랫폼 작업반(ADP) 결정문(1/CP.20)에서는 감축목표 등 각국의 기여(INDCs, intended nationally determined contributions)의 범위, 제출시기, 협의절차, 제출정보 등 INDCs 관련 사항을 상당부분 결정하였다.

※ ADP(Ad-hoc Working Group on the Durban Platform for Enhanced Action, 행동강화를 위한 더반플랫폼 작업반) : 2020년 이후 新기후체제, 2020년까지의 감축강화 방안 논의

○ (범위) INDCs에 감축목표를 중심으로 하되 적응 관련 사항(adaptation component)도 포함하는 것에 합의

○ (제출시기) INDCs 제출준비가 된 국가는 2015년 3월까지, 여타 국가는 COP21에 충분히 앞서(well in advance of COP 21) 제출하기로 한 제19차 바르샤바 당사국총회 결정문을 재확인(결정문 para.13)

- (협의절차) 각국의 제출된 INDCs를 홈페이지에 게재하고 2015.10.1까지 제출된 INDCs의 총량적 효과(aggregate effect)를 분석한 종합보고서(synthesis report)를 2015.11.1까지 준비하도록 사무국에 요청함

※ 미국, EU 등 당사국들이 5월말까지로 제출시한을 명시할 것을 주장하였으나, 중국·사우디 등 강성개도국(LMDC)의 반대로 위와 같이 최종 합의

○ (감축목표 후퇴방지) 각국이 현재의 감축행동을 넘어서는 강화된 자발적 기여를 제출하도록(progression beyond the current undertaking of the Parties) 하는 것에 합의

○ (제출정보) INDCs 투명성과 명확성을 확보하기 위한 사전정보로서 아래 사항을 결정함,

- 기준연도(reference point, including, as appropriate, a base year),

- 계획기간(time frame) 및 적용범위(scope and coverage),

※ scope은 산업, 수송 등 온실가스 배출부문에, coverage는 이산화탄소, 메탄 등 온실가스 종류에 따른 범위를 각각 의미

- 목표수립 계획절차(planning process),

- 온실가스 배출·흡수량 관련 가정 및 방법론(assumption and methodological approaches including estimating and accounting for GHG emission

and, as appropriate, removals),

- 국가별 상황(national circumstance)과 협약의 목적달성에 기여하는지에 비추어 공정하고 의욕적(fair and ambitious)임을 설명하는 이유 등을 제공하도록 결정

□ **(新기후체제 협정문 준비)** 2015년말 파리 당사국총회(COP21)까지 채택하기로 한 新기후체제 협정문의 주요항목이 포함된 문서(element paper)를 확정하였으며, 동 문서를 토대로 新기후체제 협정문안을 본격 조율해 갈 것이다.

- (감축) 장기적이고 지구적인 관점(aspect)의 감축 수준, 감축공약 또는 기여에 포함할 사항과 관련 가이드라인, 시장메커니즘 등 보조적 감축 수단, 관리체계 등
- (적응) 전지구적 적응목표, 적응공약 또는 기여, 평가체계, 정보공유, 재정과의 연계 등 관리체계
- (재원) 주요 원칙(guiding principle), GCF 등 기구의 역할, 기후재원의 규모 및 재원 관련사항, 지원의무 대상 등
- (기술개발 및 이전) 각국의 공약, 관리체계 등
- (능력형성) 각국의 공약, 관리체계 등
- (투명성) 각국의 공약, MRV 체계 등
- (절차 등) 각국의 기여, 제출주기 및 협의·확정절차, 사후검토, 조직체계 등

□ **(2020년까지(Pre-2020)의 감축 강화)** 현재의 감축목표가 산업화 이전 대비 지구평균기온 상승을 2도 또는 1.5도 이하로 억제하기에는 미흡하다는 데 공감하고, 기존의 2020년까지의 기후변화 대응행동 이행에 대한 점검절차와 감축촉진 방안을 마련하였다.

- (교토의정서 비준 촉구) 선진국의 2013~2020년간의 의무감축목표를

담기 위해 도하에서 개정(2012.12월)된 교토의정서 개정안의 비준 촉구

- (이행점검을 위한 포럼 개최) 2016년 및 2017년 협상회의에서 협약하의 기구 운영상황, 개도국 지원(재원, 기술, 능력형성) 정도 및 모범사례 공유 등의 진전 상황 검토, 협약하 기구의 업무 등을 점검·평가하는 포럼 개최
- (추가 감축수단 검토) 정책수단 발굴·기술이전·이해관계자별 역할강화·국제협력 활성화 등으로 추가 감축수단을 모색하기 위한 전문가회의 개최, 기술보고서 및 정책결정자용 요약보고서를 작성하여 공유함
- (기후행동 고위급회의) 리마 기후행동 고위급회의와 유사한 기후행동 고위급회의를 매년 개최할 것을 권고

□ **(재정)** 회의기간 중 노르웨이(1.29억불 추가지원), 호주(2억 호주달러), 벨기에(5천만유로) 등 선진국뿐만 아니라 페루, 콜롬비아(각 6백만불) 등도 GCF 공여금액을 발표하면서 초기재원 조성규모가 28개국에서 102억불로 증가하였으며, 재원의 투명성에 대한 논의가 진전되었다.

- 재정상설위(SCF)에서 전반적인 기후재원에 대한 규모를 측정하여 총회에 보고하였으며, 총회는 재정상설위에게 측정, 보고, 검증 체계를 개선하여 기후재원에 대한 투명성을 확대할 것을 요청

※ 재정상설위는 재원조달 및 흐름 평가보고서(Biennial Assessment and Overview of Climate Finance Flows)를 2년 단위로 작성·보고

□ **(기타)** EU, 미국 등 17개 부속서I 국가의 격년보고서(BR; biennial report) 제출내용에 대한 다자평가를 최초로 실시하였으며, 싱가포르 등 일부 개도국도 격년갱신보고서(BUR; biennial update report)를 제출하는 등 협약이행의 국제적 MRV 체계가 최초로 이행되었다.

< 시사점 >

□ **(전지구적 감축노력 강화 전망)** 금번 당사국총회 결정문에서는 현재 각국의 감축목표가 산업화 이전대비 온도상승을 2℃이하로 억제하

는데 필요한 온실가스 감축량에 미치지 못한다고 명시하면서 보다 광범위하고 강화된 감축노력을 요구하고 있다.

- (Pre-2020) 2020년까지 추가 감축노력 촉진방안이 구체적으로 제시됨에 따라 선·개도국의 감축노력이 강화될 것으로 전망됨
 - 우리나라의 경우에도 2015.1.1.일부터 시행되는 배출권거래제 등 감축 정책을 충실히 이행하는 한편, 에너지효율화 등 추가적 감축수단 모색 필요
- (Post-2020) 2020년 이후에 대해서는 현재 국내 감축목표 수준보다 강화된 INDCs를 제출하도록 요구하는 한편, 감축목표가 국가의 능력·수준에 부합하며 충분히 의욕적인지 설명할 것을 결정한 바, 이에 부합하는 감축목표를 제출해야 할 것임
 - * 우리나라는 온실가스 배출수준(2012년 배출량 세계 7위, IEA), 능력(2014년 GDP 세계 13위, WB) 등을 고려하고, 후퇴금지(no backsliding) 원칙에 부합하는 장기감축목표 설정 필요
 - 특히, 선진국을 포함한 주요 국가들이 2015년 1/4분기까지 제출할 것으로 예상되고, 사무국은 2015년 10월 1일까지 제출받은 INDCs의 종합 보고서를 2015년 11월 1일까지 작성하도록 함에 따라, 국내 INDCs 제출 준비를 가속화할 필요가 있음

□ (우리나라 기후대응에 대한 긍정적 평가) 고위급회의, 양자회의 등에서 우리나라가 아시아 최초로 국가단위의 배출권거래제를 시행하고, GCF 유치국으로서 선진국에 상응하는 금액(1억불) 공여로 초기재원 형성에 리더십을 발휘한 것을 높게 평가한다는 발언이 이어졌다.

- 한편, 한국 홍보관(pavilion)에서 개최된 부대행사에서 온실가스종합 정보센터*, 한국국제협력단(KOICA), 국가적응센터 등이 운영하는 기후 변화 국제협력 프로그램에 대한 높은 관심을 확인할 수 있었음

* (예) 개도국 녹색성장·온실가스 감축모형 협력포럼(이하 'C2GMF') 등

- 미국, EU 등의 고위협상대표는 한국의 기후변화 대응 노력 및 협상 전략이 실용적(pragmatic)이라고 평가하였으며, WRI(World Resources

Institute), 하버드대 기후변화연구팀은 2015 합의문 도출의 최대 과제로 부각된 차별화(differentiation)에 관한 공동 연구를 우리측에 제안함

- 정부대표단 관계자는 “우리나라가 기후정상회의 등에서 보여준 국제적 리더십을 이어가기 위해 Post-2020 감축목표를 국제적 요구에 맞게 수립하고, 정부차원에서 ODA 확대 등을 통해 기후변화 국제협력을 강화하는 등의 노력이 필요하다.”고 언급함

□ (기후변화 협상에서 우리나라의 기여) 윤성규 환경부장은 기조 연설, 新기후체제 고위급회의 등을 통해 모든 국가가 참여할 수 있도록 각국 상황과 역량을 충분히 반영하고, 감축과 적응을 균형 있게 다루어야 함을 강조하였으며,

- INDCs의 제출범위, 제출정보 요건, 관련 절차 등에 대하여 선진·개도국간의 입장을 고려한 중재안을 제시한 우리나라의 제안이 최종 결정문에 반영됨

< 기타 >

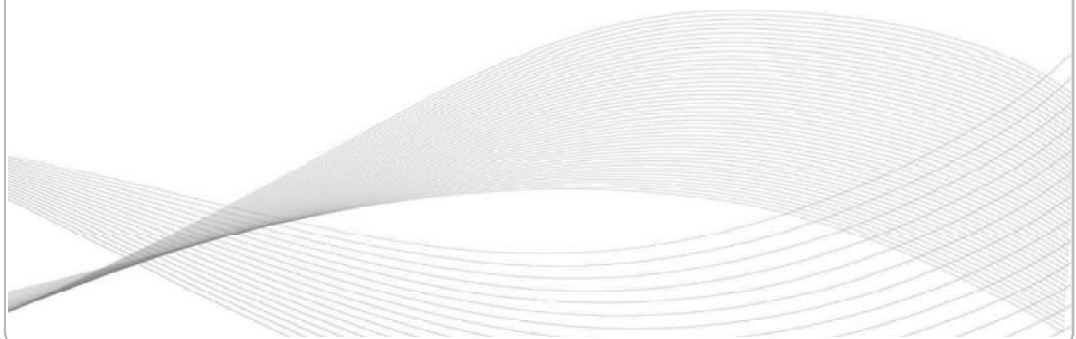
□ 한편, 주요국 장관 및 기타 고위급 양자면담(약 10개국)에서 다수 개도국이 차기 IPCC 의장선거에서 우리나라의 이회성 現 IPCC 부의장을 적극 지지하겠다는 의사를 표명하여 내년 8월에 있을 IPCC 의장 선거에 긍정적 신호로 작용할 것으로 보인다.

- 또한, 우리나라 전문가(에너지관리공단 오대균 실장)가 금번 당사국 총회에서 CDM 집행이사회(Executive Board) 대리위원으로 진출하는 성과를 거둠

- **(서문)** 新기후체제에서는 적응 행동을 강화하기로 결정함.
 - COP 19에서 결정한 “손실과 피해에 대한 바르샤바 메카니즘” 설치 이후, COP 20에서 동 메카니즘 집행과 관련하여 진전된 논의 사항을 환영함
 - 각국이 기공약한 2020년(Pre-2020) 감축목표로는 지구 평균온도 상승을 2도 또는 1.5도 이하로 억제하기 어려운 바 추가 감축노력이 필요함
- **(2항)** 新기후체제는 감축, 적응, 재정, 기술 개발 및 이전, 능력형성, 행동과 지원의 투명성 등을 균형적으로 반영하는 것으로 결정함
- **(3항)** 新기후체제는 각 국가별 상황과 능력을 고려한 공통의 차별화된 책임(CBDR, RC)의 원칙을 견지함
- **(4항)** 선진국에게 (특히 기후변화에 취약한) 개도국 온실가스 감축 (mitigation) 및 적응(adaptation) 계획수립을 지원하도록 촉구하는 한편, 선진국 이외의 국가가 자발적으로 추가지원할 것을 권유함
- **(5항)** 리마총회의 논의를 거쳐 진전된 新기후체제 협정문의 주요 항목이 포함된 문서(element paper)를 확정(annex 1)
- **(6항)** 2015년 파리 당사국총회(COP21)에서 채택할 의정서의 협상 문안이 2015. 5월 이전에 배포하도록 ADP 협상을 강화할 것임
- **(9항 및 10항)** 각국에 INDC 제출을 권고하면서 기존 공약수준보다 하향된 수준의 공약을 방지(progression beyond the current undertaking of the Parties)
- **(12항)** 각국은 INDCs 제출시 적응 부문을 포함하여 제출할 것을 고려함

- **(13항)** 준비된 국가는 2015년 1/4분기까지 INDC를 제출하고, 나머지 국가는 COP21 이전에 충분히 앞서 제출할 것을 재촉구
- **(14항)** INDC 제출시 포함할 내용은 기준시점(연도), 목표수립 절차(감축 및 이용 등), 온실가스 배출·흡수 관련 가정 및 계산방법(산업·수송 등 배출원별, 이산화탄소·메탄 등 온실가스 종류별) 등에 대해 정량화(quantifiable)된 자료를 포괄함
- **(15항)** 도움이 필요한 개도국 등에 대한 INDCs 준비를 지원할 것을 선진국과 국제기구에 촉구
- **(16항)** 사무국에 다음 사항을 요구한다.
 - 제출된 INDCs를 UNFCCC 홈페이지에 게재
 - 2015.10.1까지 제출된 INDCs의 총합적 효과(aggregate effect)에 대한 종합보고서(synthesis report)를 2015.11.1까지 준비할 것
- **(17항)** 개정된 교토의정서 비준 및 이행을 권장
- **(19항)** 2015~2020년까지 기간동안 높은 감축 여력이 높은 사례에 대한 기술적 검토를 계속하며, 동 검토시 적응, 건강, 지속가능 개발관련 공통편의 관련사항을 포함할 것을 의결
 - 이를 위해 전문가회의 지속 개최, 기술검토 결과보고서 갱신 및 정책결정자용 보고서 작성, 관련정보 공유를 사무국에 요구
- **(20항)** 개도국에 대한 선진국의 지원을 지속 강화하고, 2020년 이전 온실가스 감축을 상향시키는 노력을 지속함
- **(21항)** 리마 기후행동 고위급회의를 평가하고 기후행동을 촉진하기 위해 연례 고위급회의를 개최할 것을 권장

IV. 주요국 수석대표 연설문



1 COP20/CMP10 기조연설

1 UNFCCC 사무총장

Twentieth session of the Conference of the Parties (COP 20) and the tenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 10)

Lima, 9 December 2014

**Opening address at the high-level segment by Christiana Figueres, Executive Secretary
United Nations Framework Convention on Climate Change**

H.E. Mr. Evo Morales, President of the Plurinational State of Bolivia
H.E. Mr. Baron Waqa, President of the Republic of Nauru
H.E. Mr. Enele Sopoaga, Prime Minister of Tuvalu
H.E. Mr. Mohamed Bilal, Vice President of the United Republic of Tanzania
H.E. Mr. BAN Ki-moon, Secretary-General of the United Nations
H.E. Mr. Sam Kutesa, President of the United Nations General Assembly
H.E. La Primera Ministra Señora Ana Jara Velásquez
H.E. Mr. Manuel Pulgar-Vidal, President of COP 20/CMP 10

Honourable ministers and other representatives of Peru

Excellencies

Distinguished delegates

Ladies and gentlemen,

Bienvenidos al segmento de Alto Nivel de la vigésima sesión de la Conferencia de las Partes de la Convención de las Naciones Unidas sobre Cambio Climático y la décima sesión de la Conferencia de las Partes en calidad de reunión de las Partes del Protocolo de Kyoto.

Permítanme una vez más expresar mi profundo agradecimiento al Ministro Pulgar-Vidal y a todo el Gobierno del Perú por recibirnos en esta maravillosa sede. Agradezco igualmente al pueblo del Perú por la muy calurosa acogida que han dado en Lima.

Lima is a city steeped in the history of many cultures, not least of which is the iconic Inca culture. The ancient calendar of the Inca characterizes this time of the year as a season for planting, and so it is for us. For here in Lima we must plant the seeds of a much more secure, just and prosperous world for all.

The calendar of the Incas is not, however, the only calendar that guides us. The calendar of science loudly warns us that we are running out of time. The calendar of finance and technology clearly informs us that the solutions are at hand. The calendar of political will has undoubtedly been fertilizing the ground.

And all calendars converge on one resounding fact: the time has come to leave incremental change behind and to courageously steer the world toward a profound and fundamental transformation.

Ambitious decisions, leading to ambitious actions on climate change, will transform growth—opening opportunity instead of propagating poverty, safeguarding resources instead of depleting them and valuing long-term stability over short-term volatility.

Honourable ministers, on one level you have come to Lima to guide your negotiators as they converge on a pivotal decision to be adopted here in Lima and on how to take the draft from Lima forward to next year. I am confident that you will do that.

At another level, and perhaps much more importantly, you ministers have come to Lima to assume your undeniable role as leaders of the urgent present and stewards of our shared future.

COP 20/CMP 10 started and continues to session here in a spirit of unprecedented optimism and achievement. Never before have we had such an opportunity, never before have we had such an urgency for transformation.

Here in Lima we must plant the seeds of a new, global construct of high quality growth, based on unparalleled collaboration building across all previous divides.

History, dear friends, will judge us not only for how many tonnes of greenhouse gases we were able to reduce, but also by whether we were able to protect the most vulnerable, to alleviate poverty and to create a future with prosperity for all.

That future is yours to create.

Thank you.

UNITED NATIONS



NATIONS UNIES

THE SECRETARY-GENERAL

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REMARKS AT THE HIGH-LEVEL SEGMENT OF THE 20TH UNFCCC
CONFERENCE OF PARTIES
Lima, 9 December 2014

Excelentísimo Señor Manuel Pulgar-Vidal, Ministro del Ambiente del Perú y Presidente de la COP20,
Your Excellency Mr. Sam Kutesa, President of the General Assembly,
Distinguished Heads of State and Government,
Excellencies,
Ladies and Gentlemen,

Deseo ante todo dar las gracias al Presidente Humala y al Gobierno y al pueblo del Perú por su hospitalidad en esta histórica ciudad de Lima, y encomiar al Presidente Humala por su liderazgo en la esfera del cambio climático.

[Let me begin by thanking President Humala, and the government and people of Peru for hosting us in this historic city of Lima. I commend President Humala for his leadership on climate change.]

I carry a message of urgency and hope.

We know that by addressing manmade climate change, we can build more resilient, prosperous, and healthier societies.

But we must act now.

There is still a chance to stay within the internationally-agreed ceiling of a less than 2 degrees Celsius global temperature rise. But the window of opportunity is fast closing.

All countries must be part of the solution. All of society must be engaged.

This is not a time for tinkering – it is a time for transformation.

Excellencies,
Ladies and Gentlemen,

The momentum for action is building.

At the Climate Summit in September, I said we needed all hands on deck.

Government, finance, business and civil society leaders answered the call.

Giants of industry – from consumer goods companies to national railways to institutional investors - demonstrated their commitment to combating climate change.

From Manhattan to Mumbai to Melbourne, hundreds of thousands of people marched for climate action.

Thousands of businesses and communities across the globe are stepping up.

And Governments are responding in unprecedented ways.

The recent US-China joint announcement, the European Union's 2030 Climate and Energy Framework – as well as the commitment by Germany – all provide the foundation for ever higher levels of ambition.

The pledging conference of the Green Climate Fund – or GCF -- has also achieved an initial capitalisation of nearly \$10 Billion. I thank all countries, both developed and developing, for their contributions.

Despite these positive steps, I am deeply concerned that our collective action does not match our common responsibilities.

I have five requests of all Parties:

First, we must deliver here in Lima a balanced, well-structured, and coherent draft text for the 2015 Agreement that provides a clear and solid foundation for negotiations next year.

We must also reach a common understanding on the scope and status of Intended Nationally Determined Contributions or INDCs.

I encourage all Parties, in particular all major economies and developed countries, to submit their INDCs by the first quarter of 2015.

Second, we need tangible progress in solidifying the climate finance regime.

I call on countries that have not yet pledged to the Green Climate Fund to consider making an ambitious financial commitment in Lima. We must also clearly define a pathway to achieving the goal of 100 billion dollars per year by 2020 in support of developing countries. I call on developed countries to mobilize support that will meet and exceed this target.

Private finance is also vitally important. We must realise the 200 billion dollars that was committed by the private finance sector at the September Climate Summit, and we must leverage still more.

Third, we must prioritize providing adaptation support and resilience building for the most vulnerable, especially the least developed countries and small island developing states. The GCF must deliver on its promise to balance support for adaptation and mitigation. Work on loss and damage must be accelerated and we must bring the National Adaptation Plans of developing countries to life by agreeing how they should be funded and implemented.

Fourth, I urge you to make a decision to stimulate and facilitate cooperation on a more comprehensive range of actions by all actors, including the private sector, civil society, cities and other sub-national actors

From moving markets to pricing carbon, from strengthening resilience to mobilising new coalitions – the race is on to build more climate resilient, prosperous societies. Government leadership is needed to create the frameworks that can drive action and advance our socio-economic development goals. The realization of a low carbon climate resilient future requires partnership with cities, citizens and CEO's .

Fifth and finally, I urge those countries that have not yet done so to swiftly ratify the Doha Amendment to the Kyoto Protocol, which established its second commitment period.

Excellencies,
Ladies and Gentlemen,

Last week, I launched my Synthesis report of the post-2015 development agenda. In it, I highlighted the fundamental linkage between climate and development priorities.

Combating climate change is an essential part of the foundation of sustainable development. We cannot treat it as a separate issue, or we risk losing all the hard-won development gains of the past decades.

Investments in addressing climate change will propel gains in broader development goals. Conversely, investments made in development must be aligned with our climate aims.

Just as climate issues are not separate from development issues - climate finance cannot be treated separately from development finance. They are quite literally two sides of the same coin.

Let us speak with one voice. I call on each and every government to achieve and invest in this new climate agreement. I stand committed, and commit the United Nations system, to facilitate this.

Excellencies,
Ladies and Gentlemen,

Starting here in this historic city of Lima, let us start to write a new history for our planet.

Let us work together to shape and advance a meaningful, universal agreement to be finalized in Paris next year.

I wish you success in your deliberations.

Thank you.
Muchas gracias.

OPENING REMARKS

Your Excellencies,

President of the Plurinational State of Bolivia,

President of the Republic of Nauru,

President of the General Assembly of the United Nations,

Distinguished Ministers,

Dear delegates,

On behalf of the President of Peru, Ollanta Humala, who will address the plenary tomorrow morning, let me welcome you to COP20/CMP10, welcome you to Peru, welcome you to action.

This is a crucial week for our common endeavor against climate change. Before this Conference, we had received many important good signals: historic announcements by some of the major emitting countries; a successful Climate Summit in New York, with great public participations; an auspicious first capitalization of the Green Climate Fund; a crucial new report of the International Panel on Climate Change.

Taking stock of these good signals, in the first week of the Conference, together we have has generated a positive spirit, what we want to call the Lima Spirit. This week, we need to maintain or even raise that spirit to achieve the outcomes the world is waiting from us.

Today, tomorrow and Friday are crucial for the world. This is why I am monitoring very closely the current work of our Conference, in particular within the Durban Platform. I am assessing its progress continuously. Let me tell you that, in close coordination with both Co-Chairs, I am ready to take the necessary decisions to allow all of you to intensify your work to ensure concrete outcomes this week.

Dear Ministers, dear negotiators, Peru is known for its mysteries and ancient legends. And it is a land of many dreams. I ask you to help us fulfill in Lima the dream of a successful COP. Even if this means that you sleep less in the next days! Your Excellencies, honorable Presidents, we are honored to have you hear. We are very grateful that you have decided to support Peru and the success of this Conference. Thank you.

Statement by H.E. Mr. Seongkyu YOON

Minister of Environment, Republic of KOREA

Mr President,
Ministers,
Distinguished delegates,
Ladies and gentlemen

[Shifting momentum]

2014 has been a remarkable year for climate change.

Under the leadership of UN Secretary-General Ban Ki-moon, the Climate Summit brought together hundreds of world leaders from government, business and civil society under one roof.

Outside the conference room, more than 400,000 people took the street calling for climate action.

Scientific community also raised their voice through the recent IPCC report, which casts important new light on urgency of action.

We need to build on this momentum and answer these calls by taking action.

[Climate-smart Korea]

The Republic of Korea stands by its voluntary target to reduce its greenhouse gas emission by 30 per cent from the BAU level in 2020.

Earlier this year in January, we have announced a **new roadmap for 2020**, presenting policy measures and sectoral targets to implement and strengthen our mitigation efforts.

Korea will also launch a **nationwide Emission Trading Scheme** from the 1st of January next year, which will make us the first Asian country ever to take such action.

It is part of our efforts to find innovative solutions to rethink and reengineer our economy for climate-smart development.

In addition, we are stepping up our efforts in climate finance for the global community, and will increase our **contribution to the Green Climate Fund up to 100 million dollars**.

Looking beyond 2020, Korea will also put forward its intended nationally determined contribution next year, in accordance with the timeline we agreed in Warsaw.

[Global agreement]

But actions by a partial number of countries will not be sufficient to address climate change, and coordinated international response is essential.

This is why we need to build a meaningful, durable, and truly global agreement which will inspire actions on the ground.

In 20-year history of this convention, we have witnessed both achievements and challenges.

It may not have been perfect, but without this international framework, we would not have been able to come this far.

Building on the progress we have made, **the focus of 2015 agreement should be on how to strengthen implementation of the convention**, not another political statement.

We need several key ingredients to deliver success in this:

First, our conversation on the new agreement should **leave no one behind**.

In Warsaw last year, we made significant headway in this direction, and agreed to

come up with our own contributions reflecting national circumstances and capabilities.

This bottom-up approach will help us broaden the base of the agreement and ensure global participation.

Second, the agreement should be **relevant to all**.

To accommodate a wide range of climate actions, we need a comprehensive and balanced approach to six main elements we have identified in Durban – mitigation, adaptation, finance, technology, capacity building, and transparency.

We also need to provide a window of opportunity to catalyze actions by subnational and nonstate actors.

Last but not least, the agreement should also **lay solid foundation for transparency and accountability** with a clear set of rules.

This is crucial to generate confidence on durability and credibility of the new system, not just among parties, but for the “outside world” as well.

[The way forward]

Distinguished Delegates,
Ladies and Gentlemen,

We are at a crucial moment in the history of the convention, and the founding spirit of the convention is what we need towards Paris.

Let us REBUILD confidence in international response to climate change;
RENEW our commitments to take action;
and REVITALIZE hope for our common future.

Korea stands ready and looks forward to working with all parties and relevant stakeholders for success in Lima and Paris.

Thank you.

Plenary Remarks at COP 20 -- December 10, 2014

Thank you very much. I want to first thank Peru and particularly thank my friend Minister Manuel Pulgar-Vidal and his fine team for all they are doing to make this COP a success.

I would like to focus this morning on the full-throttle climate change commitment of President Obama and his Administration at home and in the international arena.

The world rightly expects the United States to lead and we are doing that.

Exactly four weeks ago today, I was in Beijing with President Obama for the historic joint announcement he made with President Xi of China on our respective post 2020 targets.

The U.S. target of 26-28 percent is very robust. To illustrate: 28% lies on a straight line path between a 17% reduction in 2020 and an over 80% reduction in 2050 – an amount generally associated with the US being on a 2 degree path.

During that same week in November, President Obama announced the U.S. contribution of \$3 billion to the Green Climate Fund, which has now received capitalization pledges of over \$10 billion, a major step forward.

Moreover, all during the past 18 months, the Obama Administration has been working intensively to implement the President's landmark Climate Action Plan. Most notably, our EPA has issued a major proposed rule to cut emissions from existing U.S. power plants 30% by 2030 and another proposed rule to require new power plants to meet rigorous emissions standards.

- o We are also in the midst of implementing aggressive efficiency standards for light and heavy duty vehicles as well as robust efficiency standards for all the appliances that make buildings run.
- o And we are hard at work on measures to reduce the emissions of methane, as well as HFCs. Regarding HFCs, we are working with many other nations toward

securing an amendment in the Montreal Protocol to start phasing those pollutants down, an action that could save an enormous amount of emissions between now and 2050.

In short, the United States is moving on all fronts, behind the mobilized political will of President Obama, Secretary Kerry and the other climate leaders of our Administration.

Here in Lima, of course, we are intensively focused on achieving a positive outcome in order to put us on the path to a successful agreement in Paris. Let's make sure we focus on how much is at stake and not lose the forest for the trees. We can get this done and I believe that we will get it done.

**Statement at the opening of the high-level segment of COP20 by Italian Minister
Gian Luca Galletti, President of the Council of the European Union**

Lima, 9 December 2014

Mr Chair, distinguished Ladies and Gentlemen, dear Friends,

Let me start by thanking our Peruvian hosts for their hospitality and exceptional effort in providing us a setting in which history can be made.

The road to Paris starts here in Lima.

In only 12 months we will have the chance to adopt an historic treaty that will accelerate the world transitioning to a low-carbon climate resilient future. Our work here needs to pave the way for Paris.

To ensure progress, COP 20 needs to agree on some key deliverables:

- o Firstly, we need a Party owned, more mature and balanced version of the draft text of the agreement that we are to adopt in Paris; and
- o Secondly, we need clarity on the information required to ensure that Parties proposed contributions are transparent and understandable; we should also agree on a process to consider and analyse those proposed commitments before Paris;
- o Last but certainly not least, we need to reach an agreement on how we can continue to further work together to enhance mitigation ambition before 2020.

Good progress has been made but more is needed.

**Statement at the opening of the high-level segment of COP20 by Arias Cañete,
European Commissioner for Climate Action**

Lima, 9 December 2014

- o We must move with a greater sense of urgency if we want to secure a global climate change agreement in Paris next year.
- o And build on the growing evidence of global resolve - the announcements of proposed targets by three of the world's largest economies, the Ban Ki-Moon

Summit, the capitalisation of the Green Climate Fund, the IPCC Fifth Assessment Report, to name a few.

- o The European Union's vision for the 2015 Agreement is an ambitious, balanced, internationally legally-binding treaty that is dynamic, durable and applicable to all countries.
- o While we recognise the need to respect the principles of the Convention concerning differentiation, we need to apply these principles according to today's economic and geopolitical realities.
- o The 2015 Agreement must be fit for the future, and look forward, not back. The Paris deal must be comprehensive and balanced. This means also improved provisions for climate adaptation and different forms of support.
- o Science tells us our below two degree target is still within reach. We need the political courage to act without delay and move beyond rhetoric.
- o The EU is ready and urges others to join.

**Statement by Yoshio Mochizuki,
Minister of the Environment of Japan, at COP 20**

Thank you, Mr. President.

On behalf of the Government of Japan, allow me to express my sincere gratitude to Minister Manuel Pulgar-Vidal and his government for their excellent leadership as the COP20 Presidency.

Mr. President:

Japan takes the findings of the IPCC's Fifth Assessment Report very seriously. The report points out the importance of achieving deep cuts in emissions in the next few decades and of reducing climate risk through both mitigation and adaptation actions. Japan reaffirms the goal to reduce emissions by 50 percent at the global level and by 80 percent in the developed world by 2050.

Mr. President:

The post-2020 framework must be fair and effective and applicable to all Parties. It is vital that all Parties are obliged to submit quantifiable INDCs, take domestic measures aiming to achieve their NDCs, and be reviewed on the implementation of their NDCs under the new framework.

Japan aims to submit its INDC as early as possible, keeping in mind COP decisions, efforts by other Parties, discussions on the new framework, and domestic consideration of the energy mix.

Mr. President:

Japan will utilize every possible tool and cooperate closely with other countries in developing a low carbon society.

Japan has advanced low carbon technologies including off-shore wind power generation and fuel cells. We will continue to expand the introduction of renewables as well as advance towards a thoroughly energy efficient society. Furthermore, a

revised law concerning HFCs, which strengthens countermeasures at every stage of the HFC lifecycle from production to disposal, will come into effect next April

With these experiences in hand, Japan will contribute to global GHG emissions reduction through environmental technology as well as environmental science. The Joint Crediting Mechanism, for which Japan has already signed bilateral documents with 12 countries, can be a pillar of Japan's contribution through environmental technology. The first project under the JCM, which will be implemented in Indonesia, was registered this October. Japan will carry on with steady implementation of JCM projects. Also in October, the Innovation for Cool Earth Forum, ICEF, was held in Tokyo as an international forum to assemble the wisdom of industry, government and academia. We intend to continue to hold the ICEF every year to facilitate innovation.

In addition, Japan will continue to support mitigation actions in developing countries, including support for the development of INDCs. Japan has also been active in the conservation of forests in Peru and other regions. Last month, a REDD plus platform was launched to facilitate public-private collaboration.

Furthermore, Japan has announced concrete examples of actions under the "Adaptation Initiative" launched by Prime Minister Abe at the UN Climate Summit this September to support the adaptive capacity of developing countries in a holistic manner. Moreover, the first forum of the Global Adaptation Network will be held in Panama next March to bring together and share knowledge of different regions. With regard to disaster risk reduction, which is deeply linked to climate change, Japan will host the Third World Conference on Disaster Risk Reduction in Sendai city in March next year. I eagerly look forward to the participation of world leaders at this conference.

Regarding financial assistance, Japan intends to make a contribution of up to \$1.5 billion to the Green Climate Fund (GCF), subject to the approval of the Diet, and hopes more countries will make contributions.

Additionally, Japan will endeavor to ensure efficient and effective climate actions are taken in developing countries by further developing tools such as the Climate Technology Network and Center and strengthening linkages with financial mechanisms.

In order to ensure a successful 2015 agreement, Japan will continue to take actions towards a low carbon society.

Thank you for your kind attention.

Australian National Statement

[Mr President], Ministers, colleagues.

What a pleasure it is to be here in Lima, and I extend Australia's deepest thanks go to Peru for hosting this important conference.

Australia has a strong track record of playing a constructive role in the global response to global climate change. We take on commitments and we deliver against them.

We don't take lightly our commitments. Climate change is a challenge for us all, with serious environmental, social and economic consequences. Individually and collectively we must deliberate carefully and determine the best course of action to reduce emissions.

This action must deliver real cuts in emissions and not put countries at a competitive disadvantage. And it must work alongside countries' plans for strong economic growth, jobs and development.

Australia joined the first commitment period of the Kyoto Protocol, and we took on a legally binding target. We met it, indeed exceeded it.

We are party to the second commitment period of the Kyoto Protocol. As we undertook to do in Warsaw, we are implementing our commitment and following all Kyoto Protocol rules. We want to see those rules finalised here in Lima.

Australia has an ambitious 2020 target. We will reduce our emissions by 5 per cent on 2000 levels by 2020. This is a significant cut – minus 19 per cent from business as usual. Our target is comparable to those taken by other developed countries.

At home, we have put in place policies to ensure that we deliver on our international targets.

In 2001, Australia set the world's first mandatory renewable energy target. This was expanded and extended in 2009. It means we will generate at least 20 per cent of our electricity from renewables in 2020.

We are taking further direct action. At the heart of our Direct Action Policy is a \$2.55 billion Emissions Reduction Fund. This fund will create opportunities and incentives for Australian business to take practical climate action. It will deliver real and measurable results for the environment while improving businesses competitiveness. It is a comprehensive approach to climate change that benefits the environment and the community.

Looking to the future, Australia will work to secure an agreement in Paris that is strong, effective and ensures countries live up to their commitments. To deliver on its promise, the agreement must establish a common playing field, moving past the developed-developing country divide that puts a brake on real action.

Australia's Prime Minister announced yesterday that a taskforce has been established within the Department of Prime Minister and Cabinet to consider a new post-2020 target for Australia to bring forward as we move towards Paris. The work of the taskforce will build on a review in the first half of next year of Australia's international emissions reduction targets and settings. That review will consider action by the major economies and our key trading partners when making its recommendation.

We will announce our intended Nationally Determined Contribution by mid-2015.

Australia is taking climate action at home, and have we have a proven track record of supporting climate action internationally.

Australia provided \$600 million in Fast Start Finance. This represented almost 2 per cent of total global Fast Start Finance, even though we contribute only 1.3 per cent of global emissions.

More than half of this \$600 million supported country-driven adaptation action.

At the Climate Finance Ministerial meeting yesterday, I announced Australia's

contribution of \$200 million over four years to the Green Climate Fund.

This pledge will facilitate private sector led economic growth in the Indo-Pacific region with a particular focus on investments in infrastructure, energy, forestry and emissions reduction programs.

It is part of Australia's broader portfolio of environmental aid investments, that includes:

- an additional \$10 million over two years for the Global Green Growth Institute, building on Australia's previous contribution of \$15 million
- \$6 million to the Coral Triangle Initiative, to support sustainable marine management in our northern neighbourhood, and
- \$6 million to address deforestation in the Asia-Pacific through the Responsible Asia Forestry and Trade (RAFT) programme.

Allow me to focus for a moment on research and development of new technologies. Australia has a long history of driving and supporting innovative and smart climate change solutions – both in Australia and in other countries.

Carbon capture and storage is a concrete example, where we have committed over \$300 million to low emissions coal technology research and development.

The Gorgon LNG facility in my home state of Western Australia is one of the world's largest natural gas projects and the single largest resource development in Australia's history. It is using best practice in emissions management including capture and storage.

These examples highlight the good story Australia has to tell on climate change. We are taking action, we are delivering on our commitments and we are more than playing our part.

This is what Australia does.

2 신기후체제 고위급대화

1 대한민국

High-Level Ministerial Dialogue on the Durban Platform for Enhanced Action
Wednesday 10 December 2014

Statement by H.E. Mr. Seongkyu YOON
Minister of Environment, Republic of KOREA

Thank you, Mr. President.

It is my great pleasure to join this dialogue, and add the voice of Korea to this rich discussion.

[Balancing Act]

Mr President,

In our collective efforts to strengthen global response to climate change, the 2015 agreement needs to provide a comprehensive platform of action with balanced approach.

There is no doubt we need to strengthen mitigation efforts of all parties in the new agreement to further advance the implementation of the Convention.

At the same time, adaptation should be also given its equal footing in the new agreement.

Mitigation alone will not be sufficient in our response to climate change, and we need a system which will facilitate our efforts to prepare our society for unavoidable changes to come.

For both mitigation and adaptation, effective delivery of means of implementation is also essential to facilitate actions by all parties under the new agreement.

[Driving up contributions]

Mr President,

The intended nationally determined contributions will be the key drivers of action in the new agreement.

Last year in Warsaw, we agreed on the notion of INDC to provide opportunities for all parties to design their contributions reflecting national circumstances.

This approach will help us broaden the base of agreement, and inspire decisive actions on the ground.

To accelerate domestic preparation, we should be clear on what we need to put on the table, and how we can collectively move forward.

Our decision this week would be critical in this regard to define the set of information to be presented upfront with the contributions.

Designing a cyclic process of contributions with a clear sense of direction will be the critical next step to assure we gradually drive up our ambition with new contributions on regular basis.

Guided by a clear set of rules on how the contributions will be implemented and accounted for, the process will help us generate confidence on delivering the agreement.

[Accelerating actions now]

Mr President,

Scaling up actions before 2020 is a prerequisite for success in Paris.

All parties should accelerate the efforts to take early actions and unlock the potential.

The UN Climate Summit last September, and the Technical Expert Meetings of ADP have provided great opportunities to see how much untapped potential we have for immediate actions.

We also need to remember what we agreed in Doha for this period.

Korea has initiated a process for ratification of Doha Amendment to the Kyoto Protocol, and we expect to deposit our instrument of acceptance before Paris COP next year.

We hope other Parties will join the efforts.

[Conclusion]

Mr President,
Fellow Ministers,
Distinguished delegates,

Five year from Copenhagen, climate change is getting its way back on top of the global political agenda.

We must not lose this momentum and newly generated hope.

It is the responsibility of our generation to change course of the world for sustainable future.

Let us move away from division, and build bridges towards Paris and beyond.

Thank you.

**Ministerial Dialogue on the Durban Platform for Enhanced Action
Setting the foundations for the 2015 agreement - and accelerating action now
Lima, 10 December 2014**

Statement by Italian Minister Gian Luca Galletti
on behalf of the European Union and its Member States

Colleagues, today is human rights day and yesterday was gender day.

At the opening of the COP we spoke of the importance of putting social aspects of climate change such as gender and human rights higher on our agenda. Issue such as these are indeed of crucial importance in the daily lives of billions of people.

Other such aspects of real life are crucial too. I'm referring to jobs and the just transition of the work force, and to education and public participation.

During the past days we have heard strong and compelling calls for urgent action. There is no time to wait.

We must ensure that the 2015 Agreement is capable of responding to the latest science and keeping us collectively on track to achieve the below 2°C objective.

To achieve that the 2015 Agreement needs to do 4 things:

- (1) set out a clear direction of travel to a low carbon global economy
- (2) contain ambitious and binding mitigation commitments
- (3) have a strong rules base and compliance regime in order to demonstrate and ensure progress towards achieving our commitments
- (4) set out a mechanism to regularly review the level of mitigation ambition in the light of the latest science.

The 2015 Agreement must also be balanced. In that context it should set out a global goal of climate resilience, so that we all take the action necessary to prepare for the inevitable impacts of climate change.

The 2015 Agreement must also ensure that those countries that need it the most continue to have the support they need.

We came to Lima on a wave of unprecedented momentum generated by positive recent announcements and events, including:

- o the EU's target of reducing emissions by at least 40% by 2030, compared to 1990
- o the subsequent announcements of the United States and China
- o The G20 statement underlining commitment o reaching a deal in Paris
- o the initial capitalisation of the Green Climate Fund
- o and earlier in the year the UN Secretary General's summit of World Leaders, which generated solid initiatives and proposals for real action.

The European Union is here to find solutions and ways forward. We are confident that the remaining time will allow us to do just that.

Statement by Commissioner Arias Cañete on behalf of the European Union

We all agree we are at crossroads of history – and a lot can be achieved if we work together. We believe action needs to be taken collectively and that it has to be inclusive. We should not leave anyone behind and we should all participate.

It is clear that one of the central issues holding back progress is the question of how the obligations of Parties will be differentiated in the 2015 Agreement. We must find ways around this question so that we secure progress in 2015.

The European Union is fully committed to the Convention and principles. But those principles need to be applied dynamically in a way that mirrors evolving reality. If we do not, we risk disconnecting the UNFCCC talks from reality.

To be clear, it is difficult to see us making a difference to global emissions if we were to apply an operational binary divide of responsibilities based on a list of countries defined in 1992.

At the same time, proposals that would somehow suggest that developed countries could walk away from their leadership role are equally unhelpful.

There is a way forward on this. But it will take courage and it will mean all countries moving to the edge of their comfort zones.

That way forward involves building on 3 notions, namely:

- (1) the commitments that Parties make will be nationally determined, and so self-differentiated
- (2) we must secure a continuous review of ambition building on previous commitments. This will deliver on the requirement for the agreement to be dynamic and durable.
- (3) The principles and provisions of the Convention should not limit countries' ambition.

These ideas have been expressed in different ways by a number of countries from across the regional groupings. This is encouraging and we are confident the space for accommodation can be found so that we can continue preparations for Paris.

It is clear many issues will remain unresolved and will require further discussions in 2015, but we – as Ministers – must make sure we put our negotiators on a pathway to success.

We should strengthen the multilateral processes. By the end of the week we need to show the world outside the UNFCCC process, that we can deliver and to do so collectively.

But it is clear that progress over the last 10 days or so has been too slow. The texts have grown instead of being streamlined. They are now more complex rather than simplified.

We still have time to get Lima back on track to achieve a good outcome on the road to Paris. As Ministers we must instruct our negotiators to ensure that happens.

We must urge the ADP co-Chairs to produce a clean and simple version of the ADP decision as the basis of further work to agree an outcome here in Lima and pave the way for success in Paris.

As a final resort the COP President should step in and elevate controversial issues to Ministers for resolution.

3 기후재정 고위급대화

1 대한민국

Ladies and Gentlemen,

As progress has been made at the climate change negotiations toward a post-2020 agreement that is applicable to all, the importance of climate finance is growing more than ever.

Recently, the international community reaffirmed their resolve to fight climate change as well as the important role of climate finance as a 'game changer' at the UN Climate Summit in September where much needed political momentum for resource mobilization was built.

Thereafter, nearly 10 billion dollars has been raised for initial resource mobilization of the GCF living up to the expectation of the international community.

Ladies and gentlemen,

Taking into account the global consensus built around the importance of climate finance, I would like emphasize the following three points.

First, we need to ensure effective mobilization and transparent use of climate finance.

This requires mutual development and healthy collaboration between Green Climate Fund and Standing Committee on Finance.

We strongly hope to see GCF further consolidates its status as a main global funding mechanism and becomes fully operational at the earliest date possible.

Second, we need to encourage the private sector to engage and invest in mobilizing climate finance.

The fund raised will be disbursed to help those countries least to blame for

but most at risk from climate change.

However, public finances will never be enough to sustain the flow and cater to the urgent need of developing countries.

This is where private funds need to do its part, while effectively leveraging public finance to facilitate engagement of other stakeholders in the private sector.

Considering the future uncertainties and risks hindering the private sector investment, the government needs to provide institutional supports such as public-private joint investment, securities and insurances.

In this sense, GCF is expected to play a significant role in effectively bridging public and private funds by facilitating private sector's engagement in climate finance through its Private Sector Facility (PSF).

Third, it is crucial that the support extended from developed countries is measured, reported and verified (MRV) to improve the transparency of fund operation.

I would like to suggest that COP20 approve the recommendation in the SCF report and develop concrete Action Plans to establish the MRV system.

Well-functioning MRV will surely contribute to scaling-up climate finance when the New Climate Regime kicks off in 2020.

Honorable co-facilitators

Ladies and gentlemen,

Republic of Korea has strived to slash greenhouse gas emissions and contribute to mobilizing climate finance.

President Park pledges up to 100 million dollars to GCF in her speech at the Ban Ki-moon's Summit in September.

Korea will continue to provide full support for the seamless operation of GCF and its work including capacity-building of developing countries.

I hope other parties will join the effort so that GCF begins receiving and distributing funds in earnest.

Ladies and Gentlemen, I cannot emphasize enough the importance of climate finance.

As the international community comes together under one roof one last time before the Paris Climate Change Conference, it is time to scale up climate finance and investments.

Thank you.

High-level Ministerial Dialogue on Climate Finance on 9 December 2014

Towards an articulated vision for climate finance – how can it support ongoing efforts to scale up funding and investments?

Statement by Italian Minister Gian Luca Galletti on behalf of the European Union and its Member States

Honorable Ministers,

Mr Chairman,

Distinguished delegates,

Ladies and Gentlemen,

On behalf of the EU and its Member States

The global economy will undergo a structural transformation in the years to come and we will have to massively redirect investments towards green infrastructure and activities. This provides a great opportunity for all of us to generate lasting economic growth and at the same time reduce the risks of climate change and move towards low-emissions, climate resilient economies and societies. Acting now is crucial and will help us achieve our goal of keeping the temperature increase below 2°C. Climate finance will play a key role in this regard.

The EU and its Member States warmly welcome the initial resource mobilization to the Green Climate Fund (GCF) amounting to around USD 9.9 billion, of which EU Member States contributed about USD 4.7 billion. We also welcome the contributions by other countries, in particular those put forward by some developing countries, and the 50:50 balance of mitigation and adaptation over time. The GCF will be an important channel for supporting transformational change. The EU and its Member States reaffirm their commitment and support to its activities.

The EU and its Member States further welcome the outcome on the 6th replenishment of the GEF amounting to USD 4,43 billion.

The EU and its Member States are strongly committed to continue their efforts to scale up climate finance and to contribute their fair share of the developed countries' goal to jointly mobilize USD 100 bn per year by 2020 from a wide variety of sources.

For many years, the EU and its Member States have been mobilizing very significant resources to support climate action. In 2013 alone, the EU and its Member States provided EUR 9.5 billion of climate finance to developing countries. This includes grants and loans from bilateral development banks and financial institutions in EU Member States.

The EU and its Member States will continue to provide public climate finance, which together with public policy measures will be key to catalyzing larger financial flows.

Statement by Commissioner Arias Cañete on behalf of the European Union

Ladies and gentlemen,

We have gone a long way in improving the transparency of climate finance and in mobilizing climate finance within the Convention.

From the EU-budget alone climate finance for 2013 includes EUR 900 million of grant funding. About half of this is provided for adaptation.

In the coming years, we intend to more than double the amount of grant funding for climate action from the EU budget to an average of EUR 2 billion per year. This represents a very significant increase of grant finance.

Clearly, we can only succeed, if all countries contribute to the global fight against climate change. All countries should make efforts to strengthen their climate policies and enabling environments to promote low-emission and climate resilient development.

Let me come back to the crucial role of transparency on climate finance flows.

Transparency is central for at least three reasons:

- Firstly, transparency on climate finance builds trust and shows the commitment by each Party to tackle climate change.
- Secondly, information on climate finance flows can be used as an indicator of whether or not investment patterns in our economies move into the right direction.
- Thirdly, the reporting framework under the Convention provides an important basis for all of us to harmonize our reporting regulations. For example, the EU Monitoring Mechanism Regulation has been built on the UNFCCC reporting framework.

In view of this, the EU and its Member States came to an understanding that private finance flows are mobilized by public finance, or a public intervention, including in the area of policy and regulatory reform, and secondly that they are climate relevant in accordance with criteria used by relevant international organizations such as the OECD and Multilateral Development Banks.

Let me conclude by reassuring you that the European Union is a reliable partner in the fight against climate change. We are serious about integrating climate objectives into our own domestic development policies. And we are serious about supporting developing countries in their fight against climate change.

High-level Ministerial Dialogue on Climate Finance

-Towards an articulated vision for climate finance –how can it support ongoing efforts to scale-up funding and investments?-

December 9, 15:00-18:00

Japan has been making positive contributions to climate finance as a main donor country. As one of the pillars of “Actions for Cool Earth (ACE)“, which Japan announced last year, Japan promised assistance amounting to 16 billion USD both from public and private sources to developing countries over three years from 2013 to 2015. As Prime Minister Shinzo Abe announced at the UN Climate Summit last September, we achieved our commitments within almost a year and half.

(GCF)

As for the Green Climate Fund, we announced at the High-Level Pledging Conference in Berlin last month our intention to contribute up to 1.5 billion US dollars, subject to the approval of the Diet.

According to the announcement by the Peruvian chair yesterday, 9.95 billion had been committed to GCF, but today, thanks to the new contributions pledged by Australia, Austria and Belgium, aggregate contributions have exceeded 10 billion dollars. This is a remarkable achievement, and I am sure that this will have very good impact on our negotiations.

On the other hand, I understand that some developing countries, particularly those countries vulnerable to the impacts of climate change such as Small Islands Developing states (SIDs) and Least Developed Countries (LDCs), have concerns as to the accessibility to the GCF.

Japan attaches importance especially to the support for SIDs and LDCs, and in the area of adaptation including disaster risk reduction. We hope that our contribution to the GCF will be utilized in such areas, and we are prepared to work for that purpose.

With regard to Japan’s assistance in the area of adaptation, we announced the concrete examples of “Japan’s Adaptation Initiatives” which Prime Minister Abe had announced at the UN Climate Summit. Japan will continue to assist developing

countries from the formation of adaptation plans to the implementation of adaptation measures by bringing together the knowledge of the private sector, government and academia.

(Longterm finance)

To achieve the goal of mobilizing USD 100 billion per year by 2020, it is essential to mobilize a significant amount of private finance, by using public finance as leverage.

In order to mobilize private finance, efforts from both the developed and developing countries are required. As for the developing countries, it is important to improve their investment environment which is indispensable for mobilization of private finance, and to mainstream climate change issues in their development policy.

Now I turn to developed countries. Japan supports the private financing by utilizing JBIC's co-financing, guarantee facility and equity participation and insurance by NEXI. In addition, when utilizing private technology, it is important to guarantee its stable utilization with financial support.

Assistances by international organizations are also crucial. In order to facilitate smooth technology transfer and development which is vital for developing countries, formulation of projects that will utilize highly effective technologies should be promoted through strengthening the linkage between TEC (Technology Executive Committee), CTCN (Climate Technology Centre and Network) and GCF. This will lead to the enhancement of incentives for private investments.

We also assume that cooperation with the private sector through the Private Sector Facility (PSF) of GCF will lead to scaling up of climate finance.

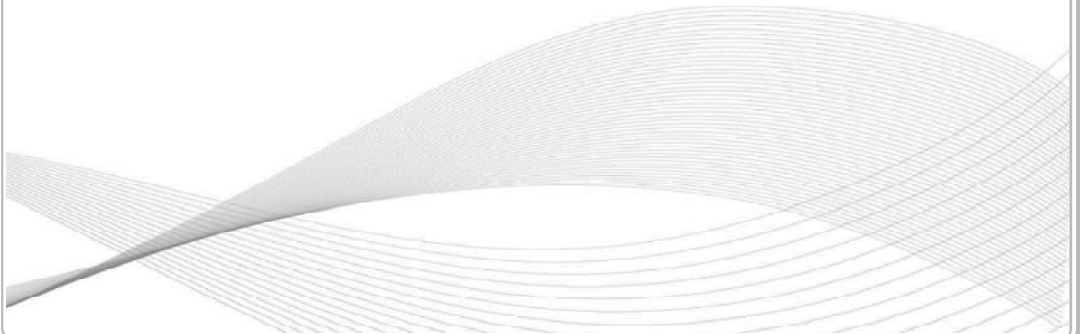
(Transparency)

Japan has been providing information on our utilization of climate finance through various occasions such as the National Communications, the Biennial Report, and workshops under the UNFCCC. We will continue to make efforts to secure transparency on our assistance and demonstrate that climate finance stably flows to the developing countries.

(Conclusion)

As I explained, Japan has been committed to the efforts by public and private sectors together, for climate finance and technology, and we will continue to do so in the years ahead.

V. 제20차 기후변화협약
당사국총회(COP20) 채택 결정문



Advance unedited version

Decision -/CP.20

Lima call for climate action

The Conference of the Parties,

Reiterating that the work of the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall be under the Convention and guided by its principles,

Recalling the objective of the Convention as set out in its Article 2,

Also recalling all the relevant decisions of the Conference of the Parties, particularly decisions 1/CP.17, 2/CP.18 and 1/CP.19,

Affirming its determination to strengthen adaptation action through the protocol, another legal instrument or agreed outcome with legal force under the Convention to be adopted at the twenty-first session of the Conference of the Parties (November-December 2015),

Recalling decisions 2/CP.19 and X/CP.20 (Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts) and welcoming the progress made in Lima, Peru, towards the implementation of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts,

Noting with grave concern the significant gap between the aggregate effect of Parties' mitigation pledges in terms of global annual emissions of greenhouse gases by 2020 and aggregate emission pathways consistent with having a likely chance of holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels,

1. *Confirms* that the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall complete the work referred to in decision 1/CP.17, paragraph 2, as early as possible in order for the Conference of the Parties at its twenty-first session to adopt a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties;
2. *Decides* that the protocol, another legal instrument or agreed outcome with legal force under the Convention applicable to all Parties shall address in a balanced manner, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building, and transparency of action and support;
3. *Underscores* its commitment to reaching an ambitious agreement in 2015 that reflects the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances;
4. *Urges* developed country Parties to provide and mobilize enhanced financial support to developing country Parties for ambitious mitigation and adaptation actions, especially to Parties that are particularly vulnerable to the adverse effects of climate change; and recognizes complementary support by other Parties;
5. *Acknowledges* the progress made in Lima in elaborating the elements for a draft negotiating text as contained in the annex;
6. *Decides* that the Ad Hoc Working Group on the Durban Platform for Enhanced Action will intensify its work, with a view to making available a negotiating text for a

protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties before May 2015;

7. *Requests* the secretariat to communicate the negotiating text referred to in paragraph 6 above to Parties in accordance with provisions of the Convention and the applied rules of procedure, while noting that such communication will not prejudice whether the outcome will be a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties;

8. *Notes* that the arrangements specified in this decision in relation to intended nationally determined contributions are without prejudice to the legal nature and content of the intended nationally determined contributions of Parties or to the content of the protocol, another legal instrument or agreed outcome with legal force under the Convention applicable to all Parties;

9. *Reiterates* its invitation to each Party to communicate to the secretariat its intended nationally determined contribution towards achieving the objective of the Convention as set out in its Article 2;

10. *Agrees* that each Party's intended nationally determined contribution towards achieving the objective of the Convention as set out in its Article 2 will represent a progression beyond the current undertaking of that Party;

11. *Also agrees* that the least developed countries and small island developing States may communicate information on strategies, plans and actions for low greenhouse gas emission development reflecting their special circumstances in the context of intended nationally determined contributions;

12. *Invites* all Parties to consider communicating their undertakings in adaptation planning or consider including an adaptation component in their intended nationally determined contributions;

13. *Reiterates* its invitation to all Parties to communicate their intended nationally determined contributions well in advance of the twenty-first session of the Conference of the Parties (by the first quarter of 2015 by those Parties ready to do so) in a manner that facilitates the clarity, transparency and understanding of the intended nationally determined contributions;

14. *Agrees* that the information to be provided by Parties communicating their intended nationally determined contributions, in order to facilitate clarity, transparency and understanding, may include, as appropriate, inter alia, quantifiable information on the reference point (including, as appropriate, a base year), time frames and/or periods for implementation, scope and coverage, planning processes, assumptions and methodological approaches including those for estimating and accounting for anthropogenic greenhouse gas emissions and, as appropriate, removals, and how the Party considers that its intended nationally determined contribution is fair and ambitious, in light of its national circumstances, and how it contributes towards achieving the objective of the Convention as set out in its Article 2;

15. *Reiterates* its call to developed country Parties, the operating entities of the Financial Mechanism and any other organizations in a position to do so to provide support for the preparation and communication of the intended nationally determined contributions of Parties that may need such support;

16. *Requests* the secretariat to:

(a) Publish on the UNFCCC website the intended nationally determined contributions as communicated;

(b) Prepare by 1 November 2015 a synthesis report on the aggregate effect of the intended nationally determined contributions communicated by Parties by 1 October 2015;

17. *Encourages* all Parties to the Kyoto Protocol to ratify and implement the Doha Amendment to the Kyoto Protocol;

18. *Reiterates* its resolve as set out in decision 1/CP.19, paragraphs 3 and 4, to accelerate the full implementation of the decisions constituting the agreed outcome pursuant to decision 1/CP.13 and enhance ambition in the pre-2020 period in order to ensure the highest possible mitigation efforts under the Convention by all Parties;

19. *Decides* to continue the technical examination of opportunities with high mitigation potential, including those with adaptation, health and sustainable development co-benefits, in the period 2015–2020, by requesting the secretariat to:

(a) Organize a series of in-session technical expert meetings which:

(i) Facilitate Parties in the identification of policy options, practices and technologies and in planning for their implementation in accordance with nationally defined development priorities;

(ii) Build on and utilize the related activities of, and further enhance collaboration and synergies among, the Technology Executive Committee, the Climate Technology Centre and Network, the Durban Forum on capacity-building, the Executive Board of the clean development mechanism and the operating entities of the Financial Mechanism;

(iii) Build on previous technical expert meetings¹ in order to hone and focus on actionable policy options;

(iv) Provide meaningful and regular opportunities for the effective engagement of experts from Parties, relevant international organizations, civil society, indigenous peoples, women, youth, academic institutions, the private sector, and subnational authorities nominated by their respective countries;

(v) Support the accelerated implementation of policy options and enhanced mitigation action, including through international cooperation;

(vi) Facilitate the enhanced engagement of all Parties through the announcement of topics to be addressed, agendas and related materials at least two months in advance of technical expert meetings;

(b) Update, following the technical expert meetings referred to in paragraph 19(a) above, the technical paper on the mitigation benefits of actions, and on initiatives and options to enhance mitigation ambition, compiling information provided in submissions from Parties and observer organizations and the discussions held at the technical expert meetings and drawing on other relevant information on the implementation of policy options at all levels, including through multilateral cooperation;

(c) Disseminate the information referred to in paragraph 19(b) above, including by publishing a summary for policymakers;

20. *Requests* the Ad Hoc Working Group on the Durban Platform for Enhanced Action to make recommendations in relation to further advancing the technical examination

¹ In 2014 the Ad Hoc Working Group on the Durban Platform for Enhanced Action undertook technical expert meetings on renewable energy, energy efficiency, land-use change and forestry (including REDD-plus), urban environments, carbon dioxide capture use and storage and non-CO₂ greenhouse gases.

process, including the periodic assessment of the technical expert meetings, to the Conference of the Parties at its twenty-first session;

21. *Welcomes* the Lima Climate Action High Level Meeting convened by the President of the Conference of the Parties on 11 December 2014 and encourages the Executive Secretary and the President of the Conference of the Parties to convene an annual high-level event on enhancing implementation of climate action;

22. *Notes* the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision and requests that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.

참고 리마 기후행동 촉진 (Lima call for climate action) 비공식 번역본

당사국 총회는,

ADP의 작업이 기후변화협약과 그 원칙에 따른다는 점을 재강조하고,

협약 제2조에 기술된 협약의 목적을 상기하고,

또한 당사국총회의 모든 관련 결정문과 특히 결정문 1/CP.17, 2/CP.18과 1/CP.19을 상기하고,

제21차 당사국총회에서 채택될 모든 당사국에 적용 가능한 협약 의정서, 법적 체계 또는 법적 효력을 갖는 합의 결과(the protocol, another legal instrument or agreed outcome with legal force under the Convention applicable to all Parties)를 통하여 적응 행동(adaptation action)을 강화한다는 결의를 재확인하고,

결정문 2/CP.19와 X/CP.20 (기후변화 영향에 따른 손실과 피해에 관한 바르샤바 국제 메커니즘)을 상기하고, 페루 리마에서 기후변화 영향에 따른 손실과 피해에 관한 바르샤바 국제 메커니즘 이행에 진전을 보인 점을 환영하고,

당사국의 2020년 온실가스 연평균 배출 감축공약의 총 영향과 지구 평균 기온 상승을 산업화 이전 대비 2°C 혹은 1.5°C 이하로 유지하기 위한 총 배출경로 간 상당한 차이가 있음을 우려하면서 인지하고,

- 1 제21차 당사국총회에서 모든 당사국에 적용 가능한 협약 의정서, 법적 체계 또는 법적 효력을 갖는 합의 결과를 채택할 수 있도록 ADP가 결정문 1/CP.17 제2항에 기술된 작업을 최대한 빨리 완료해야 함을 확인한다.
2. 모든 당사국에 적용 가능한 협약 의정서, 법적 체계 또는 법적 효력을 갖는 합의 결과에서 감축, 적응, 재정, 기술개발 및 이전, 능력배양, 행동과 지원에 대한 투명성 등이 균형 있게 다뤄져야 함을 결정한다.
3. 상이한 국가별 상황을 고려하여, 공통의 차별화된 책임 및 개별적 역량(common but differentiated responsibilities and respective capabilities)의 원칙을 반영하는 야심찬 합의를 2015년에 달성할 약속(commitment)을 강조한다.

4. 개도국과 특히 기후변화의 악영향에 취약한 국가가 야심찬 감축 및 적응 행동을 취할 수 있도록 선진국이 재정지원을 강화하여 제공·동원할 것을 촉구하며, 기타 국가가 제공하는 보완적인 재정 지원을 인지한다.
5. 별첨(Annex)의 협상문서 초안에 포함될 요소를 구체화 하는 작업이 리마에서 진전을 보인 점을 인지한다.
6. 2015년 5월 이전에 모든 당사국에 적용 가능한 협약 의정서, 법적 체계 또는 법적 효력을 갖는 합의 결과에 대한 협상문서가 마련되도록 ADP가 더욱 노력해야 할 것을 결정한다.
7. 협약 조항과 의사규칙(rules of procedure)에 따라, 사무국에 상기 6항에 전술된 협상문서를 발표할 것을 요청하고, 발표된 협상 문서는 결과적으로 모든 당사국에 적용 가능한 협약 의정서, 법적 체계 또는 법적 효력을 갖는 합의 결과 중 어떠한 형태를 취하던지 영향을 미치지 않음을 인지한다.
8. INDC 관련 동 결정문에서 언급된 부분(arrangements)은 각 국 INDC의 법적 성격과 내용, 또는 모든 당사국에 적용 가능한 협약 의정서, 법적 체계 또는 법적 효력을 갖는 합의 결과의 내용을 예단하지 않음을 인지한다.
9. 당사국들에 협약 제2조에 기술된 협약 목적을 달성하기 위한 각국의 INDC를 사무국에 제출할 것을 재요청 한다.
10. 협약 2조에 기술된 협약 목적을 달성하기 위한 각국의 INDC가 현재의 목표보다 상향된 목표(progression beyond the current undertaking)를 나타내야 함에 동의한다.
11. 또한 INDC와 관련하여 최빈개도국 및 군소도서국가가 자국의 특수한 상황을 반영한 온실가스 저배출 개발 전략과 계획, 행동에 관한 정보를 발표할 수 있음에 동의한다.
12. 모든 당사국이 INDC에 적응계획 관련 시행 중인 내용(undertakings) 또는 적응 부문 포함을 고려할 것을 요청한다.
13. 모든 당사국에 INDC의 명확성, 투명성 및 이해를 촉진하는 방법으로 제21차 당사국총회 훨씬 이전에 (준비가 된 국가는 2015년 1/4분기까지) INDC 제출을 요청한 점을 재강조한다.
14. 명확성, 투명성 및 이해 촉진을 위해, INDC를 발표하는 당사국이 제공하는 정보는 적절하게 다음을 포함할 수 있다고 동의한다. 즉, 기준시점 (적절한 경우,

기준연도 등)의 수량화가 가능한 정보; 이행 시기 및/또는 기간; 범위(scope and coverage); 계획 과정; 인위적 온실가스 배출량 및, 적절한 경우 제거량 산정과 계산을 위한 가정·방법론적 접근방식; 당사국들이 자국의 INDC가 국가별 상황을 고려하여 공정하고 야심차다고 생각하는 근거; 협약 제2조에 기술된 협약 목적을 달성하는데 어떻게 기여하고 있는지 등의 정보.

15. 선진국, 재정메커니즘 운영기구 및 그 외 가능한 기타 기구에 INDC 준비 및 발표에 지원이 필요한 당사국에게 지원을 제공하라는 요청을 재강조한다.
16. 사무국에 다음을 요청한다.
 - a) 제출된 INDC를 UNFCCC 홈페이지에 게재한다.
 - b) 2015년 10월 1일까지 제출된 각 국의 INDC가 가지는 총 영향(aggreated effect)에 대한 종합보고서를 2015년 11월 1일까지 작성한다.
17. 모든 교토의정서 당사국에 도하개정안의 비준 및 이행을 장려한다.
18. 협약 하 모든 당사국의 최대한의 감축노력을 확보하기 위해, 결정문 1/CP.19 제 3항과 4항에 기술된 바, 결정문 1/CP.13(발리행동계획)에 부합하는 합의된 결과물을 구성하는 결정문의 완전한 이행을 가속화 하고, 2020년까지의 감축의욕을 향상시키겠다는 결심을 재강조한다.
19. 사무국에 다음을 요청하면서, 2015-2020년에 적응, 보건, 지속가능발전 공동편의 기회를 포함하여 감축 잠재력이 높은 기회에 대한 기술적 검토를 지속할 것을 결정한다.
 - a) 다음의 기능을 하는 회기간 기술전문가회의를 개최한다.
 - i) 당사국이 국가별 개발 우선순위에 맞춰 정책 옵션, 관행 및 기술을 파악하고 이에 대한 이행 계획을 세울 때 당사국을 돕는다.
 - ii) TEC(Technology Executive Committee), CTCN(Climate Technology Centre and Network), 역량강화에 관한 더반포럼, CDM 이사회 및 재정메커니즘 운영기구의 관련 활동을 바탕으로 하고 활용하며, 이들 기구의 협업과 시너지를 더욱 강화한다.
 - iii) 실행가능한 정책 옵션을 개선하고 이에 집중하기 위해, 이전 기술전문가회의를 바탕으로 한다.

- iv) 당사국, 관련 국제기구, 시민사회, 토착민, 여성, 청년, 학계, 민간 및 각 국가가 지정한 지방정부를 대표하는 전문가의 효과적 참여를 위한 의미 있고 정기적인 기회를 제공한다.
 - v) 국제협력 등을 통하여 정책옵션 이행 촉진 및 감축행동 강화를 지원한다.
 - vi) 기술전문가회의 최소 2주 전 주제, 의제 및 관련 자료를 발표하여 모든 당사국의 참여 증진을 돕는다.
- b) 상기 19(a)항에 언급된 기술전문가회의 이후, 당사국과 옵서버 기구에서 제출한 정보와 기술전문가회의 논의 자료를 취합하고, 다자 협력 등을 포함하여 모든 단계에서 정책옵션 이행에 관한 관련 정보를 적절히 추출하여, 행동에 따른 감축혜택 및 감축목표 상향을 위한 이니셔티브와 옵션에 관한 기술문서를 업데이트한다.
 - c) 정책입안자를 위한 요약본을 발간하는 등의 방법으로 상기 19(b)항에 언급된 정보를 배포한다.
20. 기술전문가회의의 정기적 평가 등 기술적 검토과정의 향상을 위한 권고사항을 제21차 당사국총회에 제출할 것을 ADP에 요청한다.
 21. 2014년 12월 11일 당사국총회 의장이 주재한 Lima Climate Action High Level Meeting을 환영하고, 사무총장과 당사국총회 의장에 기후행동 이행 강화에 관한 연례 고위급 회의를 가질 것을 장려한다.
 22. 동 결정문에서 사무국이 실시하기로 된 활동에 따라 발생하는 예산을 인지하고, 동 결정문에서 사무국에게 촉구한 행동은 재원의 가용 여부에 따라야 함을 요청한다.

Elements for a draft negotiating text¹

A. Preamble²

Option 1: {Placeholder for preamble}

Option 2:

The Parties to this agreement,

In pursuit of the ultimate objective of the Convention as stated in its Article 2,

Being guided by the principles of the Convention as set out in its Article 3, including that Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with historical responsibility, common but differentiated responsibilities and the provisions of Article 4 of the Convention / evolving common but differentiated responsibilities and respective capabilities / evolving economic and emission trends which will continue post-2020, in order to progressively enhance the levels of ambition,

Recalling the provisions of the Convention and determined to further enhance its full, effective and sustained implementation from 2020 through a strengthened multilateral rules-based regime established by this agreement,

Also recalling the commitments undertaken by Parties under the Convention in accordance with its Article 4,

Further recalling all the existing decisions adopted by the Conference of the Parties to the Convention and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, including, in particular, the agreed outcome pursuant to the Bali Action Plan and the Doha Amendment,

Recalling the outcomes of the Rio+20 Conference: the Future we want,

Option (a): Acknowledging that the global nature and urgency of climate change calls for the participation / widest possible participation, cooperation and ambitious action by all Parties,

Option (b): Acknowledging that the global nature and urgency of climate change calls for the widest possible cooperation of all Parties, as well as their participation and enhanced action in an effective and appropriate international response in accordance with their common but differentiated responsibilities and respective capabilities, and their specific national and regional development priorities, objectives and circumstances / social and economic conditions with developed country Parties taking the lead,

Being guided by the best available scientific knowledge, including, inter alia, the assessment reports / the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, and inputs and resources from Parties,

Recognizing that deep cuts in global greenhouse gas emissions will be required to achieve the ultimate objective of the Convention and the long-term temperature limit / holding the increase in global average temperature, and that such cuts must 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,

Also recognizing that scenarios consistent with a likely chance of holding the global average temperature increase to below 2 °C relative to pre-industrial levels include substantial cuts in anthropogenic greenhouse gas emissions by mid-century and net emission levels near zero gigatonnes of carbon dioxide equivalent or below in 2100,

¹ These elements for a draft negotiating text reflect work in progress. They neither indicate convergence on the proposals presented nor do they preclude new proposals from emerging in the course of the negotiations in 2015.

² Headings and subheadings used throughout these elements for a draft negotiating text are provisional and only intended to orientate the reader.

Further recognizing that economy-wide emission reduction budgets provide the highest level of clarity, predictability and environmental integrity,

Acknowledging that carbon pricing is a key approach for cost-effectiveness of the cuts in global greenhouse gas emissions,

Option (a): *Emphasizing* that adaptation is a global challenge and a common responsibility that requires global solidarity that must be addressed with the same urgency as, and in political / legal parity with, mitigation,

Option (b): *Emphasizing* that adaptation is a global challenge that must be addressed with the same urgency as, and in balance with, mitigation, and that enhanced action and international cooperation on adaptation is urgently required in order to enable and support the implementation of adaptation actions,

Option (c): *Emphasizing* that enhanced action and international cooperation on adaptation is urgently required to enable and support the implementation of adaptation actions aimed at reducing vulnerability and building resilience in developing country Parties, taking into account the urgent and immediate needs of those developing countries that are particularly vulnerable,

Option (d): *Notes* that adaptation is a global challenge that must be addressed with the same urgency as mitigation,

Reaffirming the importance of education, training, public awareness, public participation, public access to information and international cooperation on these matters for promoting changes in lifestyles, attitudes and behaviour needed to foster low-emission and climate-resilient development and to mobilize public support for climate policies and action,

Also reaffirming the need for developed country Parties to provide new, additional, adequate and predictable financial resources, including financial resources for the transfer of technology to and capacity-building in developing countries for addressing mitigation and adaptation needs and complying with their obligations under this agreement, while ensuring a balanced financial resources allocation between adaptation and mitigation,

Stressing that all actions to address climate change and all the processes established under this agreement should ensure a gender-responsive approach, take into account environmental integrity / the protection of the integrity of Mother Earth, and respect human rights, the right to development and the rights of indigenous peoples,

Reaffirming that responses to climate change should be coordinated with social and economic development in an integrated manner with a view to avoiding adverse impacts on the latter, taking into full account the legitimate priority needs of developing countries and their right to equitable access to sustainable development and for achieving economic growth and the eradication of poverty,

Also reaffirming that all developing countries need access to the resources required to achieve sustainable social and economic development and that, in order for developing countries to progress towards that goal, their energy consumption will need to grow, taking into account the opportunities for achieving greater energy efficiency and for reducing greenhouse gas emissions, including through the application of new technologies on terms which make such an application economically and socially beneficial,

Recognizing that action / cooperative action by and among subnational authorities, intergovernmental organizations, civil society, indigenous peoples, local communities, the private sector, financial institutions and Parties can catalyse and significantly enhance the impact of policy implementation by Parties in reducing emissions, reducing vulnerability and building resilience to the adverse effects of climate change,

Recalling the Vienna Convention on the Law of Treaties,

Have agreed to further enhance the full, effective and sustained implementation of the Convention as follows / Have agreed as follows / Have agreed to this protocol, another legal instrument, or an agreed outcome with legal force with the aim of furthering the implementation of the Convention and its objective:

B. Definitions

For the purposes of this agreement the following terms are defined:

- The “governing body” means the governing body of this agreement;
- Party;

- “Emission reductions” means the sum of all reduced emissions and increased carbon stocks;
- (Other definitions as needed.)

C. General / Objective

1. This agreement aims to achieve universal participation and is to further enhance the full, effective and sustained implementation of the principles and provisions of the Convention, commitments under the Convention and existing decisions, and to strengthen the multilateral rules-based regime under the Convention in order to achieve the objective of the Convention as set out in its Article 2.
2. All Parties to strive to achieve low greenhouse gas climate-resilient economies and societies, on the basis of equity and in accordance with their historical responsibilities, common but differentiated responsibilities / evolving common but differentiated responsibilities and respective capabilities, in order to achieve sustainable development, poverty eradication and prosperity for the benefit of present and future generations of humankind, taking fully into account the historical responsibility of developed country Parties and their leadership in combating climate change and the adverse effects thereof, and bearing in mind that economic and social development and poverty eradication are the first and overriding priorities of developing country Parties.

3. Option 1:

All Parties to take action and cooperate to further implement the Convention in order to reach its ultimate objective as stated in its Article 2, on the basis of equity and in accordance with their historical responsibilities and common but differentiated responsibilities / evolving common but differentiated responsibilities and respective capabilities, by achieving an emission pathway consistent with limiting the global average temperature increase to below 2 °C or 1.5 °C above pre-industrial levels, which entails:

- 3.1 **Option (a):** Ensuring significant global greenhouse gas emission reductions over the next few decades or a 40–70 per cent reduction in global greenhouse gas emissions below 2010 levels by 2050 and near-zero emissions of CO₂ and other long-lived greenhouse gases by the end of the century;

Option (b): Ensuring that global greenhouse gas emissions peak by 2020 at the latest, are reduced by at least 50 per cent by 2050 and continue to decline thereafter;

Option (c): Ensuring significant global greenhouse gas emission reductions over the next few decades in order to achieve a global goal for substantially reducing global emissions by 2050 / consistent with the agreed global goal for substantially reducing global emissions by 2050 / consistent with the agreed global goal, and based on the best available scientific knowledge and equitable access to sustainable development;

- 3.2 Ensuring resilience and adaptive capacity to the adverse effects of climate change, while recognizing the local, national and global dimensions of adaptation;
- 3.3 Ensuring that all investments are resilient to climate change / consistent with sustainable development and facilitate the transition to low-emission development paths and ensuring the adequacy of financial, technology and capacity-building support for developing countries towards achieving the implementation of this agreement / objective of the Convention.

Option 2:

All Parties to enhance action and cooperate to further implement the Convention in order to reach its ultimate objective as stated in its Article 2, in order to stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system and to allow ecosystems to adapt naturally to climate change, in order to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner, which entails:

- 3.1 Parties to urgently work towards the deep reduction in global greenhouse gas emissions required to hold the increase in global average temperature below 2 °C / 1.5 °C above pre-industrial levels and to attain a global peaking of global greenhouse gas emissions as soon as possible, reaffirming that the time frame for peaking will be longer for developing countries;
- 3.2 Parties' efforts should be undertaken on the basis of equity and common but differentiated responsibilities and respective capabilities, and the provision of finance, technology transfer and capacity-building to developing countries in order to support their mitigation and adaptation actions under the Convention, and take into account the imperatives of equitable access to sustainable development, the survival of countries and protecting the integrity of Mother Earth.

Option 3:

All Parties to take action and cooperate to further implement the Convention in order to reach its ultimate objective as stated in its Article 2, on the basis of equity and in accordance with their common but differentiated responsibilities / evolving common but differentiated responsibilities and respective capabilities, by achieving an emission pathway consistent with limiting the global average temperature increase to below 2 °C or 1.5 °C above pre-industrial levels and with achieving climate resilience.

4. Parties recognize that the level and pace of mitigation ambition / efforts will determine the extent to which Parties will need to adapt and address loss and damage, and associated costs thereof, as well as the need to explore holistic and mutually reinforcing approaches to enhancing mitigation and adaptation efforts and to increase the overall level of ambition, which will depend on the extent of financial, technology and capacity-building support provided by developed country Parties to developing country Parties.

5. **Option 1:** Each Party to take action at the highest level of ambition / mitigation ambition, reflecting its national circumstances, and to progressively increase that level of ambition;

Option 2: All Parties to take action at the highest level of ambition and to progressively increase that level of ambition, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, with developed countries taking the lead;

Option 3: Parties to enhance their actions and contributions in accordance with Article 4 of the Convention;

Option 4: A global emission budget to be divided among all Parties, in accordance with the principles and provisions of the Convention, in order to limit global warming this century to below 1.5 °C according to the IPCC assessment. The distribution of the global emission budget should be undertaken in accordance with historical responsibilities, ecological footprint, capabilities and state of development.

6. **Option 1:** Parties with the greatest responsibility and highest capability to demonstrate leadership:

6.1 Developed country Parties to take the lead in fully implementing existing obligations under the Convention in relation to mitigation and support, in line with their historical responsibility;

6.2 Leadership demonstrated by any Party to be recognized, as well as the need to incentivize and enable such leadership through cooperation and support.

Option 2: Parties with the greatest responsibility and highest capability to demonstrate leadership.

Option 3: In accordance with Article 4 of the Convention, developed country Parties to take the lead in fully implementing existing obligations and commitments under the Convention in relation to emission reduction and the provision of financial, technology and capacity-building support to developing country Parties, in line with their historical responsibility.

7. **Option 1:** Commitments / contributions of Parties particularly vulnerable to the adverse effects of climate change, especially the least developed countries (LDCs) and small island developing States (SIDS), to reflect their efforts in the context of their specific needs and special situations;

Option 2: Commitments / contributions / actions of developing country Parties, especially those referred to in Article 4, paragraphs 8, 9 and 10, of the Convention, including the least developed countries (LDCs) and small island developing States (SIDS), to reflect their efforts in the context of sustainable development and their specific needs and special circumstances, bearing in mind that the extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and the transfer of technology.

8. **Option 1:** All Parties to prepare, maintain, communicate and implement commitments / contributions / mitigation commitments / contributions in accordance with the provisions of this agreement and to be considered, formalized / finalized and reviewed in accordance with section K below;

Option 2: In accordance with the principles and provisions of the Convention, all Parties to prepare, maintain, communicate and implement commitments / contributions in accordance with the provisions of this agreement, and to be considered, formalized / finalized and reviewed in accordance with section K below.

9. **Option 1:** Unilateral measures not to constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade;

Option 2: No reference to unilateral measures in the agreement.

10. This agreement to build on the subsidiary bodies / institutional arrangements established by or under the Convention:

Option 1: All subsidiary bodies / institutional arrangements established by or under the Convention shall serve this agreement, unless otherwise decided by the governing body. The governing body may provide further guidance as appropriate;

Option 2: The subsidiary bodies / institutional arrangements established by or under the Convention shall serve this agreement as specified in the relevant sections.³

11. **Option 1:** All actors, including civil society, the private sector, financial institutions, cities and other subnational authorities, local communities and indigenous peoples, are encouraged to scale up their actions and provide further opportunities for Parties to reduce emissions and/or to decrease vulnerability and build resilience to the adverse effects of climate change, without prejudice to the provisions of the Convention;

Option 2: No provision on non-state actors.

12. **Option 1:** Parties to cooperate, including through regional approaches, bilateral, multilateral, triangular / South–South and triangular cooperation, and to take appropriate measures to develop, adopt and implement policies, strategies, regulations and/or action plans on climate change education, training, public awareness, public participation and public access to information at all levels to enable transformative change towards low-emission and climate-resilient societies;

Option 2: In addition to the existing commitments under and provisions of the Convention, Parties to cooperate and take appropriate measures to develop, adopt and implement policies, strategies, regulations and/or action plans on climate change education, training, public awareness, public participation and public access to information so as to enhance action addressing climate change;

Option 3: Parties to cooperate, including through regional, bilateral and multilateral approaches.

Structural suggestions on section C:

No need for a general section

Move paragraphs 5 and 8 to the mitigation section

Paragraphs 3, 5, 6, 7, 8, 10, 11 and 12 are or should be addressed elsewhere

Address content of paragraph 11 in a COP decision or a preambular recital

D. Mitigation

Long-term and global aspects of mitigation

13.

- 13.1 **Option 1:** All Parties, in accordance with Article 4 and their common but differentiated responsibilities and respective capabilities and on the basis of equity, to enhance mitigation ambition and cooperate with a view to achieving the long-term emission reductions, in the context of Article 2 of the Convention, consistent with limiting the global average temperature increase to below 2 °C or 1.5 °C above pre-industrial levels and in the context of equitable access to sustainable development;

Option 2: All Parties to make efforts and cooperate on enhancing mitigation ambition to ensure that the aggregate level of mitigation commitments / contributions increases over time, so as to achieve the long-term emission reductions, in the context of Article 2 of the Convention, consistent with limiting the global average temperature increase to below 2 °C or 1.5 °C above pre-industrial levels;

Option 3: Parties to make efforts and cooperate to stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, in accordance with the shared vision resulting from the Bali Action Plan, including holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels in the context of sustainable development, with developed country Parties taking the lead by undertaking ambitious emission reductions and providing finance, technology and capacity-building support to developing country Parties.

³ See paragraphs 31, 33, 38, 57.1, 62.1, 92.

13.2 Parties' efforts to take the form of:

- a. A long-term zero emissions sustainable development pathway:
 - Consistent with carbon neutrality / net zero emissions by 2050, or full decarbonization by 2050 and/or negative emissions by 2100;
 - Consistent with science and the findings of the / Intergovernmental Panel on Climate Change (IPCC) (e.g. 40–70 per cent below 2010 levels by 2050) in accordance with historical responsibilities, capabilities, and the state of development, while addressing vulnerabilities and in a cooperative manner;
 - Consistent with a global reduction of greenhouse gas emissions of at least 50 per cent by 2050 compared with the levels in 1990 and a continued decline in emissions thereafter, in the context of equitable access to sustainable development and a global carbon budget;
 - Consistent with emissions peaking for developed countries in 2015, with an aim of zero net emissions by 2050; in the context of equitable access to sustainable development;
 - Consistent with a peaking of global greenhouse gas emissions as soon as possible, noting that the time frame for peaking may be longer in developing countries, in the context of equitable access to sustainable development.
 - b. A global emission budget to be divided among all Parties according to the principles and provisions of the Convention, so as to limit global warming in this century to below 1.5 °C according to the IPCC assessment. The distribution of the global emission budget should be undertaken in accordance with historical responsibilities, ecological footprint, capabilities, and state of development;
 - c. Stabilization of the concentration of greenhouse gases in the atmosphere at or below 350 ppm of CO₂ equivalent in the context of equitable access to sustainable development;
 - d. A deviation from business as usual;
 - e. Low emission development strategies.
14. Any agreed long-term objective shall be in the context of 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 sustainable manner, and shall also take into account vulnerabilities and managing transition in a sustainable manner.

Commitments / contributions / actions on mitigation

15. **Option 1:** In accordance with Article 4 of the Convention, all Parties to progressively enhance the level of ambition of their mitigation commitments / contributions / actions such that each commitment / contribution / action is of a type, scope, scale and coverage more / no less ambitious than those previously undertaken under this agreement or the Convention or its Kyoto Protocol (KP);
- Option 2:** Developed country Parties to progressively enhance the level of ambition of their mitigation commitments / contributions such that each commitment / contribution is of a type, scope, scale and coverage more / no less ambitious than those previously undertaken under this agreement or the Convention or its Kyoto Protocol (KP);
- Option 3:** All Parties to progressively enhance the level of ambition of their mitigation commitments / contributions such that the scale and coverage is more / no less ambitious than those previously undertaken under this agreement or the Convention or its Kyoto Protocol (KP);
- Option 4:** All Parties, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, to formulate, implement, publish and regularly update programmes containing measures to mitigate climate change in order to enhance their level of ambition after 2020.
16. **Option 1:** In accordance with the principles of the Convention and its Article 4, each Party to prepare, communicate and implement successive nationally determined mitigation commitments / contributions / actions, which are to:
- Option 2:** Each Party to communicate and implement successive mitigation commitments / contributions/, which are to:
- Option 3:** Parties to prepare differentiated mitigation commitments for developed and developing country Parties, with developed country Parties to take the lead and developing country Parties to be provided flexibility, which are to:

- 16.1 **Option 1:** Be quantified or quantifiable, which can be aggregated, and which are transparent, comparable and/or verifiable;

Option 2: Be quantified or quantifiable and which shall consider a fair and equitable distribution of the global emission budget according to a compound index of countries' participation in such a budget, and which are transparent, comparable and/or verifiable;

Option 3: Be quantified, which can be aggregated, and which are comparable, measurable, reportable and verifiable for developed country Parties, with the type, scope, scale and coverage more ambitious than those undertaken under the Convention and its Kyoto Protocol during the pre-2020 period.

Be quantified, quantifiable or qualified in a measurable, reportable and verifiable manner for developing country Parties, based on their nationally appropriate mitigation actions (NAMAs) under the Bali Action Plan.

- 16.2 Be accompanied by information aimed at enhancing the clarity, transparency and understanding of these commitments / contributions / actions;

- 16.3 **Option 1:** Include an indicative long-term trajectory consistent with paragraph 13 above.

With developed country Parties to take the lead and make an adequate and equitable contribution to achieve the ultimate objective of the Convention as set out in its Article 2. Developing country Parties may need flexibility in indicating such long-term trajectories;

Option 2: For developed country Parties to include an indicative long-term trajectory.

For developing country Parties to be encouraged to develop a long-term green and low-carbon development strategy, plan or programme as appropriate.

- 16.4 **Option 1:** Be based on national circumstances and capacities;

Option 2: Be based on the following:

- a. Common but differentiated responsibilities and respective capabilities, equity and national circumstances and capacities;
- b. Parties to include one of the following options, in accordance with their common but differentiated responsibilities, national circumstances, development levels and capabilities, while recognizing that the emissions of developing countries will grow to meet their social and development needs: (a) a quantified, economy-wide, absolute emission limitation or reduction target in relation to a baseline year; (b) a quantified, economy-wide, emission limitation or reduction target relative to a projection of its emissions (c) a quantified, economy-wide, emission limitation or reduction target relative to unit of GDP in relation to a previous year; (d) a quantified, economy-wide, emission limitation and reduction target per capita; (e) non-economy-wide actions:
 - Developed country Parties to take the lead in accordance with Article 3, paragraph 1, and Article 4, paragraph 2, of the Convention through quantified economy-wide, absolute emission reduction targets / commitments;
 - Developing country Parties, which have been provided with means of implementation, to prepare, communicate and implement a diversity of enhanced net mitigation commitments / contributions / actions in accordance with Article 3, paragraph 1, of the Convention and in the context of sustainable development, ranging from economy-wide absolute limits on emissions, relative emission reductions, intensity targets, nationally appropriate mitigation actions, low-emission development plans and strategies, sectoral mitigation plans and strategies / taking into consideration paragraph X above;
 - Developing country Parties to take a diversity of nationally determined actions in accordance with their specific needs and special circumstances as stated in Article 3, paragraph 2, of the Convention, including net avoided emissions, or also manifested as adaptation co-benefits, where appropriate;
 - Developing country Parties to prepare their actions in accordance with Article 3, paragraph 1, of the Convention and their circumstances and capacities, through nationally appropriate mitigation actions, subject to the provision of means of implementation and in accordance with Article 4, paragraph 7, of the Convention;
 - Major economies to take on quantified economy-wide emission reduction targets / commitments;
 - Parties not included in Annex I to the Convention (non-Annex I Parties) that are in a position to do so to take on quantified economy-wide emission reduction targets / commitments;
 - All Parties to take on quantified economy-wide emission reduction targets / commitments at some point in the future in accordance with their national circumstances, development levels and capabilities;

- LDCs to implement non-economy wide actions and are encouraged to develop and implement low-emission development strategies;
 - For all Parties on the basis of categories that are updated over time based on evolving emissions and economic trends.
- 16.5 **Option 1:** Mitigation commitments / contributions / actions of all Parties to be communicated and implemented without conditions;
- Option 2:** Mitigation commitments / contributions / actions of developed country Parties to be communicated and implemented without conditions;
- Option 3:** Each Party to communicate commitments / contributions / actions specifying an unconditional portion and may also include a conditional one;
- Option 4:** Mitigation commitments / contributions / actions of developing country Parties to be prepared, communicated and implemented subject to the provision of finance, technology development and transfer, and capacity-building Developing country Parties may specify additional enhanced levels of mitigation commitments / contributions according to different levels of enhanced support by developed country Parties.
17. All Parties to maintain commitments / contributions / actions at all times.
18. **Option 1:** Parties' proposed mitigation commitments / contributions / actions to be communicated and considered as well as formalized / finalized and reviewed in accordance with section K below;
- Option 2:** Parties' mitigation commitments / contributions / actions should be communicated and implemented in accordance with Article 12 of the Convention and through relevant arrangements based on the agreed outcome pursuant to the Bali Action Plan.
- Parties' mitigation commitments / contributions reflected in two attachments to the agreement, one for developed and one for developing country Parties. One is a common tabular format for developed country Parties and the other a compilation of communications for developing country Parties;
- Option 3:** Upon joining the agreement, all Parties to submit a schedule reflecting the nationally determined contribution they intend to implement.
- Parties to maintain schedule thereafter.
19. Parties may prepare, communicate and implement mitigation commitments / contributions / action jointly in accordance with decisions to be adopted by the governing body and taking into account any arrangements developed under paragraph 92.
20. **Option 1:** The secretariat to keep and update accordingly an online registry of national mitigation targets, and actions; registry to be integral part of the agreement;
- Option 2:** The secretariat to maintain a list of the schedules of Parties in an information document that is made available online.
21. All Parties to develop low emission strategies.
22. All Parties to take into account joint mitigation and adaptation approaches for the integral and sustainable management of forests.
23. In meeting their commitments / contributions / actions, Parties may make use of market mechanisms and actions in the land-use sector in accordance with X.
- 23.1 The use of market mechanisms is to:
- a. Mobilize the widest range of potential investments for adaptation and mitigation;
 - b. Create incentives for early action;
 - c. Incentivize and coordinate effective mitigation and adaptation action from the broadest range of actors, including the private sector, to support the implementation of this agreement;
 - d. Ensure consistency with individual commitments / contributions;
 - e. Be in accordance with the provisions on transparent accounting as contained in section J (*Transparency of action and support*), in particular to avoid double counting.
- 23.2 The use of market mechanisms shall be supplementary to domestic action.

Institutional arrangements

24. **Option 1:** Parties to analyse and give full consideration to what actions are necessary to meet the needs arising from the impacts of the implementation of response measures related to the mitigation commitments taken on, particularly the specific needs and concerns of developing country Parties;

Option 2: Strengthen existing arrangements by establishing a cooperative mechanism (platform) under the Convention to manage the transition to low greenhouse gas pathways, which would identify and then measure the impacts, and which would use existing tools as much as possible and further develop tools to address identified gaps and ensure their operationalization:

Option (a): The governing body shall develop and adopt modalities for:

- a. An international / cooperative mechanism under the Convention to manage the transition to low GHG pathways that would identify and then measure the impacts, and which would use existing tools as much as possible and develop further tools to address identified gaps and ensure their operationalization:
 - A no-incident arrangement to be included to safeguard economic development in developing countries;
 - In accordance with Article 4, paragraphs 8–10, of the Convention.
- b. An international institution;
- c. A permanent forum under the Subsidiary Body for Scientific and Technological Advice (SBSTA).

Option (b): No new arrangements for response measures within this agreement.

*Structural suggestions on section D:**Accounting rules:*

Option 1: Move provisions on accounting rules from section J (transparency) into this section;

Option 2: Retain provisions on accounting rules in section J.

Time frame and steps:

Option 1: Move provisions from section K into this section;

Option 2: Retain provisions in section K.

E. Adaptation and loss and damage**Adaptation***Long-term and global aspects of adaptation*

25. **Option 1:** All Parties in accordance with the principles and provisions of the Convention, its Article 4 and their common but differentiated responsibilities, and previous COP decisions to commit to cooperate to adapt to the adverse effects of climate change, ensure resilience and protect citizens and ecosystems in the context of the long-term temperature limit and to achieve sustainable development, while recognizing the local, national and transboundary dimensions of adaptation:

- 25.1 All / Developed country Parties to undertake the steps necessary to ensure that the level of support meets the needs for adaptation in developing countries in the context of the long-term temperature limit: Request to the SBSTA to develop methodologies for this purpose;
- 25.2 All Parties commit to increase efforts to adapt to climate change impacts, reduce vulnerability and increase resilience in the context of the actual increase in global mean temperature, taking into account the relationship between mitigation ambition, associated climate change impacts, and consequent adaptation needs, costs, and co-benefits.

Option 2: Developed country Parties commit to enhance support to developing country Parties in terms of finance, technology, and capacity-building, and to enable developing countries to enhance their adaptation actions so as to ensure their resilience;

Option 3: Establish a global goal for adaptation;

Option 4: No global goal for adaptation;

Option 5: Establish universal individual commitments / actions.

Commitments / contributions / actions / Commitments under Article 4 of the Convention on adaptation

26. **Option 1:** Each Party / Developing country Parties to prepare and implement adaptation commitments / contributions / actions under Article 4 of the Convention by integrating / integrate adaptation within national development planning, mainstream adaptation into national policies, undertake a national adaptation plan (NAP) process, and strengthen governance and enabling environments subject to modalities and procedures to be developed and adopted by the governing body:
- 26.1 Commitments / contributions / actions / commitments under Article 4 of the Convention should be country-driven, gender-sensitive, participatory, and fully transparent, take into account vulnerable groups and ecosystems, be based on science and traditional and indigenous knowledge, and promote the engagement of subnational and local authorities and other stakeholders;
 - 26.2 Developed country Parties' commitments / contributions / actions under Article 4 of the Convention to be in accordance with the relevant provisions of the Convention, reflecting / and reflect their obligation to support adaptation in developing countries in accordance with realizable temperature scenarios, in particular in SIDS and the LDCs Developed countries to ensure the provision of new and additional, adequate and predictable financial resources and the transfer of technology and capacity-building to meet the costs in developing countries of addressing the adverse effects of climate change and to enable developing countries to enhance their actions to adapt to climate change so that developing countries may achieve sustainable development;
 - 26.3 Developed countries commit to provide at least USD 50 billion per year during the period from 2020 to 2025, at least USD 100 billion per year by 2020 for adaptation activities of developing countries, in order to fulfil the obligations under Article 4, paragraphs 4, 5, 8, and 9, of the Convention;
 - 26.4 Developed countries should formulate adaptation support plans, including overall objectives, milestones, and sources of finance for supporting adaptation actions in developing countries in terms of finance, technology, and capacity-building in order to the urgent needs of developing countries and ensure long-term support;
 - 26.5 Developing country Parties' adaptation commitments / contributions / actions to:
 - a. Be in accordance with the relevant provisions of the Convention;
 - b. Include economic diversification;
 - c. Encourage developing country Parties to showcase their efforts and needs and to help to recognize national efforts consistent with the long-term temperature limit;
 - d. Be supported by predictable, grant-based, long-term, additional and measurable finance, technology, and capacity-building support from developed country Parties, Parties included in Annex II to the Convention (Annex II Parties), and/or all Parties in a position to do so;
 - e. Not impose additional burdens or reporting requirements on developing country Parties, in particular on SIDS and the LDCs;
 - f. Build on adaptation mechanisms and processes under the Convention, including NAPs and national adaptation programmes of action, and existing arrangements for finance. All developing countries are not in the position to make financial commitments or contributions to any institutional or international mechanisms. Adaptation investments by developing countries should be recognized as their contributions to the global effort to respond to climate change.
 - 26.6 **Option (a):** Commitments / contributions / actions to be consistent with / informed by the NAP process subject to modalities and procedures to be developed and adopted by the governing body:
 - a. NAPs provide the basis for all countries to assess vulnerabilities and identify and implement adaptation measures;
 - b. NAPs to go beyond planning and mainstreaming / into concrete actions on the ground / implementation / integrating by defining modalities for support and implementation;
 - c. Ensure that the NAP process is undertaken in all interested developing countries, in particular in SIDS and the LDCs, and in Africa;
 - d. The provision of support for NAPs to build on progress made by the Least Developed Countries Fund (LDCF), the Special Climate Change Fund (SCCF), the Green Climate Fund (GCF), the Adaptation Fund, the Least Developed Countries Expert Group, the Adaptation Committee and multilateral and bilateral organizations and agencies.
- Option (b):** Parties, through the NAP process, to strive in the medium and long term to reduce vulnerability to the impacts of climate change and facilitate the integration of climate change adaptation, in a coherent

manner, into relevant new and existing policies, programs and activities, in particular national development planning processes and strategies. National adaptation planning processes should not be mandatory or prescriptive nor result in the duplication of efforts undertaken, but should rather facilitate country-owned, country-driven action.

Option 2: Parties undertake national adaptation planning processes, with a view to integrating climate resilience into national level planning and action in order to reduce vulnerability, and to strengthen governance and enabling environments. All Parties should take adaptation actions. Those Parties with limited capacities require support from those countries in a position to provide such support.

27. Parties to communicate their commitments / contributions / actions / commitments under Article 4 of the Convention / adaptation priorities / support / level of support needs through the INDC process, in accordance with the modalities and procedures to be developed and adopted by the governing body / progress in enhancing adaptation action or integrating adaptation into planning, policies or action through biennial communications:
- 27.1 National communications and biennial update reports and biennial reports to be the main vehicle for reporting actions, and support and to be strengthened;
- 27.2 The governing body shall adopt further guidance on reporting on adaptation and further facilitating / may facilitate the sharing of information on progress and experiences in preparing and implementing adaptation actions;
- 27.3 The governing body shall / may develop a structured dialogue to enhance communication of information on adaptation, in accordance with common but differentiated responsibilities and respective capabilities. Developed countries to enhance reporting on support.
28. Parties to take into account joint mitigation and adaptation approaches referred to in section D, paragraph 22.

Monitoring and evaluation / Monitoring and evaluation for Annex II Parties

29. **Option 1:** Monitoring and evaluation of, reporting on, and learning from plans, policies and programmes shall be strengthened and /or institutionalized:
- a. Strengthen and improve climate-related research and systematic observation and provide enhanced support;
 - b. Consider indicators for governance and planning;
 - c. Monitor gaps in adaptation and needs under different scenarios;
 - d. Monitoring and evaluation to focus on the provision and adequacy of support.

Option 2: Monitoring and reporting should be on progress and experiences, lessons learned, good practices, and on gaps and opportunities more broadly;

Option 3: Monitoring and evaluation, including reporting and learning from plans, policies and programmes should be a country-driven and country-specific process that would not impose any additional burden on developing country Parties; developed country Parties should support developing country Parties to strengthen and implement climate-related research and systematic observation, and should provide enhanced support and monitor gaps in adaptation and needs under different scenarios.

Sharing information, knowledge and lessons learned

30. All Parties to enhance learning on adaptation through sharing of information, knowledge and lessons learned on adaptation practices, subject to modalities and procedures to be adopted / developed:
- 30.1 The governing body shall request the SBSTA / Adaptation Committee to develop guidelines for strengthening the sharing of information, knowledge and lessons learned under the Nairobi work programme on impacts, vulnerability and adaptation to climate change:
- a. Address the knowledge gap in the area of implementation of adaptation;
 - b. Strengthen local and institutional capacity;
 - c. Enhance regional and transboundary aspects;
 - d. Encourage all Parties to implement education and public awareness programmes in accordance with paragraph 12.

Institutional arrangements

31. **Option 1:** Developed country Parties and Annex II Parties and/or all Parties in a position to do so to ensure the effective implementation of arrangements for adaptation through the provision of sufficient adequate, predictable, transparent and additional support to developing country Parties in the context of Article 4, paragraphs 3, 4, 5 and 7 of the Convention;

Option 2: Institutional arrangements on adaptation / relevant to adaptation, including the Adaptation Committee and the Least Developed Countries Expert Group, and to loss and damage under the Convention shall serve this agreement and support Parties in the implementation of their adaptation commitments / contributions / actions under this agreement:

31.1 The governing body shall request the Adaptation Committee to:

- a. Review the work of the institutional arrangements under the Convention in 2017 to ensure and enhance the coherence of their work, and prepare recommendations for consideration by the Conference of the Parties (COP) at its twenty-third session and/or the governing body;
- b. Establish and maintain stronger linkages with the GCF and other funds;
- c. Evaluate information on support for adaptation;
- d. Provide recommendations on existing methodologies for adaptation.

31.2 The governing body shall strengthen institutional arrangements for adaptation by:

- a. Providing further guidance on how to assist developing country Parties to move to full-scale implementation on the basis of their NAPs;
- b. Articulating linkages between, and enhancing the integrated operation of, institutions and/or optimizing assistance for commitments / contributions on adaptation to ensure that the existing institutions such as the AC, the TEC, the SCF, and the GCF are enhanced and to support adaptation actions of developed countries;
- c. Encouraging the establishment of regional adaptation centres in major regions to help to localize support, conduct research, exchange knowledge and provide training for governments.

31.3 The governing body shall further strengthen institutional arrangements for adaptation by:

Option 1: Establishing new institutional arrangements:

- a. A subsidiary body for adaptation to enhance the implementation of adaptation action;
- b. An adaptation registry that:
 - Records and showcases and/or recognizes national adaptation actions, contributions, and programmes;
 - Enhances cooperation on finance, technology and capacity-building support;
 - Pools information on the work of institutional arrangements under the Convention and makes that information accessible to Parties;
 - Monitors and identifies progress and gaps in adaptation from a global perspective.
- c. An international clearing house and registry that:
 - Acts as the repository for NAPs, adaptation methods, a roster of adaptation experts, biennial adaptation support reports, and for information on technology and capacity-building for adaptation; An adaptation technical and knowledge platform that works on, inter alia;
 - Methodologies, metrics and indicators;
 - Modelling of climate change scenarios and impacts;
 - Enhancing understanding of global implications of adaptation.
- d. A global knowledge platform that works on, inter alia:
 - Data, information, and lessons learned on adaptation.

Option 2: No new institutional arrangements on adaptation are required for the purposes of this agreement.

Loss and damage

32. **Option 1:** Provision for loss and damage for cases where mitigation and adaptation will not be sufficient:
- 32.1 All Parties are encouraged to develop early warning systems and risk management plans, and communicate them to the secretariat by [X] as part of their national communications, in accordance with the modalities and procedures to be developed and adopted by the governing body;
- 32.2 The governing body shall commence a process no later than at its first meeting to establish a compensation regime for support for developing country Parties, particularly the LDCs, SIDS and countries in Africa affected by slow onset events.
- Option 2:** Reference to the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts;
- Option 3:** No reference to loss and damage.
33. **Option 1:** The Warsaw International Mechanism shall serve this agreement and be fully operationalized, with modalities and procedures to be developed and adopted by the governing body:
- 33.1 Developed country Parties and/or Annex II Parties and/or all Parties in a position to do so to support the implementation of the Warsaw International Mechanism through provision of finance;
- 33.2 Guidelines for a comprehensive approach to climate risk management to be developed;
- 33.3 Institutional arrangements under the Convention shall be strengthened to support the implementation of the commitments related to loss and damage under this agreement:
- a. Provisions for establishing a climate change displacement coordination facility that:
- Provides support for emergency relief;
 - Assists in providing organized migration and planned relocation;
 - Undertakes compensation measures.
- b. Provisions for establishing a clearing house for risk transfer that:
- Provides a repository for information on insurance and risk transfer;
 - Assists Parties in developing risk management strategies and finding best insurance schemes;
 - Facilitates financial support for rehabilitation.
- Option 2:** No new institutional arrangements on loss and damage are required for the purposes of this agreement. The Warsaw International Mechanism to be strengthened separately from the agreement / is sufficient.

Structural suggestions on section E:

Move paragraph 25 into a common chapter relating to institutions.

Include paragraph 25 in a decision.

Move paragraph 25.1 into the finance chapter

Move paragraphs 26 and 27 into a common chapter relating to commitments.

Coordinate paragraphs 26 and 27 with section K.

Include paragraphs 29 (a–d) in a decision.

Reflect paragraphs 25 to 27 in the agreement text and paragraphs 29 to 31 in a decision.

Merge paragraph 30 with paragraph 31 on institutions.

Include paragraph 30 into a decision.

Loss and damage should be a separate element.

~~F. Cooperation and support for implementation~~**Note:**

Paragraphs in this section relevant to mitigation have been integrated in the mitigation section.

Paragraphs in this section relevant to finance have been integrated in the finance section.

Paragraphs in this section relevant to institutional arrangements have been integrated in section M (subsection on institutional arrangements).

G. Finance

Guiding principles

34. **Option 1:** All developed country Parties and other Parties included in Annex II to provide climate finance as a means to meet the goal of staying below the 2 degrees temperature increase and to achieve the transformation required to that end and in line with the needs of developing countries, in accordance with their obligations and commitments under Articles 4, paragraphs 3, 4, 5, 7, 8, and 9, of the Convention, the principles under the Convention, in particular the principles of common but differentiated responsibilities and respective capabilities and equity, noting that the extent to which developing country Parties will effectively implement their commitments will depend on the effective implementation by developed country Parties of their commitments related to financial resources, transfer of technology and capacity-building, acknowledging that the need for support by developing country Parties may change over time and be accommodated under Article 4, paragraph 7, of the Convention, and acknowledging the need for financing for forestry in line with the Warsaw Framework for REDD-plus;

Option 2: Each Party / All Parties individually or collectively to mobilize climate finance through a diversity of actions from a variety of sources as a means to stay below the long-term temperature limit and to achieve the transformation required to that end, according to and in line with their respective and evolving responsibilities and capabilities / the principles and objectives of the Convention, acknowledging the importance of leadership to be taken by developed country Parties, acknowledging that some Parties need support in order to take action, and acknowledging that the need for support by Parties may change over time or be met with different means of support/ all Parties in a position to do so should provide financial support to Parties in need of support; acknowledging the need for climate-resilient economies and societies.

35. The mobilization and provision of finance shall:

- a. Deliver adequate and predictable funding for the full and enhanced implementation of the agreement, enhance addressing climate change as part of promoting sustainable development, in particular in developing countries, including through enabling enhanced mitigation and adaptation actions;
- b. Encourage low-emission growth, reductions in high-carbon investment, and adaptation needs of developing countries, and climate-resilient development;
- c. Support the integration of climate objectives into other policy-relevant areas and activities such as energy, agriculture, planning and transport, national fiscal accounts, development policy and plans in line with country circumstances and according to countries' priorities;
- d. Promote continuous efforts to 'climate-proof' investments, including relevant international public finance flows;
- e. Enhance addressing climate change in addition to the coordination of development aid, acknowledging that climate finance is to be separate from official development aid;
- f. Encourage policy signals by governments / catalyse policy actions by governments and adjustment or improvement of policies;
- g. Deliver additional adequate and predictable funding for adaptation, in particular for the implementation of the Cancun Adaptation Framework, for building institutional capacity and appropriate legal frameworks, integrating adaptation into national development policies, and for monitoring and evaluation processes;
- h. Advance the implementation / fulfilment of commitments by developed country Parties in terms of finance, technology transfer and capacity-building to enable developing country Parties to implement policies, strategies, regulations and action plans on climate change education, training, public awareness, public participation and public access to information and thus enable effective adaptation and mitigation action by all Parties.

35.1 Facilitate assistance to developing country Parties for readiness support / Support readiness for implementation / implementing climate actions Parties / Developed country Parties and other Parties included in Annex II to mobilize and provide financial resources for the enhanced implementation of the Convention under this agreement, in order to / in a manner that:

- a. Advances the implementation / fulfilment of commitments by developed country Parties in terms of finance, technology transfer and capacity-building, in order to enable developing country Parties to implement policies, strategies, regulations and action plans on climate change education, training, public awareness, public participation and public access to information to enable effective adaptation and mitigation action to be undertaken by all Parties;

- b. Facilitates the provision of assistance to developing country Parties for readiness support / Supports readiness for implementation / implementing climate actions.
- 35.2 Parties / Developed country Parties and other Parties included in Annex II to mobilize and provide financial resources for the enhanced implementation of the Convention under this agreement, in order to / in a manner that:
- a. ***Option 1:*** Ensures an equal allocation of financing between adaptation and mitigation, ensures an equitable distribution between different regions of developing countries and enhances country ownership in the disbursement of financial resources;
Option 2: Aims at a balanced approach of a 50:50 allocation of financing for adaptation and mitigation while recognizing the importance of financing for adaptation;
Option 3: Prioritizes adaptation, with all financing for adaptation to be grant based / Encourages Parties to prioritize grant-based assistance for adaptation, while recognizing the importance of financing for mitigation;
- b. Prioritizes developing country needs and identified country-driven plans, strategies and priorities of all countries, recognizing the importance of enhancing national needs assessments;
- c. ***Option 1:*** Takes into consideration the need for adequacy and predictability in the flows of funds and the need for clarity of appropriate burden-sharing among developed countries;
Option 2: Is new, additional, adequate, predictable and sustainable, within budgetary constraints, and acknowledges the need for adequate financial flows mobilized from a variety of sources, public and private, bilateral and multilateral, including alternative sources, in the context of meaningful mitigation action and transparency of implementation;
- d. Is flexible and systematically and regularly scaled up / updated;
- e. Is results-based / needs-based delivers the greatest impact possible and targets the effectiveness of mitigation and adaptation action / mitigation and adaptation results that can be measured, reported and verified;
- f. Avoids duplication, allows for flexibility, ensures efficiency and transparency and builds a partnership among governments, development partners and the private sector to invest in a low-emission and climate-resilient future;
- g. Encourages South–South cooperation which is voluntary, free of monitoring and can be supplementary / complementary, but not substitute commitments of Parties included in Annex I to the Convention while acknowledging that South–South cooperation is not a commitment of Parties under the Convention;
- h. Recognizes developing countries' / all Parties' investments in supporting transformational change as part of their contributions;
- i. Applies lower thresholds for receiving support for actions, with clear, transparent and quantifiable targets that go beyond 'business as usual';
- j. Is capable of adapting dynamically to changing realities and future developments and needs, including in respect to climate finance, in line with the provisions and principles of the Convention, in particular the principle of common but differentiated responsibilities / reflecting evolving capabilities and responsibilities;
- k. Takes into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change / Prioritizes the specific needs and special circumstances of the most particularly vulnerable countries, including landlocked countries, recognizing the special circumstances of LDCs and SIDS, giving priority to countries with least capabilities and/or ensuring a fair geographical allocation of resources, while ensuring that the importance of providing support to other developing countries is in no way diminished;
- l. Uses the diversity of available channels and instruments under the Convention so as to limit the proliferation of finance in order to increase its efficiency and effectiveness and encourage the accountability and transparency of the UNFCCC in the provision of financial support, the mobilization of climate finance and the shift towards climate-friendly investments;
- m. Pursues a gender-sensitive and country-driven approach;
- n. Targets the drivers of climate change;
- o. Encourages Parties to build effective enabling environments and provides recognition of the importance of implementing low-carbon, climate-resilient development strategies and NAPs;
- p. Encourages Parties to take steps to eliminate public incentives for high-carbon investments;
- q. Recognizes that climate finance flows are not limited to flows from developed to developing country Parties;

- r. Collectively exceeds the aggregate ambition of individual commitments / contributions;
- s. Develops and improves enabling environments for the enhanced mobilization of support;
- t. Is quantifiable, comparable and transparent;
- u. Establishes links and builds synergies between mitigation and adaptation actions;
- v. Enhances / catalyses international cooperative initiatives and recognizes their contribution to assisting Parties' implementation of this agreement.

36. All Parties to cooperate in the implementation of this agreement in order to:

- a. Support the enhanced ambition of all Parties, through the provision of support from Annex II Parties to developing country Parties;
- b. Enable Parties' best efforts based on their respective capabilities, foster country ownership and achieve sustainable development.

37. Efforts of subnational and local governments, subregional entities and the private sector to be recognized.

Anchoring institutions under the legal agreement

38. The Financial Mechanism shall serve as the financial mechanism of the 2015 agreement:

- a. The GCF shall be the main financial entity under the new agreement and/or anchored in the new agreement and/or strengthened;
- b. The SCF shall assist the governing body of the agreement;
- c. Coordination to be further enhanced among contributors and between institutions.

Option 1: This will also apply to the operating entities of the Financial Mechanism and funds established under the Convention and its Kyoto Protocol. All the rules and guidelines developed by the COP and the CMP in relation to the operation of the Financial Mechanism, its operating entities and associated funds shall apply mutatis mutandis to the financial mechanism of this agreement:

- a. The GCF shall be strengthened, including regarding funding, as follows:
 - Annex I Parties / Developed country Parties to provide 1 per cent of gross domestic product per year from 2020 and additional funds during the pre-2020 period to the GCF;
 - Annex II Parties to provide a list of specific amounts / percentages reflecting the required share of climate finance to be provided to the GCF, subject to review;
 - All countries in a position to do so to provide funding to the GCF;
 - Funding for the GCF to be drawn mainly from public sources.
- b. Other funding mechanisms serving the agreement shall include:
 - The Adaptation Fund:
 - To be part of the post-2015 climate finance architecture and/or to operate under the new agreement under the guidance of the governing body in relation to activities developed under the agreement;
 - To be enhanced and included under the GCF as an adaptation window, be inscribed in the new climate regime and defined in the financing sphere of the agreement;
 - Institutional arrangements for REDD-plus finance;
 - The LDCF, to provide support to the LDCs for adaptation action;
 - The SCCF, to be anchored in the agreement.

Option 2: No further provisions.

Proposals for decisions related to anchoring institutions under the agreement

- Clear roles should be agreed on the two existing operating entities of the Financial Mechanism of the Convention and coherence should be achieved in climate finance channelled through other financing institutions;
- The COP to be given the authority to adjust institutional settings, to take decisions on consolidating and coordinating institutions and processes, and/or to give guidance to the operational entities as needed, at a later stage;
- Need for the simplification, improvement and rationalization of access, including direct access, especially for the LDCs and SIDS; and/or the harmonization of approval and accreditation processes between various channels and institutions leveraging potential non-climate-specific financing mechanisms and institutions; and/or the operation of all funds under the Convention to be transparent, competitive and based on rules, with operating criteria

underpinning those rules that are compatible with the requirements of private investors, in order to effectively stimulate co-investment; and/or information on how all disbursements include provisions for 'climate proofing' measures;

- The Financial Mechanism must continue to be main source of financing;
- The replenishment of the Financial Mechanism and its operating entities to be linked to IPCC scientific assessments;
- Need to establish how the operating entities of the Financial Mechanism will work to implement the finance provisions of the new agreement and how the financial provisions will work with respect to other bodies or mechanisms under the Convention;
- The SCF shall assist the governing body of this agreement and be further strengthened:
 - By enhancing its work on coherence and coordination and on rationalizing the Financial Mechanism.
- Regarding the GCF:
 - The establishment of: a window for REDD-plus; and/or for loss and damage;
 - Need for: improved and prioritized access for the LDCs and SIDS and/or arrangements between thematic bodies of the Convention and the GCF to be strengthened;
 - The GCF to operate under the guidance of the governing body in relation to activities developed under this agreement, and/or to support mitigation readiness activities in developing countries, and/or to capitalize on its knowledge of existing funds and increase its role by helping to finance some of the pipeline projects of those funds;
 - The governing body of this agreement to: explore further options for simplifying the procedures for accessing funds from the GCF; and/or develop, jointly with the COP, specific additional modalities for the operation of the GCF with respect to activities developed under this agreement.
- Decision to address additional rules of the Financial Mechanism and institutions in supporting the implementation of the legal agreement, where appropriate.

Addressing the scale of resources

39. Climate finance to be scaled up to provide the financing, access to technology and capacity-building necessary to meet the goal of limiting the temperature increase to below 2 °C, in line with the needs of developing countries.
40. The importance of providing clarity on the level of support, in particular financial support, that will be provided to developing countries to allow for the enhanced implementation of the Convention, in particular with regard to adaptation, to be recognized as a crucial element in creating the necessary conditions for the enhanced participation of developing countries in the global effort to combat climate change and adapt to its adverse effects.
41. **Option 1:** The provision of finance to be based on a floor of USD 100 billion per year:
 - a. Based on an ex-ante process to commit quantified support commensurate with the required effort reflected in the adaptation and mitigation goals / relative to the required effort and in line with developing countries' needs;
 - b. Based on clear burden-sharing arrangements among Annex II Parties to identify the flows of financial support from developed countries, including through the application of an assessed scale of contributions from developed countries;
 - c. Including aggregate and enhanced specific / individual commitments / contributions by Annex II Parties, complemented by other Parties in a position to do so;
 - d. Based on a road map with annual targets for public funding in the post-2020 period or pathways with annual expected levels of climate finance towards achieving short-term quantified goals;
 - e. Based on an agreed percentage formula for the calculation of the contributions of Annex I Parties and differentiated developing country contributions based on GDP or other indicators.

Option 2: Agreement not to specify individual / quantified commitments, quantified targets or specific indicators for the post-2020 period.

42. A short-term collective quantified goal that defines the expected, scaled-up climate finance level for the post-2020 period should be determined in order to enhance the predictability of the provision of climate finance, indicating specific levels of public sources to be provided.

Contributions under the legal agreement

43. In the context of common but differentiated responsibilities and respective capabilities, Annex II Parties have the principle and main responsibility for providing support, including financial resources, for the enhanced

implementation of low-emission and climate-resilient development in developing countries, while ensuring the sustainability, predictability and additionality of finances.

44. The contribution of resources under this agreement to consider predictable financial contributions by developed country governments; increasing options for leveraging a greater share of the carbon market-related proceeds including option for carbon pricing and raising contribution via alternative and innovative sources of finance.
45. A collective goal for support to be achieved by all Parties in order to transition to a world in which all investments are directed at resilient and low-emission actions, and where finance, technology transfer and capacity-building that promote low-emission and resilient actions prevail.
46. **Option 1:** The enhancement of enabling environments, with respect for countries' national prerogative to choose their domestic climate policies, to be a commitment of all Parties, through:
 - a. Enhanced national regulatory frameworks, including policies and measures;
 - b. The dedication of sufficient domestic resources by countries seeking support;
 - c. Putting in place conditions to mobilize, attract and absorb climate-related investments;
 - d. The provision of a price signal for emission reductions, including through payments for verified emission reductions.

Option 2: Agreement not to specify the enhancement of enabling environments as a commitment or obligation of Parties.

47. Financing for adaptation to be provided in the form of multilateral and/or bilateral financing, including via:
 - 47.1 A balanced allocation between adaptation and mitigation, or a 50:50 balance between the support provided for adaptation and mitigation, or at least 50 per cent of support to be provided for adaptation activities;
 - 47.2 The use of levies for adaptation funding from any market-based mechanisms;
 - 47.3 Financial risk management instruments;
 - 47.4 The Adaptation Fund, the LDCF and the SCCF, and including through support to enable the mobilization of private-sector financial flows for adaptation investments, with the GCF providing assurance of support for countries' adaptation efforts;
 - 47.5 **Option 1:** Diverse sources, including private sources, engaged in the provision of financing for adaptation, with public finance to constitute the key instrument in increasing support for adaptation:
 - a. Identification of sources and prioritization of public funding, as well as increase of private sector financial contributions for adaptation;
 - b. Encourage the International Civil Aviation Organization and the International Maritime Organization to develop a levy scheme to provide financial support for the Adaptation Fund.

Option 2: Public sources primarily, with supplementary funding to be drawn from private / alternative sources.

48. Support / New and additional finance, independent of adaptation budgets, to be provided for the financing and operationalization of the Warsaw International Mechanism.
49. Support provided to developing country Parties for technology development and transfer and support provided to the Technology Mechanism to ensure the effective implementation of technology to be channelled primarily through the GCF / the operating entities of the Financial Mechanism, taking into account the roles of the public and private sectors in mobilizing finance for technology / primarily from public sources, with supplementary funding to be drawn from private sources.
50. Funding for capacity-building as well as measures to develop, adopt and implement policies, strategies, regulations and/or action plans on climate change education, training, public awareness, public participation and public access to information in developing country Parties:
 - 50.1 To be provided by developed country Parties and other Parties and organizations in a position to do so, in an adequate and predictable manner;
 - 50.2 To be primarily channelled through the Financial Mechanism, taking into account the potential role of the private sector in supporting capacity-building and the need for enhanced coordination among donors and institutions.

51. Funding for REDD-plus to be adequate, predictable and sustainable, with financing continuing to be provided, including via Annex II Parties and Parties in a position to do so, private and non-market-based sources and results-based finance.
52. Parties in a position to do so / Annex II Parties and other Parties in a position to do so to provide Parties in need of assistance / developing country Parties with financial and technical and capacity-building support in order for them to efficiently and effectively fulfil the reporting requirements of this agreement.

Sources of finance

53. Financial resources to be mobilized and provided from:

Option 1: Primarily public sources, with supplementary funding to be drawn from private / alternative sources:

- a. Stressing that public sources are the main source of finance, the scale of resources needed and the type of investments required, governments to work more closely together with the private sector;
- b. Developed country Parties shall incentivize the private sector to provide funding to developing countries;
- c. Different sources to be considered on the basis of clear criteria in order to avoid incidence on developing countries, and the sustainability, predictability and additionally of sources to be clarified.

Option 2: A wide variety of sources, including public, private and alternative sources, recognizing the need for a diversity of sources and instruments to suit recipients' changing economic circumstances / with different types of financing for different activities and public sources for specific areas, given the limited potential for private investment, in particular in the most vulnerable countries and LDCs.

- 53.1 With regard to private and alternative finance:

- a. All Parties to commit to cooperate in leveraging private finance and/or to mobilize / utilize public funds and means to facilitate and encourage private investment consistent with their capabilities, recognizing that private-sector financing is complementary to, but not a substitute for, public-sector financing where public finance is needed:
 - A mechanism to attract the private sector to invest in projects, with clear definitions, respective roles and guidance on the mechanism, to achieve a useful balance of public and private sources, ensuring reasonable returns and full transparency;
 - Efforts undertaken by export credit agencies to help investors manage risk;
 - A clear signal to the private sector at all levels for it to contribute to the mobilization of climate finance and to reorient financial flows and trigger the required investments and involvement, including of local private sectors;
 - Public-sector finance to catalyse and avoid crowding out private-sector investments, ensuring that private-sector investment is not displaced, with the efficient use of public resources and effective public policies to be the key focus of post-2020 cooperative efforts among middle- and higher-income countries;
 - Need for strong public-private partnerships, which should be subsidized and incentivized;
 - Be strategic and in line with national priorities and laws and be profitable for the private sector;
 - Enhanced enabling environments for private-sector investment in adaptation;
 - The governing body shall develop modalities for leveraging and freeing up private finance to support the implementation of this agreement.
- b. A tax on oil exports from developing to developed countries to be established;
- c. An international renewable energy and energy efficiency bond facility to be established;
- d. The phasing down of high-carbon investments and fossil fuel subsidies.

Structural suggestions on section G:

Include paragraphs 48 to 52 as part of a decision.

Include paragraphs 35 and 35.1 as part of a decision.

Proposals to move provisions on MRV of support to the finance section.

H. Technology development and transfer

General

54. **Option 1:** All Parties to strengthen cooperative action to promote and enhance technology development and transfer, including through the Technology Mechanism / institutional arrangements for technology established under the Convention and through the Financial Mechanism, in order to support the implementation of mitigation and adaptation commitments under this agreement;

Option 2: Parties, consistent with the principles and provisions of the Convention, including Article 4, paragraphs 1, 3 and 5, / in accordance with their common but differentiated responsibilities, to strengthen cooperative action to promote and enhance technology development and transfer and better facilitate the implementation of the Convention, including through the Technology Mechanism / institutional arrangements for technology established under the Convention and through the Financial Mechanism / by enhancing the provision of support by developed country Parties, in order to support the implementation of mitigation and adaptation commitments under this agreement;

Option 3: Parties, consistent with the principles and provisions of the Convention, including Article 4, paragraph 5, reflecting the evolving economic realities, to strengthen cooperative action to promote and enhance technology development and transfer, including through the Technology Mechanism / institutional arrangements for technology established under the Convention and through the Financial Mechanism.

55. *Placeholder:* Global goal on enhanced action on technology development and transfer.

Commitments

56. **Option 1:** Commitments in relation to technology development and transfer to include the following:

56.1 Developed country Parties to undertake steps to address barriers to accessing technology and to establish and strengthen their necessary policy frameworks to facilitate the removal of barriers and enable and accelerate technology development and transfer to developing country Parties; and to leverage enhanced support from the private sector for technology development and transfer to developing country Parties; and to provide financial, human resources, institutional and technical support for technology development and transfer to developing country Parties;

56.2 Developing country Parties, with the support of developed country Parties, to undertake steps to address barriers to accessing technology and to establish and strengthen their national structures, policy frameworks, institutions and capacity, in order to enable and accelerate the endogenous capacity for the absorption, development and transfer of technologies in developing countries / endogenous technology development and transfer, attract investments and enhance country ownership and innovation;

56.3 All Parties, in accordance with the principles of and obligations under the Convention, to establish means to facilitate access to and the deployment of technology, while promoting and rewarding innovation in adaptation and mitigation technologies / environmentally sound technologies:

Option (a):

a. In accordance with Article 4 of Convention, developed country Parties to provide financial resources to address barriers caused by intellectual property rights (IPRs) and facilitate access to and the deployment of technology, including inter alia, by utilizing the Financial Mechanism and/or the establishment of a funding window under the GCF / the operating entities of the Financial Mechanism;

b. An international mechanism on IPRs to be established to facilitate access to and the deployment of technology to developing country Parties;

c. Other arrangements to be established to address IPRs, such as collaborative research and development, shareware, commitments related to humanitarian or preferential licensing, fully paid-up or joint licensing schemes, preferential rates and patent pools.

Option (b): Parties recognize that IPRs create an enabling environment for the promotion of technology innovation in environmentally sound technologies;

Option (c): IPRs are not to be addressed in this agreement.

56.4 Developing country Parties, with the support of developed country Parties, to conduct an assessment of their technology needs, on the basis of national circumstances and priorities, with a view to ensuring nationally

determined and environmentally, economically and socially sound resulting project proposals and to effectively implementing the outcomes of such an assessment supported by developed country Parties, order to support the implementation of this agreement:

- Parties to strengthen the process of technology needs assessment (TNAs) and enhance the implementation of the outcomes of the TNA process;
- Align TNAs more closely with bankable finance projects / Improve TNAs to result in implementable projects;
- TNAs could be linked to other processes under the Convention, such as NAMAs and NAPs; TNA process should be elaborated to address developments arising from the operationalization of this agreement.

56.5 All Parties, enabled by Annex II Parties / led by developed country Parties, to accelerate global collaboration on the research, development and demonstration of technologies:

- a. Support, including financial and intellectual support, to accelerate the research, development and demonstration of technologies, including endogenous technologies, to be provided by developed country Parties to developing country Parties;
- b. Modalities for a global collaborative programme on the research, development and demonstration of technologies to be established, attracting and integrating relevant stakeholders.

Option 2: No commitments on technology in the agreement.

Institutional arrangements

57. Institutional arrangements for technology development and transfer under the Convention shall support Parties in implementing their commitments / contributions under this agreement:

57.1 Anchoring:

Option 1: The Technology Mechanism established under the Convention, including the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN), shall serve this agreement by facilitating enhanced action on technology development and transfer in order to achieve the objectives of this agreement;

Option 2: The institutional arrangements for technology established under the Convention shall serve this agreement by facilitating enhanced action on technology development and transfer in order to achieve the objectives of this agreement.

57.2 Guidance to and strengthening of the Technology Mechanism / institutional arrangements:

The governing body may provide further guidance to and/or strengthen the Technology Mechanism / institutional arrangements for technology established under the Convention serving this agreement, and the guidance provided by the governing body shall not conflict with the guidance provided by the COP.

Option 1: Specific provisions on strengthening:

- a. The TEC and the CTCN / Technology Mechanism of the Convention shall support the operationalization and delivery of the commitments related to technology development and transfer in this agreement, under the Convention:
 - Include provisions on accounting;
 - Take into account the specific needs of developing countries and countries with special circumstances of Africa, LDCs and SIDS.
- b. The Technology Mechanism shall enhance cooperation and synergy with other institutional arrangements under and outside the Convention and stakeholders, as well as the coherence and effectiveness of technology action and initiatives under the Convention:
 - Establish linkages between the Technology Mechanism, the Financial Mechanism and capacity-building institutions;
 - The Poznan strategic programme on technology transfer to be linked to and/or guided by the Technology Mechanism;
 - Provisions or measures related to other technology initiatives or regional centres;
 - Enhance the role of the private sector to support the implementation of the Technology Mechanism;

- Facilitate the role of public research and development, incentives for commercial research and development, the development of technologies and the reaching of economies of scale.
- c. The governing body shall conduct a periodic assessment of the effectiveness and adequacy of the Technology Mechanism / institutional arrangements for technology development and transfer.

Option 2: No specific provisions on guidance to and/or strengthening of the Technology Mechanism in the agreement.

Structural suggestions on section H:

Include paragraphs 57.2 (option 1) in a decision.

I. Capacity-building

General

Option 1:

58. The objective of capacity-building should be to enable developing country Parties / all Parties to identify, design and implement adaptation and mitigation actions and to enable domestic development and absorption of technologies / to enhance the capacities of national governments to be able to absorb technology and finance for the implementation of the Convention.
59. Capacity-building to be guided by the following:
- a. The framework for capacity-building in developing countries established under decision 2/CP.7;
 - b. A formal, structured, clear, predictable, effective, coordinated, demand-driven / country-driven, sustainable and long-term and gender-responsive way;
 - c. Clear and predictable targets and outcomes;
 - d. Responding to national needs and fostering country ownership:
 - Building on existing provisions and lessons learned on capacity-building under the Convention;
 - Using the INDC preparation and measurement, reporting and verification (MRV) processes;
 - Supporting preparatory and readiness programmes, including on climate finance;
 - Until developing country Parties have acquired the capacity to fully implement climate change actions under the Convention / Developing countries will enhance their climate change actions according to the means of implementation provided by Annex I and Annex II Parties under the Convention.
 - e. Responding to needs at the national, subnational and local levels:

Option (a): Taking into account the potential role of the private sector in supporting capacity-building and the need for enhanced coordination among donors and institutions;

Option (b): Public sector bears the main responsibility, and private funding should only be complementary;

Option (c): No provision necessary.
 - f. Ensuring that capacity-building is effective, demand-driven / country-driven and sustainable over the long term.
60. Capacity-building to be enhanced through:
- a. The development of climate policies;
 - b. The mobilization of private sector capital and public engagement;
 - c. The promotion of public awareness and education;
 - d. The strengthening of domestic institutions and the creation of enabling environments;
 - e. Integrating capacity-building activities into mitigation and adaptation programmes / into all other elements.

Option 2: No general provisions on capacity-building.

Commitments

61. **Option 1:** The developed / Annex I Parties and other Parties in a position to do so should cooperate to enhance the capacity of developing countries to support the implementation of their contributions under the agreement based on the principles and provisions of the Convention and other Parties in a position to do so to cooperate to enhance the

capacity of developing country Parties in all areas of climate change action, to support the implementation of their commitments / contributions under this agreement and to foster South–South and triangular cooperation schemes;

Option 2: No commitments on capacity-building in the agreement.

Institutional arrangements

62. The institutional arrangements established under the Convention shall enhance and intensify their work on capacity-building:

62.1 The Durban Forum on capacity-building established by decision 2/CP.17 / the institutional arrangements on capacity-building established under the Convention shall serve this agreement by:

- a. Enhancing the monitoring and review of the effectiveness of capacity-building;
- b. Identifying and addressing capacity gaps in developing countries;
- c. Enhancing the coordination between institutions established under the Convention and this agreement as it relates to their work and mandates on capacity-building:
 - The governing body may provide further guidance to the Durban Forum and assign specific functions, as appropriate;
 - The governing body shall periodically review the commitments of developed country Parties to provide capacity-building support to developing country Parties and take appropriate action, which may include the adjustment of such commitments in accordance with the identified national needs and priorities of the developing country Parties;
 - The governing body shall regularly review the outcomes of the Durban Forum and take appropriate action.

63. **Option 1:** An international capacity-building mechanism is hereby established:

63.1 The purpose of the international capacity-building mechanism under this agreement, funded through the Financial Mechanism of the Convention and linked to technology- and adaptation-related institutions established under the Convention, shall be to enhance the capacity of developing country Parties to plan and implement mitigation and adaptation actions, including human skills development for the strengthening of domestic institutions, technology innovation and the development of endogenous technologies, and to make a structured assessment of the capacity needs of developing countries and match them with support.

63.2 The international capacity-building mechanism shall comprise:

- a. A capacity-building committee with the following functions:
 - MRV of support received for capacity-building against needs identified by developing country Parties;
 - Facilitation of the effective implementation of capacity-building interventions at the national and regional levels;
 - Provision of normative guidance on capacity-building related issues concerning this agreement to inform other institutions and mechanisms established under the Convention serving this agreement;
 - Promotion of coherence between relevant institutions and mechanisms established under the Convention and this agreement.
- b. An evaluation mechanism with the function:
 - To assess the effectiveness of the delivery of capacity-building.
- c. Regional capacity-building centres:
 - To facilitate building capacity at the national and regional levels.
- d. An institute for capacity-building to operate as a consortium of tertiary institutions in all major regions of the world:
 - To build capacity in developing countries as a means of strengthening the ability and effectiveness of mitigation and adaptation actions.

63.3 The governing body shall adopt modalities and procedures for the operation of the international capacity-building mechanism. The international capacity-building mechanism should become operational as soon as possible after 2015 to prepare all countries for the implementation of this agreement by 2020.

Option 2: No provisions on the establishment of new institutions;

Option 3: Strengthening and improving existing institutions;

Option 4: Enhance the role of the private sector in the delivery of capacity-building.

Structural suggestions on section I:

Include references to capacity-building in all other sections.

Include preambular recital on capacity-building and details in decisions.

Include paragraph 62 in a decision.

J. Transparency of action and support

General

64. **Option 1:** A transparency framework, applicable to all Parties and differentiated between developed and developing countries, under the Convention and in accordance with previous decisions of the COP, shall promote transparency of action and support by providing information on the implementation of each Party's commitments / contributions in an efficient and flexible manner, in order to:

- a. Enhance clarity, comparability between developed countries, accountability and mutual trust and to promote ambition / progressive enhancement;
- b. Facilitate the tracking of progress in the implementation of commitments / contributions;
- c. Ensure that commitments / actions and provision of support by Annex II Parties are implemented and complied with and verified through a robust verification system, and facilitate the comparison of MRV of all types of support received with the needs expressed and identified by developing country Parties;
- d. Facilitate / Ensure the use of mitigation outcomes resulting from international / national market-based mechanisms in the accounting of each Party's commitments / contributions;
- e. Avoid double counting;
- f. Ensure the environmental integrity of this agreement.

Option 2: A single / common transparency framework, applicable to all Parties, shall promote transparency of action and support by providing information on the implementation of each Party's commitments / contributions in an efficient and flexible manner, in order to:

- a. Enhance clarity, comparability, accountability and mutual trust, and promote ambition;
- b. Facilitate the tracking of progress in the implementation of commitments / contributions;
- c. Promote the implementation of action and support, and ensure that efforts are verified through a robust verification system;
- d. Facilitate the use of mitigation outcomes resulting from international market-based mechanisms in the accounting of each Party's commitments / contributions;
- e. Avoid double counting;
- f. Ensure the environmental integrity of this agreement;
- g. Provide the necessary flexibility to Parties through the use of tiers or 'opt-out' provisions.

Option 3: All Parties shall promote transparency of action and support by providing information on the implementation of each Parties' commitments under the Convention, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, in order to:

- a. Ensure the comparability and accountability of the quantified economy-wide emission reduction targets of developed country Parties in a measurable, reportable and verifiable manner;
- b. Ensure that developing country Parties' support-related commitments are implemented, compiled with and verified through a robust accounting, reporting and verification system;
- c. Facilitate the clarity of progress made by developing country Parties on their implementation of actions for addressing climate change and on the support received from developed country Parties.

65. **Option 1:** The transparency framework shall encompass MRV of emissions and removals and the accounting of commitments / contributions, including those related to support, and shall be based on agreed rules / be based on existing MRV arrangements under the Convention and / be guided by:

Option (a):

- a. Article 12 of the Convention;

- b. Taking into account the differing national circumstances / common but differentiated responsibilities / the unique circumstances / and respective capabilities of Parties;
- c. Accommodating different contributions and countries' differing capacities; and/or providing for differentiation in reporting and the common international review of reports;
- d. Avoiding imposing onerous burdens on poor and vulnerable countries or developing countries and, in particular, the LDCs and SIDS, with respect to support received for adaptation, capacity-building and access to and adoption of appropriate technologies;
- e. Recognizing that the transparency framework will evolve, building on existing decisions / experience with existing MRV arrangements;
- f. Tracking post-2020 commitments;
- g. Ensuring transparency, accuracy, completeness, comparability and consistency;
- h. Maintaining or improving levels of transparency over time;
- i. Building countries' capacities over time and institutionalizing reporting capacity.

Option (b):

- a. The principles and provisions of the Convention;
- b. Taking into account Parties' common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances;
- c. Consistent with the level of support provided for developing countries;
- d. Recognizing that the transparency framework will evolve, building on existing decisions.

Option 2: The transparency framework shall encompass reporting through biennial communications, a technical expert review of the submitted biennial communications and a facilitative examination of the implementation of efforts, and shall be based on agreed rules.

66. The transparency framework shall be:

Option 1: Built on the existing MRV arrangements under the Convention:

- a. Developed country Parties / Developed country Parties and other Parties undertaking quantified emission reduction commitments should report information related to their actions and provision of support to developing countries in accordance with the provisions of the Convention and relevant decisions of the COP in their national communications, biennial reports and annual inventory reports. All of that information will be subject to the international assessment and review (IAR) and international expert team review), as well as to a compliance assessment for Annex I Parties that are also Parties to the Kyoto Protocol;
- b. Developing country Parties / Parties not undertaking quantified emission reduction commitments / Developing country Parties, consistent with their obligations under the Convention, their capabilities and the level of support received from developed country Parties, should report information on their actions and support received in accordance with the relevant decisions of the COP in their national communications and biennial update reports (BURs), and the BURs will be subject to international consultation and analysis (ICA).

Option 2: A common framework with common MRV provisions applicable to all Parties, built on the existing MRV system that is fit for purpose and offers appropriate flexibility/ offers flexibility for developing country Parties in terms of the level and depth of the application of the common MRV provisions in relation to:

- a. The frequency of reporting;
- b. The broad categories of information to be reported, namely:
 - National inventories of emissions and removals;
 - Progress made towards the achievement of mitigation commitments / contributions;
 - Monitoring and evaluation of adaptation;
 - Tracking the delivery of, and the outcomes achieved through, support.
- c. The consideration of reporting:
 - Expert review;
 - A facilitative, multilateral process.

Option 3: A single system with common MRV provisions applicable to all Parties from 2020;

Option 4: Based on Articles 10, paragraph 2(a) and (b), and 12, paragraphs 1, 2 and 3, of the Convention:

- a. Enhanced procedures for comparability for Annex I Parties;
 - More frequent reporting, standardized format, common accounting framework with common base year and expressed in terms of CO₂ eq, projections of emission trajectories / pathways.
- b. Current procedures set up under decisions 1/CP.16 and 2/CP.17 for non-Annex I Parties.

Option 5: All Parties shall, on the basis of self-differentiation and national capacity, report information through existing institutions, with no backsliding, and follow the procedural guidelines and provisions provided in the following review methods based on the following tiers:

- a. Monitoring, review and verification under the Convention;
- b. Monitoring, review and verification under the Cancun Agreements;
- c. Monitoring, review and verification under the Kyoto Protocol.

Commitments

67. **Option 1:** Each Party to provide, through their biennial communications, verifiable, transparent, consistent and complete, accurate and comparable information, in accordance with previous decisions of the COP, on the implementation of its commitments / contributions / actions, including in relation to mitigation, adaptation, finance, technology development and transfer and capacity-building;

Option 2: All Parties commit to participating in an agreed, unified transparency system and to continuously improve transparency;

Option 3: Each developed country Party shall provide information on: its quantified economy-wide emission reduction target, its policies and actions for implementing that target, adaptation actions, RD&D actions related to climate-friendly technologies and capacity-building actions, as well as other relevant information, in order to ensure the provision of consistent, transparent, comparable, accurate and complete information by developed country Parties.

68. All Parties / Annex II Parties / Parties in accordance with their common but differentiated responsibilities, to ensure transparency of support:

- a. MRV of support provided to be enhanced on the basis of national communications, biennial reports, IAR and KP rules using common but differentiated templates and drawing on the work of the SBSTA on methodologies for the reporting of financial information by Annex I Parties;
- b. Developing countries to provide information on support received and its use, recognizing the special circumstances of countries, ensuring that no additional reporting burdens are imposed on developing countries;
- c. Annex II Parties and Parties in a position to do so to provide biennial reports on adaptation support, indicating the level of support that they are providing to developing country Parties, in particular the LDCs, SIDS and countries in Africa, to inform a regular review by the governing body in line with science;
- d. International financial institutions are invited to provide information on how their development assistance finance incorporates 'climate proofing' measures in all forms of support;
- e. Each Party to provide information on support provided and received, in line with its national circumstances. Rules and modalities.

69. **Option 1:** The governing body shall elaborate the rules related to transparency of action and support, including MRV, as well as related to accounting, in particular rules on the use of market mechanisms and to the land sector in relation to mitigation commitments / contributions, which:

- a. After gathering experience with the agreed transparency system and assessing whether improvement is needed, adjust / enhance / ensure the development of the existing MRV arrangements and accounting rules, building on the experience of existing MRV arrangements, to fit the objectives and purposes of the agreement;
- b. Ensure harmonization and coordination of existing data systems as well as methodological consistency and commonality in defining and tracking the commitments / contributions;
- c. **Option (a):** Apply IPCC greenhouse gas inventory guidelines and common metrics agreed under the Convention;

Option (b): Use common metrics and methodologies adopted by the IPCC and agreed by the COP for the estimation of GHG emissions and removals.

- d. Recognize the importance of greenhouse gas emissions by sources and removals by sinks resulting from land-use change and forestry activities for understanding mitigation contributions and progress in achieving targets, commitments and implementing actions;
- e. **Option (a):** Recognize the use of market mechanisms in relation to mitigation commitments / contributions;
Option (b): Recognize the use of the mechanisms defined in Articles 6 and 12 of the KP and mechanisms defined in the Convention in relation to mitigation commitments.
 Recognize the use of market activities in relation to mitigation commitments if they meet standards, to be defined, that deliver real, permanent, additional and verified mitigation outcomes, avoid double accounting of effort, achieve a net decrease and/or avoidance of greenhouse gas emissions and are in conformity with these standards.
- f. Recognize the importance of accounting of support for adaptation and means of implementation;
- g. Use comparable accounting mechanisms for support based on common templates / methodologies and common methodology for MRV for developed countries / Annex II Parties;
- h. Place greater emphasis on effectiveness of support and include better provisions for reporting on the use of international support and results achieved with support;
- i. With respect to the provision and receipt of finance:
- Include / enhance information, consistent with previous decisions of the COP, on support provided and received, including on: delivery, use and impact, sources, scale, channels, instruments, and on South–South cooperation;
 - Provide transparency on the levels of financing, what financing is used for, which countries are benefiting, and whether funds are new and additional and outcomes achieved through:
 - **Option 1:** Accounting rules for: mitigation and adaptation actions and for financial support, as well as public and private resources invested;
 - **Option 2:** Accounting rules for Annex II Parties with regard to support.
 - Be enhanced based on annual reporting on delivery of climate finance by developed country Parties;
 - Address the need for a common agreed definition of climate finance and inconsistencies on climate finance data:
 - Providing clarity on what type is most appropriate for what action;
 - Building on the work done by the Organisation for Economic Co-operation and Development Research Collaborative and the SCF on methods for measuring and tracking private climate finance / Building on the work of the SBSTA;
 - As outlined in the MRV proposal from Ecuador.⁴
- j. With respect to the monitoring and reporting of support from developed country Parties / Annex II Parties to developing country Parties on enhanced action on technology development and transfer:
- Overseen by the TEC./Facilitated by the TEC/Technology Mechanism;
 - Develop common format and methodologies for technology support reporting.
- k. With respect to the effectiveness of capacity-building support:
- Based on the impact and knowledge created in developing country Parties against performance indicators at the national level and/or by a committee on capacity-building;
 - Be conducted against needs identified by developing country Parties;
 - Include an assessment of the effectiveness of capacity-building activities based on performance indicators at the international level;
 - Supported by the Durban Forum on capacity-building and the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention.
- Option 2:** The governing body shall elaborate the rules related to transparency of action and support, including MRV as well as accounting, which:
- a. Develop methodologies on the accounting of support on finance, technology development and transfer and capacity-building provided by developed country Parties to developing country Parties, including common metrics on the climate finance and quantifiable progress indicators on technology transfer and capacity-building support provided by developed countries;

⁴ FCCC/AWGLCA/2012/CRP.1.

- b. Revise and improve the common reporting format on financial support available and provided by developed countries to developing countries;
- c. Develop a common reporting format on the support for technology development and transfer and capacity-building provided by developed country Parties to developing country Parties;
- d. Revise the modalities and procedures of IAR in order to strengthen the review on the progress of provision of financial, technological and capacity-building support by developed country Parties to developing country Parties;
- e. Establish a long-term finance channel under the GCF or GEF to build MRV capacity of developing countries on a continuous basis.

Option 3: The governing body shall elaborate the guidelines related to transparency of action and support, by:

- a. Tailoring the post-2020 transparency arrangements to promote its objective;
- b. Developing guidelines for biennial communications regarding;
- c. National circumstances:
 - The national inventory report of emissions and removals;
 - A description of nationally determined contribution;
 - Progress in achievement of the NDC, including mitigation actions and their effects, estimates of emissions from the land sector, and the use of units from international market-based mechanisms;
 - Projections;
 - Provision of support, including on the provision of finance, technology transfer and capacity-building;
 - Progress in assessing climate risks and vulnerabilities, and in enhancing adaptation action, including through national adaptation planning processes.
- d. Using common reporting templates wherever applicable and beneficial for enhancing transparency;
- e. Elaborating on the following:
 - Parties to include all major emission sources and sinks, pools and gases in their contribution;
 - For major sources and sinks, pools and gases that are not included, Parties to include an explanation for their exclusion, and to strive to include these over time;
 - Parties to use the most relevant IPCC guidance and guidelines, as determined by the COP;
 - Parties not to change their accounting approach or methodologies or baseline during the time frame, except in the case of technical corrections;
 - Parties to have projected baselines transparently assessed;
 - Parties that use market-based approaches to meet standards that deliver real, additional, verifiable and permanent emission reductions, avoid double counting of effort and result in a net mitigation benefit.
- f. Recognizing the importance of greenhouse gas emissions by sources and removals by sinks resulting from land-use change and forestry activities;
- g. Developing guidelines to assist Parties in assessing national climate change impacts, vulnerability and adaptation options;
- h. Developing guidelines for the technical expert review of Parties' biennial communications;
- i. Developing guidelines for a facilitative examination of Parties' progress towards their nationally determined contributions;
- j. With respect to the provision and receipt of support and international cooperation, develop guidelines that:
 - Elicit information on support provided and received, including on: delivery, use and impact, sources, scale, channels, and instruments;
 - Provide transparency on the levels of financing, what financing is used for, which countries are benefiting, and whether funds are new and additional;
 - Place greater emphasis on effectiveness of support and reporting on the use of international support and results achieved with support;
 - Recognize that a variety of types may be appropriate;
 - Consider the ongoing work under the SCF and the work of relevant bodies outside the Convention.

Structural suggestions on section J:

Transparency of support to be addressed in the context of support, transparency of mitigation in the context of mitigation.

Divide into three sub-sections: (1) commitment to participate in a single transparency system; (2) the mechanics, or component parts, of the system; and (3) the guiding principles for the system.

Restructure paragraphs 67 and 68 into three sub-sections: transparency of actions by developed country Parties; transparency of actions by developing country Parties; and transparency of support by developed country Parties.

Move the paragraphs on accounting to the mitigation section.

Merge this section with section K below.

Move paragraph 69 (d) and (e) (option 1) to the mitigation section and retain (a) and (c) in transparency section.

Include content of paragraph 69 k (of option 1) in a decision.

Restructure paragraph 69 into separate paragraphs on transparency of mitigation and transparency of support.

K. Time frames and process related to commitments / contributions / Other matters related to implementation and ambition

Commitments / contributions / actions / scope of implementation and ambition

70. The starting date for the implementation of this agreement to be 1 January 2020 / 31 December 2020 / 1 January 2021; and the end date of this agreement to be 2030 / 2040 / 2050 / 2100 / durable forever.

71. Pursuant to Article 2 of the Convention, Parties to periodically communicate or update their proposed commitments / contributions:

Option 1: Every five years for all Parties;

Option 2: Commitments shall be inscribed every five years, beginning in 2015. All Parties shall communicate proposed commitments in the 12 to 18 months prior to their inscription. The commitments will cover a five-year period, ending 10 years after the inscription year. Parties may also propose an indicative commitment covering a further five-year period, which can be confirmed or enhanced five years later, when formally inscribed (2020);

Option 3: Every five years, indicating the commitment / contribution / action for the subsequent five-year period as well as an indicative commitment / contribution / action for the following five-year period;

Option 4: Every five years for developed country Parties only;

Option 5: Every five years for developed country Parties and every 10 years for developing country Parties;

Option 6: Every five years for the upcoming period and an indication for the following period only for mitigation: annual or biennial time frame for means of implementation in line with national budgets; different time frame for adaptation;

Option 7: By 2030 / 2025 for all Parties;

Option 8: By 2025 and/or 2030 for all developed country Parties only, and with the diversity of end dates for developing country Parties;

Option 9: Every 10 / x years, with a mid-term review;

Option 10: For a period to be determined by the governing body.

72. Parties to communicate their proposed commitments / contributions / actions at least 12 months prior to their formalization / finalization, but not earlier than 18 months prior to that.

73. **Option 1:** The scope of the commitments / contributions / actions will:

Option (a): Be nationally determined;

Option (b): Be defined by the provisions of this agreement;

Option (c): Include mitigation, adaptation, finance, technology and capacity-building, and transparency of action and support;

Option (d): Include mitigation, recognizing that commitments on adaptation, finance, technology and capacity-building, and transparency of action and support are subject to separate provisions of this agreement;

Option (e): Include mitigation only.

Option 2: Implementation and ambition are related to:

a. Mitigation, adaptation, finance, technology and capacity-building;

- b. For developed country Parties: mitigation and finance, technology and capacity-building support to developing country Parties for their mitigation and adaptation actions;
 - c. For developing country Parties: mitigation and/or adaptation.
74. When communicating their contributions, Parties to provide up-front information, along with their proposed commitments / contributions / actions that:

Option 1: Facilitates the clarity, transparency and understanding of those commitments / contributions / actions, on the basis of the relevant arrangements for reporting information resulting from the Bali Action Plan (as detailed in decision x/CP.x);

Option 2: Facilitates the clarity, transparency and understanding of those commitments / contributions / actions (as detailed in decision x/CP.x).

75. Upon communication, commitments / contributions / actions to be made publicly available by the secretariat.

Ex -ante consideration / Further facilitation of transparency and clarity / Consultative process/period

76. ***Option 1:*** No ex-ante consideration process / no arrangements for further facilitating transparency and clarity;

Option 2: After their communication, commitments / contributions / actions will be subject to an ex-ante consideration process / further facilitation of transparency and clarity / a consultative period/process in order to:

Option (a):

- a. Facilitate understanding of the level of ambition and fairness / level of ambition of the commitments / contributions and the long-term temperature goal in the context of a Party's long-term low-emission development pathway;
- b. Assess the adequacy and fairness of the aggregated contributions / the adequacy of the aggregated contributions / the aggregated contributions compared with science, as part of the principle-based reference framework;
- c. Assess the extent and availability of support from Annex II Parties to non-Annex I Parties, and, in that context, the potential additional ambition of non-Annex I Parties;
- d. Assist countries that have not communicated their commitments / contributions;
- e. Facilitate understanding of the comparability of effort of the commitments / contributions / actions; and of the global aggregate commitment;
- f. Address / understand / determine / discuss deficits in the light of the ambition required / facilitate the analysis of national mitigation potential and address deficits in the light of the ambition required.

Option (b):

- a. Enhance the clarity, transparency and understanding of the aggregate effect of the communicated intended nationally determined contributions;
- b. Facilitate the efforts by Parties that have not communicated their intended nationally determined contributions up to that point.

Option (c):

- a. Facilitate the clarity of the comparability of the commitments of by developed country Parties, in accordance with their historical responsibilities, requirements of science and leadership in on addressing climate change and the requirements of science;
- b. Facilitate understanding of the diversity, barriers and needs, the enhanced actions undertaken by developing country Parties, bearing in mind their first and overriding priority of economic and social development and poverty eradication.

- 76.1 Parties' commitments / contributions / actions to be considered based on:

Option (a): A consultative process to ensure clarity, transparency and understanding of the commitments / contributions;

Option (b): A principle-based reference framework to be established to ensure clarity, transparency and understanding of the commitments / contributions / actions;

Option (c): Existing arrangements and processes under the Convention.

- 76.2 The ex-ante consideration process / further facilitation of transparency and clarity / consultative period/process is to:

Option (a):

- a. Be science-based and informed by the assessments of the IPCC, moving to assessment reports every five years (e.g. 2019, 2024, 2029);
- b. Be inclusive, consultative, facilitative, supportive, non-prescriptive, non-intrusive, and non-punitive.

Option (b):

- a. Be science-based and informed by the assessments of the IPCC, moving to assessment reports every five years (e.g. 2019, 2024, 2029);
- b. Be inclusive, consultative, facilitative, supportive, non-prescriptive, non-intrusive, and non-punitive;
- c. Be conducted in accordance with Article 4, paragraph 2(d), of the Convention;
- d. Reflecting the differences in Annex A and Annex B;
- e. Be based on the existing experience from the clarification of the commitments of developed country Parties and the understanding of the NAMAs of developing country Parties.

- 76.3 The ex-ante consideration process / further facilitation of transparency and clarity / consultative period/process to take place:

Option (a): In the year in which the commitments / contributions / actions are communicated;

Option (b): In the year after the commitments / contributions / actions have been communicated;

Option (c): In the year prior to the inscription of the contribution in the agreement for mitigation and means of implementation / in the 12 months prior to the session at which the commitment would be inscribed;

Option (d): Each Party to go through a consultative period for four to six months after the submission of its intended nationally determined contribution.

- 76.4 On the basis of the ex-ante consideration process / further facilitation of transparency and clarity / consultative period/process:

Option (a): Each Party to consider the recommendations resulting from the process;

Option (b): Each Party to revise its commitment / contribution on a voluntary basis;

Option (c): Each Party to adjust / revise on a voluntary basis its commitment / contribution upwards, through an adjustment procedure in accordance with decisions of the governing body;

Option (d): Parties will undertake top-down adjustments based on a global carbon budget.

- 76.5 The governing body shall develop and adopt modalities and procedures for the ex-ante consideration process / further facilitation of transparency and clarity / consultative period/process by its [X] session:

- a. A web platform where Parties and other actors are able to pose questions and Parties are encouraged to answer the questions that they receive;
- b. Consultations among Parties, including through workshops and round tables;
- c. A joint Subsidiary Body for Implementation (SBI) / SBSTA programme to prepare recommendations for the COP;
- d. A technical body / panel / task force to be established that undertakes analytical work, examines the adequacy and fairness of commitments / contributions and prepares recommendations; and/or on mitigation and means of implementation;
- e. Inputs to the process, including modalities for the analysis, synthesis and/or compilation of the commitments / contributions.

- 76.6 The governing body shall review, on a periodic basis, the modalities and procedures, with a view to ensuring adaptability, efficiency and effectiveness, taking into account the different characteristics of mitigation and means of implementation and the need to address them in a distinct manner over time.

Formalization / finalization / reflection of enhanced action

77. The commitments / contributions / actions communicated by Parties to be:

Option 1: Inscribed in a single annex to this agreement;

Option 2: Inscribed in annexes to this agreement:

Option (a): Annex A for quantified emission reduction commitments (QERCs) and Annex B for emission limitation commitments and strategies;

Option (b): Annex A: a table of heading numbers of quantified emission reduction commitments of developed country Parties; and Annex B: a compilation of communications of enhanced mitigation actions by developing country Parties.

Option 3: Inscribed in attachments to this agreement:

- Attachment A for developed country Parties' emission reduction commitments;
- Attachment B for developed country Parties' finance, technology and capacity-building commitments;
- Attachment C for developing country Parties' enhanced actions.

Option 4: Adopted by a decision of the governing body;

Option 5: Contained in national schedules, to be communicated to the secretariat. The secretariat shall make all national schedules publicly available;

Option 6: Inscribed in a country contribution document, with a provision in the agreement creating an obligation for each Party to communicate and implement their contribution;

Option 7: Recorded in an online registry of national mitigation targets, which is to form an integral part of this agreement.

78. Parties may, at any time, make upward adjustments to their commitments / contributions / actions by means of a simplified procedure:

Option 1: By way of communication to the secretariat or the depositary;

Option 2: By way of an amendment to the respective annex and in the context of the procedures referred to in section M below;

Option 3: The governing body shall adopt modalities of the simplified procedure / Any modalities to be adopted by the governing body.

79. **Option 1:** A Party to be allowed to exceptionally adjust its commitment / contribution, subject to certain conditions, including: if subsequent rules differ substantially from the Party's assumptions, or force majeure, provided that there is no backsliding;

Option 2: A developing country Party may adjust its contribution when severely affected by an extreme natural event;

Option 3: No other adjustments allowed.

Strategic review of implementation / Aggregate ambition assessment / Enhanced ambition mechanism

80. The governing body shall regularly conduct a strategic review of implementation / aggregate ambition assessment.

81. The purpose of the review / assessment / mechanism is to:

Option 1: Review the effect / ambition and the implementation of the individual commitments / contributions / actions of Parties as well as the aggregate effect / ambition of all Parties' commitments, in order to assess progress towards operationalizing the ultimate objective of the Convention, as set out in its Article 2 of the Convention, pursuant to paragraph 3 above;

Option 2:

- a. Track the performance of the implementation of the post-2020 enhanced action;
- b. Review the adequacy of the long-term aspect in the light of the objective of the Convention;
- c. Review the overall progress towards achieving the objective of the Convention;
- d. Consider the historical responsibilities of Parties in relation to the global temperature increase;
- e. Increase the level of ambition.

82. The review / assessment / mechanism shall take place:

Option 1: Starting in [X] / after the agreement has come into effect, every one / two / four / five years;

Option 2: Immediately following the publication of each IPCC assessment reports.

83. The review / assessment / mechanism shall be:

Option 1: Applicable to developed country Parties;

Option 2: Applicable to all Parties;

Option 3: Applicable to all Parties, as follows:

- a. Implementation and ambition of emission reduction commitments of developed country Parties;
- b. Adequacy and progress of finance, technology and capacity-building support from developed country Parties to developing country Parties;
- c. Implementation and further enhanced mitigation and/or adaptation action by developing country Parties.

84. The review / assessment / mechanism should include:

- a. International revisit of the emission reduction commitments of developed country Parties;
- b. Multilateral consideration of developed country Parties' commitments on finance, technology and capacity-building support;
- c. Domestic reflection and international understanding of enhanced action on mitigation and/or adaptation undertaken by developing country Parties, in a manner that is non-punitive, and non-intrusive and respecting national sovereignties;
- d. A forum on lessons learned on innovation of sustainable development pathways among all Parties.

85. The review / assessment / mechanism to be consistent with science, on the basis of equity and sustainable development, and informed by:

Option 1:

- a. Each country's progress towards the achievement of its commitments / contributions, aggregated global emission trends and the aggregate progress towards attaining the global goals established under this agreement;
- b. Assessments undertaken pursuant to other provisions of this agreement of the adequacy and progress related to adaptation and finance, technology and capacity-building support;
- c. A process to facilitate the clarity, transparency and understanding of Parties' commitments / contributions, whereby the ambition and fairness of Parties' mitigation commitments can be considered in the light of the long-term temperature limit;
- d. The assessment reports of the IPCC;
- e. Information reported by Parties on the implementation of their commitments / contributions, as set out in section J below (*Transparency of action and support*);
- f. Information communicated by Parties on their future commitments / contributions, as set out in this section;
- g. A process of technical examination of mitigation potential, opportunities, co-benefits of mitigation action and policy options for enhancing mitigation ambition.

Option 2:

- a. Each country's progress towards the achievement of its commitments / contributions, including information from the NCs, BRs, inventories and NIRs of developed country Parties, as well as from the review reports and the IAR process; and information from the NCs and BURs, as well as from the ICA process;
- b. Assessments undertaken pursuant to other provisions of this agreement of the adequacy and progress related to adaptation and finance, technology and capacity-building support by from developed country Parties;
- c. Arrangements to facilitate the clarity, transparency and understanding of the commitments / contributions;
- d. The assessment reports of the IPCC;
- e. Assessment against an equity reference framework by a technical panel of experts;
- f. The report on the 2013–2015 review and subsequent reviews;
- g. Reports of all of the existing subsidiary bodies under the Convention and new institutional arrangements established by this agreement;
- h. A process of technical examination of mitigation potential, opportunities and policy options to enhance the level of ambition.

86. On the basis of the review / assessment / mechanism:

Option 1: The governing body shall recommend adjustments to Parties' commitments in response to the findings of the review / action, in order to harness unrealized opportunities to mitigate and adapt to climate change and to mobilize the necessary financial support.

Option 2: Parties to take into account the recommendations arising from the review / assessment / mechanism in preparing their successive commitments / contributions / actions / Parties to increase their level of ambition after the review, including:

Option (a):

- a. Adjusting existing commitments / contributions / actions upward or communicating more ambitious mitigation commitments / contributions related to climate change;
- b. Addressing barriers to and constraints on implementation related to the provision of finance, technology and capacity-building support.

Option (b):

- a. Developed country Parties adjusting their existing commitments / contributions upward or communicating more ambitious mitigation commitments / contributions;
- b. Developed country Parties adjusting their existing commitments / contributions upward or communicating more ambitious finance, technology and capacity-building commitments / contributions / policies / measures;
- c. Addressing barriers and constraints of developing country Parties to implementation related to the provision of finance, technology and capacity-building support, and considering further action on implementation by developing country Parties.

87. **Option 1:** The governing body shall develop and adopt modalities for the review / assessment / mechanism by 2018, drawing on lessons learned from previous review processes under the Convention and its Kyoto Protocol in order to ensure the effectiveness of the review / assessment / mechanism;

Option 2: The modalities and organization of the work on the strategic review to be developed and adopted based on and drawing upon lessons learned from previous review processes under the Convention and its Kyoto Protocol, including inter alia:

- a. The review referred to in Article 4, paragraph 2(d), of the Convention;
- b. The ambition mechanism under the Kyoto Protocol;
- c. IAR and ICA;
- d. The clarification of the QELRCs by Annex I Parties and the process of understanding the diversity of NAMAs by non-Annex I Parties;
- e. The 2013–2015 review;
- f. The multilateral consultative process for the resolution of questions regarding the implementation of the Convention, as set out in its Article 13:

Option (a): Utilizing the existing IAR and ICA processes after further amending their mandates and guidance;

Option (b): Utilizing the existing 2013–2015 review after further improving the modalities and organization of the work.

Structural suggestions on section K:

Tailor the content of this section to specific areas

Move the content to mitigation section

Divide this section into two parts: section K for transparency for mitigation and section K bis on transparency for contributions on support

Merge the ex-ante consideration / consultative period and the strategic review / "aggregate consideration process"

Include details contained in paragraphs 76.1, 76.2, 76.3, 76.4 and 76.5 in decisions

Restructure text in paragraphs 70–73 as follows: objectives / purpose, timing, guidance on modalities

Move para 74 to transparency

Include specific modalities and procedures in decisions

Divide the review into review of individual commitments and aggregate commitments drawing on elements from paragraphs 76 and 81–87.

L. Facilitating implementation and compliance

88. In order to assist Parties in implementing their commitments / contributions and/or to address compliance issues in a manner that is expert-based, non-confrontational and non-judicial:

Option 1: The governing body shall adopt procedures and/or mechanisms;

Option 2: A compliance mechanism or committee / implementation committee / a standing body responsible for promoting implementation and compliance and assessing Parties' performance is established;

Option 3: Implementation shall be strengthened through enhanced transparency, including through the consideration of the multilateral consultative process under Article 13 of the Convention;

Option 4: No specific provisions required.

For option 1 and option 2, arrangements shall cover:

a. Regarding commitments / contributions (substantive scope):

Option (a): All commitments / contributions in the agreement, including reporting;

Option (b): Specified commitments / contributions, excluding adaptation, including reporting;

Option (c): Implementation of Parties' schedules and the submission of biennial communications;

Option (d): Mitigation, MRV and accounting commitments only.

b. Regarding Parties:

Option (a): All Parties;

Option (b): Developed country Parties regarding their commitments / contributions on mitigation, finance, transfer of technology and capacity-building.

c. Structure of the mechanism / committee:

Option (a): Separate branches – an enforcement branch for Parties that have a QERC in Annex A / to review compliance with commitments made by developed country Parties and those developing country Parties that have made economy-wide quantified emission reduction commitments, with respect to their commitments on mitigation, as well as commitments on adaptation, finance, technology transfer and capacity-building, and a facilitative branch for commitments and strategies in Annex B / to review the implementation of contributions made by developing countries and to assist them in their efforts to meet these contributions; the Compliance Committee may establish technical panels to assist them in their task;

Option (b): A standing, non-political, expert body of members who serve in their individual capacity, responsible for facilitating and promoting compliance with the obligations under the agreement;

Option (c): One body for facilitation;

Option (d): Platforms to deal with early warning, facilitation and enforcement.

d. Modalities such as:

- Membership;
- Triggers to commence a procedure:
 - Early warning for potential non-compliance;
 - Technical expert teams triggering questions of implementation.
- Procedures;
- Use of economic instruments:
 - Use of economic instruments such as market mechanisms as a way to promote compliance.
- Measures and/or consequences:
 - **Option (a):** Facilitative measures only;
 - **Option (b):** Facilitative measures and sanctions for recurring non-compliance;
 - **Option (c):** Facilitative measures for non-Annex I Parties and sanctions for Annex I Parties;
 - **Option (d):** Expert groups that support developing country Parties in the preparation and implementation of contributions.
- The Compliance Committee shall report annually to the Conference of the Parties to this agreement.

M. Procedural and institutional provisions

Institutional arrangements

89. *Provisions relating to the governing body of the agreement (based on Article 13(1) of the KP):* The Conference of the Parties, the supreme body of the Convention, shall serve as the meeting of the Parties to this agreement.
90. *Provisions relating to the secretariat (based on Article 14 of the KP):* The secretariat established by Article 8 of the Convention shall serve as the secretariat of this agreement. Article 8, paragraph 2, of the Convention on the functions of the secretariat, and Article 8, paragraph 3, of the Convention on arrangements made for the functioning of the secretariat, shall apply mutatis mutandis to this agreement. The secretariat shall, in addition, exercise the functions assigned to it under this agreement and the governing body.
91. *Provisions on the SBSTA and the SBI (based on Article 15 of the KP):* The SBSTA and the SBI established by Articles 9 and 10 of the Convention shall serve as, respectively, the SBSTA and the SBI of this agreement. The provisions relating to the functioning of these two bodies under the Convention shall apply mutatis mutandis to this agreement. Sessions of the meetings of the SBSTA and the SBI of this agreement shall be held in conjunction with the meetings of, respectively, the SBSTA and the SBI of the Convention. Parties to the Convention that are not Parties to this agreement may participate as observers in the proceedings of any session of the subsidiary bodies. When the subsidiary bodies serve as the subsidiary bodies of this agreement, decisions under this agreement shall be taken only by those that are Parties to this agreement. When the subsidiary bodies established by Articles 9 and 10 of the Convention exercise their functions with regard to matters concerning this agreement, any member of the Bureaux of those subsidiary bodies representing a Party to the Convention but, at that time, not a Party to this agreement, shall be replaced by an additional member to be elected by and from amongst the Parties to this agreement.
92. The governing body shall establish, building on the work conducted under the SBSTA regarding the framework for various approaches, means for cooperative arrangements to be defined and accounted for under the agreement, that strengthen and create synergies between mechanisms under the Convention and its related legal instruments and mechanisms established or to be established, jointly or individually, by Parties, and avoid the double counting of efforts, including:
- The Financial Mechanism;
 - The Technology Mechanism;
 - The flexibility mechanisms established by Articles 6 and 12 of the KP;
 - The new market-based mechanism defined in decision 2/CP.17, paragraph 83;
 - Alternative policy approaches, such as joint mitigation and adaptation;
 - A REDD-plus mechanism / The Warsaw Framework for REDD-plus;
 - A mechanism for climate resilience and sustainable development;
 - A joint mitigation and adaptation mechanism for the integral and sustainable management of forests;
 - Subnational, national and regional emissions trading schemes.
93. Immunities

Option 1: Each Party to this agreement shall accord to the persons exercising their functions on any board, panel, group or other institution established by this agreement during their journey to and from the place of meeting immunity from legal process. The governing body shall determine the modalities for the operation of immunities;

Option 2: No provision on immunities.

Procedural provisions / Final clauses

94. Signature, ratification, acceptance, approval and accession (*based on Article 24(1) of the KP*):
- 94.1 This agreement shall be open for signature and subject to ratification, acceptance or approval by States and regional economic integration organizations (REIOs) which are Parties to the Convention at a specified place and time. Thereafter, the agreement would be open for accession by such States and REIOs;
- 94.2 Provisions on REIOs (*based on Article 22(2) and (3) of the Convention*): Any REIO which becomes a Party to the agreement without any of its member States being a Party shall be bound by all the obligations under the agreement. In the case of REIOs with one or more member States that are Parties to the agreement, the

organization and its member States shall decide on their respective responsibilities for the performance of their obligations under the agreement. In such cases, the organization and the member States shall not be entitled to exercise rights under the agreement concurrently. In their instruments of ratification, acceptance, approval or accession, REIOs shall declare the extent of their competence with respect to the matters governed by the agreement. These organizations shall also inform the Depositary, who shall in turn inform the Parties, of any substantial modification in the extent of their competence;

94.3 Additional requirements on deposit of instruments of ratification, acceptance, approval or accession:

Option 1: Requirements relating to the submission of national schedules at the same time as deposit of instruments of ratification, acceptance, approval or accession;

Option 2: No additional requirements.

95. Entry into force:

95.1 **Option 1:** All entry into force provisions set out in paragraph 95.2 to preclude entry into force before 2020;

Option 2: Entry into force provisions to allow for possibility of entry into force by 2020.

95.2 **Option 1:** This agreement shall enter into force on the thirtieth /ninetieth day after the date on which not less than 10/50/[X] (a number that is not over- or under-inclusive) Parties to the Convention have deposited their instruments of ratification, acceptance, approval or accession;

Option 2: The agreement will come into effect on and be implemented from 2020, subject to the deposit of [X] number of instruments of ratification, acceptance, approval, or accession;

Option 3: A double threshold that includes both a number of Parties ratifying and a percentage of global emission reductions covered by the ratifying Parties / a minimum of global emissions from Parties;

Option 4: The agreement will enter into force on [X] date (“from 2020”), provided that [X] number of Parties have deposited their instruments and that the total of emissions of such Parties constitutes [X] per cent of the global total of emissions in year [X]. If such thresholds have not been met by [X] date, the agreement will enter into force [X] days after the thresholds have been met;

Option 5: Entry into force upon either a sufficiently high number ([X]) of Parties or a percentage ([X]) of global GHG emissions covered, whichever occurs first, but not earlier than on 1 January 2020.

95.3 For each State or REIO that ratifies, accepts or approves the agreement or accedes thereto after the entry into force according to paragraph 76.1, the agreement shall enter into force on the ninetieth / [X] day after the date of deposit by such State or REIO of its instrument of ratification, acceptance, approval or accession (*based on Article 23(2) of the Convention*);

95.4 Provisions on REIOs (*based on Article 23 (3) of the Convention*): for the purposes of paragraph 76, any instrument deposited by a REIO shall not be counted as additional to those deposited by States members of the organization;

95.5 Provisional application:

Option 1: A Party to the Convention that intends to ratify, approve, accept or accede to this agreement, may at any time notify the Depositary that it will apply this agreement provisionally for a period not extending beyond the time of entry into force of the agreement;

Option 2: No specific provision on provisional application.

96. *Amendments to the agreement: (based on Article 15 of the Convention)*

96.1 Any Party may propose amendments to the agreement;

96.2 Amendments to the agreement shall be adopted at an ordinary session of the governing body. The text of any proposed amendment to the agreement shall be communicated to the Parties by the secretariat at least six months before the meeting at which it is proposed for adoption. The secretariat shall also communicate proposed amendments to the signatories to the agreement and, for information, to the Depositary;

96.3 The Parties shall make every effort to reach agreement on any proposed amendment to the agreement by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the amendment shall as a last resort be adopted by a three-fourths majority vote of the Parties present and voting at the meeting.

The adopted amendment shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance;

- 96.4 Instruments of acceptance in respect of an amendment shall be deposited with the Depositary. An amendment adopted in accordance with paragraph 3 above shall enter into force for those Parties having accepted it on the ninetieth day after the date of receipt by the Depositary of an instrument of acceptance by at least three fourths of the Parties to the agreement;
- 96.5 The amendment shall enter into force for any other Party on the ninetieth day after the date on which that Party deposits with the Depositary its instrument of acceptance of the said amendment;
- 96.6 For the purposes of this Article, “Parties present and voting” means Parties present and casting an affirmative or negative vote.
97. *Amendments to any Annexes to the agreement:*
- Option 1:** Amendments to the Annexes to this agreement, which are an integral part of the agreement, shall be adopted by the governing body and shall apply forthwith, without the requirement of a ratification process;
- Option 2:**
- 97.1 Annexes to the agreement shall form an integral part thereof and, unless otherwise expressly provided for, a reference to the agreement constitutes at the same time a reference to any annexes thereto. Without prejudice to the provisions of Article X, paragraphs x and x such annexes shall be restricted to lists, forms and any other material of a descriptive nature that is of a scientific, technical, procedural or administrative character;
- 97.2 Annexes to the agreement shall be proposed and adopted in accordance with the procedure set forth in Article X, paragraphs x and x;
- 97.3 An annex that has been adopted in accordance with paragraph 2 above shall enter into force for all Parties to the agreement six months after the date of the communication by the Depositary to such Parties of the adoption of the annex, except for those Parties that have notified the Depositary, in writing, within that period of their non-acceptance of the annex. The annex shall enter into force for Parties which withdraw their notification of non-acceptance on the ninetieth day after the date on which withdrawal of such notification has been received by the Depositary;
- 97.4 The proposal, adoption and entry into force of amendments to annexes to the agreement shall be subject to the same procedure as that for the proposal, adoption and entry into force of annexes to the agreement in accordance with paragraphs 97.2 and 97.3 above;
- 97.5 If the adoption of an annex or an amendment to an annex involves an amendment to the agreement, that annex or amendment to an annex shall not enter into force until such time as the amendment to the agreement enters into force.
- Option 3:** Opt-in (ratification procedure).
- Option 4:** Simplified procedure for the mitigation commitments.
98. *Settlement of disputes (based on Article 19 of the KP):* The provisions of Article 14 of the Convention on settlement of disputes shall apply mutatis mutandis to this agreement.
99. *Voting / Right to vote (based on Article 18 of the Convention):*
- 99.1 Each Party shall have one vote, except as follows: REIOs, in matters within their competence, shall exercise their right to vote with a number of votes equal to the number of their member States that are Parties to this agreement. Such an organization shall not exercise its right to vote if any of its member States exercises its right, and vice versa;
- 99.2 *Placeholder* for provisions with respect to Parties who put forward a joint contribution.
100. *Depositary (based on Article 19 of the Convention):* The Secretary-General of the United Nations shall be the Depositary of this agreement:
- Option 1:** In addition to the normal functions of the Depositary, the Depositary should also hold and manage a repository of country contribution documents;
- Option 2:** No additional functions for the Depositary.
101. *Reservations (based on Article 24 of the Convention):*
- Option 1:** No reservations may be made to this agreement;
- Option 2:** Provide for reservations.

102. *Withdrawal (based on Article 25 of the Convention)*: At any time after [X] years from the date on which this agreement has entered into force for a Party, that Party may withdraw from this agreement by giving written notification to the Depository. Any such withdrawal shall take effect upon expiry of one year from the date of receipt by the Depository of the notification of withdrawal, or on such later date as may be specified in the notification of withdrawal. Any Party that withdraws from the Convention shall be considered as also having withdrawn from this agreement.
103. *Authentic text (based on Article 26 of the Convention)*: The original of this agreement, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Secretary-General of the United Nations.

Structural suggestions

All institutional issues should be addressed in one place.

Include specific institutional arrangements under the respective elements of the agreement. Consider the relationship between the various mechanisms once there is clarity on the content of new mechanisms.

Annex / Annex A / Annex B / Attachments (for paragraph 77, options 1, 2 and 3)

[...]

Decision -/CP.20

Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts

The Conference of the Parties,

Reaffirming the provisions contained in decisions 3/CP.18 and 2/CP.19,

Appreciating the work of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts to develop its initial two-year workplan,

Taking note of the report of the Executive Committee,¹

1. *Approves* the initial two-year workplan of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts;²
2. *Notes* the useful inputs provided by Parties, observers and other organizations as part of the transparent, inclusive and participatory process of developing the initial two-year workplan of the Executive Committee;
3. *Reaffirms* the establishment of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts, under the guidance of, and accountable to, the Conference of the Parties, to guide the implementation of the functions of the Warsaw International Mechanism referred to in decision 2/CP.19, paragraph 5;
4. *Also reaffirms* the request to the Executive Committee to report annually to the Conference of the Parties through the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation and make recommendations, as appropriate;
5. *Decides* that the Executive Committee shall be composed of the following, taking into account the goal of gender balance pursuant to decision 23/CP.18:
 - (a) Ten members from Parties included in Annex I to the Convention (Annex I Parties);
 - (b) Ten members from Parties not included in Annex I to the Convention (non-Annex I Parties), comprising two members each from the African, Asia-Pacific, and the Latin American and Caribbean States, one member from Small Island Developing States, one member from Least Developed Country Parties, and two additional members from non-Annex I Parties;
6. *Encourages* Parties to nominate to the Executive Committee experts with the diversity of experience and knowledge relevant to loss and damage associated with climate change impacts;
7. *Decides* that members shall serve for a term of two years and shall be eligible to serve a maximum of two consecutive terms of office, and that the following rules shall apply:

¹ FCCC/SB/2014/4.

² FCCC/SB/2014/4, annex 2.

- (a) Half of the members shall be elected initially for a term of three years and half of the members shall be elected for a term of two years;
 - (b) Thereafter, the Conference of the Parties shall elect members for a term of two years;
 - (c) The members shall remain in office until their successors have been elected;
8. *Also decides* that the Executive Committee may establish expert groups, subcommittees, panels, thematic advisory groups or task-focused ad hoc working groups, to help execute the work of the Executive Committee in guiding the implementation of the Warsaw International Mechanism, as appropriate, in an advisory role, and that report to the Executive Committee;
9. *Further decides* that decisions of the Executive Committee shall be taken by consensus;
10. *Decides* that the Executive Committee shall elect annually Co-Chairs from among its members to serve for a term of one year, with one being a member from an Annex I Party and the other being a member from a non-Annex I Party;
11. *Also decides* on other related provisions including:
- (a) If one or both Co-Chairs are absent from a particular meeting, any other member designated by the Executive Committee shall temporarily serve as the Co-Chair or Chair of that meeting;
 - (b) If a Co-Chair is unable to complete the term of office, the Executive Committee shall elect a replacement to complete that term of office;
12. *Further decides* that the Executive Committee shall meet at least twice per year, while retaining its flexibility to adjust the number of meetings, as appropriate;
13. *Decides* that the Executive Committee shall convene its first meeting as soon as practical following the election of its members commencing at the twentieth session of the Conference of the Parties but no later than March 2015, and at its first meeting shall adopt its rules of procedure and begin implementing its workplan;
14. *Also decides* that the meetings of the Executive Committee shall be open to attendance by admitted observer organizations, except where otherwise decided by the Executive Committee, with a view to encouraging a balanced regional representation of observers;
15. *Further decides* that the decisions and outputs of the Executive Committee shall be made publicly available on the UNFCCC website unless decided otherwise by the Executive Committee;
16. *Decides* that English shall be the working language of the Executive Committee;
17. *Also decides* that the secretariat shall support and facilitate the work of the Executive Committee, subject to the availability of resources.
-

Decision -/CP.20

National adaptation plans

The Conference of the Parties,

Recalling decisions 1/CP.16, 5/CP.17, 12/CP.18 and 18/CP.19,

1. *Decides* that a revision of the initial guidelines for the formulation of national adaptation plans is not necessary at this time;
2. *Recognizes* that the process to formulate and implement national adaptation plans is fundamental for building adaptive capacity and reducing vulnerability to the impacts of climate change;
3. *Reiterates* that the national adaptation plan process is a country-driven, gender-sensitive, participatory and fully transparent approach, taking into consideration vulnerable groups, communities and ecosystems, and should be based on and guided by the best available science and, as appropriate, traditional and indigenous knowledge, with a view to integrating adaptation into relevant social, economic and environmental policies and actions, where appropriate;
4. *Recognizes* the continuous, iterative and long-term nature of the national adaptation plan process, and that the national adaptation plans can serve as an important tool for ensuring a common understanding and for communicating progress made towards both reducing vulnerability and integrating climate change adaptation into national and development planning;
5. *Acknowledges* the importance of communicating, in a flexible manner, what the process to formulate and implement national adaptation plans involves, as well as the outputs and outcomes of that process;
6. *Decides* that there is a need to enhance the reporting on the process to formulate and implement the national adaptation plans;
7. *Notes* that there is a need to strengthen the existing reporting related to the process to formulate and implement national adaptation plans under the Convention;
8. *Decides* to explore options for enhancing reporting related to the process to formulate and implement national adaptation plans as a part of the workshop referred to in document FCCC/SBI/2014/8, paragraph 106, and the review to monitor and evaluate progress made on the national adaptation plan process referred to in decision 5/CP.17, paragraph 37;
9. *Invites* least developed country Parties and other interested developing country Parties that are not least developed countries that may wish to do so, to forward outputs, including national adaptation plan documents, and outcomes related to the process to formulate and implement national adaptation plans, to the NAP Central;
10. *Decides* to further consider how to enhance reporting related to the process to formulate and implement national adaptation plans at the forty-second session of the Subsidiary Body for Implementation (June 2015);
11. *Requests* the Adaptation Committee and the Least Developed Countries Expert Group, in collaboration with the Green Climate Fund, as an operating entity of the

Financial Mechanism, to consider how to best support developing countries Parties in accessing funding from the Green Climate Fund for the process to formulate and implement national adaptation plans, and to report thereon to the Subsidiary Body for Implementation at its forty-second session.

Decision -/CP.20

Report of the Adaptation Committee

The Conference of the Parties,

1. *Welcomes* the report of the Adaptation Committee;¹
2. *Also welcomes* the progress made by the Adaptation Committee in the implementation of its three-year workplan, including:
 - (a) Promoting coherence in adaptation under the Convention, in particular in collaboration with the Least Developed Countries Expert Group, the Technology Executive Committee and the Standing Committee on Finance and in the context of the Nairobi work programme on impacts, vulnerability and adaptation to climate change;
 - (b) Engaging relevant institutions, organizations, frameworks, networks and centres;
 - (c) Conducting a joint meeting with the Nairobi work programme on available tools for the use of indigenous and traditional knowledge and practices for adaptation, needs of local and indigenous communities, and the application of gender-sensitive approaches and tools for adaptation;²
 - (d) Conducting a special in-session event on promoting synergy and strengthening engagement with national, regional and international organizations, centres and networks;³
 - (e) Conducting an in-session meeting of the Adaptation Committee organized in collaboration with Intergovernmental Panel on Climate Change Working Group II;⁴
 - (f) Publishing its 2014 thematic report on institutional arrangements for national adaptation planning and implementation;⁵
3. *Notes with appreciation* the continued work of the Adaptation Committee on providing technical support and guidance to the Parties on adaptation action, including through the work carried out by the task force on national adaptation plans of the Committee;
4. *Requests* Parties, operating entities of the Financial Mechanism and other relevant entities working on adaptation to consider the recommendations contained in chapter V of the report of the Adaptation Committee, as included in the annex;
5. *Reiterates* its encouragement made in decision 2/CP.17, paragraph 103, for Parties to nominate experts to the Adaptation Committee with a diversity of experience and knowledge relevant to adaptation to climate change, while also taking into account the need to achieve gender balance in accordance with decision 36/CP.7;
6. *Welcomes* the initiation of consideration by the Adaptation Committee of its next workplan, starting in 2016.

¹ FCCC/SB/2014/2.

² See <unfccc.int/8020>.

³ See <unfccc.int/8246>.

⁴ The report on the meeting is contained in document AC/2014/24; available at <unfccc.int/8467>.

⁵ Available at <unfccc.int/6997.php#AC>.

Annex

Recommendations for the Conference of the Parties

1. The Adaptation Committee (AC) agreed to include the following recommendations in its report¹ for consideration by the Conference of the Parties (COP) at its twentieth session.

2. The AC recommends that the COP invite Parties, operating entities of the Financial Mechanism and relevant entities working on adaptation to take into account the following recommendations, which are based on the outcomes of the meeting of the task force on national adaptation plans (NAPs) referred to in paragraphs 38 and 39 of the report of the AC referred to in paragraph 1 above:

(a) Recognizing the importance of raising awareness and buy-in for the NAP process by all stakeholders, in order to:

(i) Generate interest in, demand for and leadership of the NAP process at the national level;

(ii) Make available support for the NAP process better known;

(b) Improving coordination, collaboration and coherence among:

(i) Bilateral and multilateral agencies and institutions, including the operating entities of the Financial Mechanism;

(ii) Various national ministries;

(iii) Parties and regions, with a view to:

a. Enhancing the accessibility of NAP support;

b. Further understanding effective pathways to achieving the objectives of the NAP process, on the basis of experience;

c. Fostering coherence in the provision of support, including by better matching needs with support, involving more financial institutions in the NAP process and helping countries to prepare for accessing funding, including from the Green Climate Fund (GCF);

(c) Enhancing learning as stakeholders increasingly engage in the NAP process, particularly around aspects such as the role of institutional arrangements and monitoring and evaluation.

3. In supporting the monitoring and evaluation of adaptation, the AC recommends that the COP invite Parties, operating entities of the Financial Mechanism and relevant entities working on adaptation to take into account the following recommendations:

(a) Monitoring and evaluation frameworks need to be appropriate, relevant to needs and tailored to country circumstances. A common set of global indicators is not useful, owing to the context-specific nature of adaptation;

(b) National-level assessments can play a different role in measuring adaptive capacity from subnational or project-based assessments. National-level assessments could, for example, measure the degree of coordination and integration of adaptation in national priorities;

¹ FCCC/SB/2014/2.

(c) A positive learning environment, which encourages formal and informal learning, including peer-to-peer learning, and which encourages learning from negative as well as positive experiences, is important;

(d) Planning and allocation of resources, both technical and financial, are key for effective monitoring and evaluation systems.

4. In the context of the monitoring and evaluation of adaptation, the AC also recommends that the COP invite the Board of the GCF, with respect to its Results Management Framework, to consider:

(a) Keeping indicators simple;

(b) Designing indicators that are qualitative as well as quantitative;

(c) Designing indicators in such a way as to capture the progress that countries are able to make in integrating adaptation into their development and sectoral planning, policies and actions;

(d) Giving countries sufficient flexibility to define their indicators in line with their national and local planning, strategies and priorities.

5. Furthermore, the AC agreed to forward the following recommendations resulting from the workshop on best practices and needs of local and indigenous communities referred to in paragraph 45 of its report referred to in paragraph 1 above for consideration by the COP. The COP may wish to:

(a) Invite Parties to underline the importance of indigenous and traditional knowledge and practices, in a manner commensurate with modern science, for the effective planning and implementation of adaptation, including by encouraging the integration of indigenous, traditional and local knowledge into the NAP process;

(b) Encourage the Adaptation Fund, the Global Environment Facility (GEF) and the GCF to enhance their consideration of local, indigenous and traditional knowledge and practices and their integration into adaptation planning and practices, as well as procedures for monitoring, evaluation and reporting.

6. Regarding the operating entities of the Financial Mechanism, the AC recommends the following actions for consideration by the COP:

(a) Inviting the Board of the GCF to consider the significant work undertaken under the Cancun Adaptation Framework and on the NAP process as it continues to provide the governance of the Fund;

(b) Inviting the Board of the GCF to engage with institutions that have started initiatives on countries' readiness to access GCF funding and exploring how more countries can benefit from such initiatives;

(c) Inviting the GEF, in supporting the NAP process and when implementing its new programming strategy on adaptation for the Least Developed Countries Fund and the Special Climate Change Fund for the period 2014–2018, to consider the findings arising from the meeting of the NAP task force referred to in paragraph 84 and the initial conclusions of the AC on the monitoring and evaluation of adaptation referred to in paragraph 85 of the report of the AC referred to in paragraph 1 above.

Decision -/CP.20

Long-term climate finance

The Conference of the Parties,

Recalling Articles 4 and 11 of the Convention,

Also recalling decision 1/CP.16, paragraphs 2, 4 and 97–101, as well as decisions 1/CP.17, 2/CP.17, paragraphs 126–132, and decisions 4/CP.18 and 3/CP.19,

1. *Welcomes with appreciation* the pledges to the Green Climate Fund and to the sixth replenishment of the Global Environment Facility, and contributions to the Least Developed Countries Fund, the Special Climate Change Fund, and the Adaptation Fund;
2. *Takes note* of the in-session workshop on long-term climate finance held in 2014 and the summary report prepared by the secretariat thereon;¹
3. *Welcomes* the biennial submissions received to date from developed country Parties on updated strategies and approaches for scaling up climate finance from 2014 to 2020 as contained in decision 3/CP.19, paragraph 10, and urges those developed country Parties that have not yet done so to do so;
4. *Also welcomes* the first biennial high-level ministerial dialogue on climate finance convened in accordance with decision 3/CP.19, and looks forward to the summary of the presidency of the Conference of the Parties on the deliberations of this dialogue;
5. *Notes with appreciation* the 2014 Biennial Assessment and Overview of Climate Finance Flows Report;²
6. *Takes note* of decision -/CP.20 on methodologies for the reporting of financial information by Parties included in Annex I to the Convention,³ and decision -/CP.20 on the report of the Standing Committee on Finance;⁴
7. *Further calls* on developed country Parties to channel a substantial share of public climate funds to adaptation activities;
8. *Requests* Parties to continue to enhance their enabling environments and policy frameworks to facilitate the mobilization and effective deployment of climate finance, in accordance with decision 3/CP.19;
9. *Recognizes* that developed country Parties commit, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing countries;
10. *Requests* developed country Parties, in preparing their next round of updated biennial submissions on strategies and approaches for scaling up climate finance for the

¹ FCCC/CP/2014/3.

² <http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/2014_biennial_assessment_and_overview_of_climate_finance_flows_report_web.pdf>.

³ For the text of the draft decision, see document FCCC/SBSTA/2014/L.26.

⁴ For the text of the draft decision, see document FCCC/CP/2014/L.10.

period 2016–2020, to enhance the available quantitative and qualitative elements of a pathway, placing greater emphasis on transparency and predictability of financial flows, as per decision 3/CP.19, paragraph 10;

11. *Also requests* the secretariat to prepare a compilation and synthesis of the biennial submissions on the strategies and approaches, to inform the in-session workshops;

12. *Further requests* the secretariat to organize annual in-session workshops through to 2020 and to prepare a summary report of the workshops for annual consideration by the Conference of the Parties and the high-level ministerial dialogue on climate finance;

13. *Decides* that the in-session workshops referred in paragraph 12 above will, in 2015 and 2016, focus on the issues of adaptation finance, needs for support to developing country Parties and cooperation on enhanced enabling environments and support for readiness activities in accordance with decision 3/CP.19, paragraph 12;

14. *Invites* the thematic bodies under the Convention, in particular the Standing Committee on Finance, the Adaptation Committee and the Technology Executive Committee, where appropriate, to consider the long-term finance issues referred in decision 3/CP.19, paragraph 12 when implementing their 2015–2016 workplans, as an input to the in-session workshops referred to in paragraph 12 above.

Decision -/CP.20

Report of the Standing Committee on Finance

The Conference of the Parties,

Recalling Articles 4 and 11 of the Convention,

Also recalling decisions 1/CP.16, paragraph 112 and 2/CP.17, paragraphs 120 and 121; as well as decisions 5/CP.18 and 7/CP.19,

1. *Welcomes*, and *notes with appreciation*, the report of the Standing Committee on Finance;¹
2. *Also welcomes* the transparency and openness with which the Standing Committee on Finance conducts its work;
3. *Endorses* the workplan of the Standing Committee on Finance for 2015;²
4. *Expresses its appreciation* for the financial contributions provided by the Governments of Belgium, Japan, Norway and Switzerland and the European Union in order to support the implementation of the work programme of the Standing Committee on Finance, and *recalls* decision 2/CP.17, paragraph 124;
5. *Invites* the Standing Committee on Finance to further strengthen its engagement with all relevant stakeholders and bodies of the Convention;
6. *Welcomes* the progress achieved by the Standing Committee on Finance through the successful completion of the 2014 biennial assessment and overview of climate finance flows covering the period 2010–2012;
7. *Notes with appreciation* the 2014 Biennial Assessment and Overview of Climate Finance Flows Report;³
8. *Invites* the relevant bodies under the Convention to take note of the summary and recommendations by the Standing Committee on Finance on the 2014 biennial assessment and overview of climate finance flows;⁴
9. *Requests* relevant technical bodies to consider the recommendations contained in the report of the 2014 biennial assessment and overview of climate finance flows as part of their ongoing deliberations related to climate finance;
10. *Also requests* the Standing Committee on Finance, as part of its ongoing work on measurement, reporting and verification of support, and with a view to recommending improvements to the methodologies for reporting financial information, to consider the findings and recommendations of the biennial assessment in its annual report to the Conference of the Parties for its consideration at its twenty-first session (November–December 2015);

¹ FCCC/CP/2014/5.

² FCCC/CP/2014/5, annex VIII.

³ <http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/2014_biennial_assessment_and_overview_of_climate_finance_flows_report_web.pdf>.

⁴ FCCC/CP/2014/5, annex II.

11. *Further requests* the Standing Committee on Finance, in the context of its ongoing work, including the preparation of the biennial assessment and overview of climate finance flows, to further explore how it can enhance its work on the measurement, reporting and verification of support, based on best available information on the mobilization of various resources, including private and alternative resources, through public interventions;
12. *Requests* the Standing Committee on Finance to include, in its report to the Conference of the Parties at its twenty-first session, information on progress made in the implementation of its 2015 workplan, taking into account paragraphs 4–7 of the draft decision on methodologies for the reporting of financial information by Parties included in Annex I to the Convention;⁵
13. *Welcomes* the 2014 Standing Committee on Finance forum on the mobilization of adaptation finance;⁶
14. *Takes note* of the report of the 2014 Standing Committee on Finance forum;⁷
15. *Notes with appreciation* the progress of the work by the Standing Committee on Finance on the issue of financing for forests, taking into account different policy approaches;⁸
16. *Looks forward* to the third forum of the Standing Committee on Finance, taking place in 2015, which will focus on issues related to finance for forests;⁹
17. *Encourages* the Standing Committee on Finance to continue to engage with all relevant actors working on forests in the preparation of the forum, with a view to ensuring broad participation;
18. *Invites* the Standing Committee on Finance to consider, in the context of its forum on issues related to finance for forests, inter alia, decisions relevant to activities referred to in decision 1/CP.16, paragraph 70, including decisions 1/CP.16, 2/CP.17 and 12/CP.17 as well as decisions 9/CP.19 to 15/CP.19;
19. *Endorses* the recommendations on the provision of guidance to the operating entities provided in paragraph 10 of the report of the Standing Committee on Finance to the Conference of the Parties;¹⁰
20. *Requests* the Standing Committee on Finance to provide advice on the issue of the frequency of guidance to the Financial Mechanism and to report back to the Conference of the Parties at its twenty-first session;
21. *Welcomes* the inputs of the Technology Executive Committee and the Adaptation Committee to the work of the Standing Committee on Finance for its consideration in preparing elements of draft guidance to the operating entities;
22. *Requests* the Standing Committee on Finance to consider issues related to possible future institutional linkages and relations between the Adaptation Fund and other institutions under the Convention;

⁵ For the text of the draft decision, see FCCC/SBSTA/2014/L.26.

⁶ <http://unfccc.int/cooperation_and_support/financial_mechanism/standing_committee/items/8138.php>.

⁷ <http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/2nd_scf_forum_for_web.pdf>.

⁸ Decision 7/CP.19, paragraph 11.

⁹ Decision 9/CP.19, paragraph 20.

¹⁰ FCCC/CP/2014/5.

23. *Decides*, in accordance with decision 2/CP.17, annex VI, paragraph 10, to conduct the review of the functions of the Standing Committee on Finance no later than the twenty-third session of the Conference of the Parties (November–December 2017);

24. *Requests* the Standing Committee on Finance to consider the guidance provided to the Standing Committee on Finance in other decisions of the Conference of the Parties.

Decision -/CP.20

Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund

The Conference of the Parties,

Recalling Articles 4 and 11 of the Convention,

Taking into account decision 11/CP.1,

Recalling decisions 1/CP.16, 3/CP.17, 1/CP.18, 6/CP.18, 7/CP.18, 4/CP.19 and 5/CP.19,

1. *Welcomes* the report of the Green Climate Fund to the Conference of the Parties,¹ in particular the detailed and comprehensive list of responses of the Green Climate Fund Board to guidance received from the Conference of the Parties;²
2. *Notes with appreciation* the progress made by the Green Climate Fund, and the information contained thereon in the report of the Green Climate Fund, in particular the decision on the confirmation of the completion of the essential requirements and the commencement of the initial resource mobilization process;
3. *Welcomes with appreciation* the successful and timely initial resource mobilization process of the Green Climate Fund that led to the mobilization of USD 10.2 billion to date by contributing Parties,³ enabling the Green Climate Fund to start its activities in supporting developing country Parties of the Convention, and making it the largest dedicated climate fund;
4. *Requests* the Green Climate Fund to ensure that the ongoing resource mobilization efforts are commensurate with the ambitions of the Fund, and *calls* for contributions by other developed country Parties,⁴ as well as *invites* financial inputs from a variety of other sources, public and private, including alternative sources,⁵ throughout the initial resource mobilization process;
5. *Urges* the Green Climate Fund, the Interim Trustee, and contributors to confirm the pledges in the form of fully executed contribution agreements/arrangements, taking note that the commitment authority of the Green Climate Fund will become effective when 50 per cent of the contributions pledged by the November 2014 pledging session are reflected in fully executed contribution agreements/arrangements received by the secretariat no later than 30 April 2015 as provided for in Green Climate Fund Board decision B.08/13, annex XIX, paragraph 1(c);
6. *Notes* Green Climate Fund Board decisions, including the decisions made at its 8th meeting, regarding the formal replenishment process for the Fund;

¹ As contained in document FCCC/CP/2014/8.

² As contained in sections II and III of document FCCC/CP/2014/8.

³ Australia, Austria, Belgium, Canada, Colombia, Czech Republic, Denmark, Finland, France, Germany, Indonesia, Italy, Japan, Liechtenstein, Luxembourg, Mexico, Monaco, Mongolia, Netherlands, New Zealand, Norway, Panama, Peru, Republic of Korea, Spain, Sweden, Switzerland, United Kingdom of Great Britain and Northern Ireland, and United States of America.

⁴ As per decision 4/CP.19, paragraph 13.

⁵ As per decision 4/CP.19, paragraph 15.

7. *Welcomes* Green Climate Fund Board decision B.08/07 to start taking decisions on the approval of projects and programmes no later than its 3rd meeting in 2015;
8. *Requests* the Board of the Green Climate Fund to accelerate the operationalization of the adaptation and mitigation windows, and to ensure adequate resources for capacity-building and technology development and transfer, consistent with paragraph 38 of the Governing Instrument;⁶
9. *Also requests* the Board of the Green Climate Fund to accelerate the operationalization of the private sector facility by aiming to ensure that private sector entities and public entities with relevant experience in working with the private sector are accredited in 2015, expediting action to engage local private sector actors in developing country Parties, including small- and medium-sized enterprises in the least developed countries, small island developing States and African States, emphasizing a country-driven approach, expediting action to mobilize resources at scale, and developing a strategic approach to engaging with the private sector;
10. *Further requests* the Board of the Green Climate Fund, in the implementation of its 2015 workplan, to complete its work related to policies and procedures to accept financial inputs from non-public and alternative sources, the investment and risk management frameworks of the Green Climate Fund, the impact analysis on its initial results areas, including options for determining Board level investment portfolios across the structure of the Fund,⁷ and the approval process of the Fund, including methodologies for selecting programmes and projects that best achieve the objectives of the Fund;⁸
11. *Requests* the Board of the Green Climate Fund to consider ways by which to further increase the transparency of its proceedings;
12. *Also requests* the Board of the Green Climate Fund to accelerate the implementation of its work programme on readiness and preparatory support, ensuring that adequate resources are provided for its execution, including from the initial resource mobilization process, providing urgent support to developing countries, in particular the least developed countries, small island developing States and African States, led by their national designated authorities or focal points to build institutional capacities in accordance with Green Climate Fund Board decision B.08/11;
13. *Encourages* the timely implementation of the accreditation framework and *requests* the Board of the Green Climate Fund, in its implementation, to pay adequate attention to the priorities and needs of developing country Parties, including the least developed countries, small island developing States and African States, emphasizing the need to provide readiness support to those national and regional entities eligible for fast-tracking that request it;
14. *Invites* developing country Parties to expedite the nomination of their national designated authorities and focal points as soon as possible, as well as the selection of their national and subnational implementing entities, to facilitate their engagement with the Green Climate Fund;
15. *Requests* the Board of the Green Climate Fund, when deciding its policies and programme priorities, to consider the information and lessons learned through engagement with other relevant bodies under the Convention, and other relevant international institutions;

⁶ Annex to decision 3/CP.17.

⁷ Green Climate Fund Board decision B.08/07, paragraph (l).

⁸ Green Climate Fund Board decision B.07/03, paragraph (b).

16. *Also requests* the Green Climate Fund to enhance its collaboration with existing funds under the Convention and other climate relevant funds in order to enhance the complementarity and coherence of policies and programming at the national level;
17. *Further requests* the Board of the Green Climate Fund to further enhance the participation of all stakeholders in accordance with paragraph 71 of the Governing Instrument and other relevant Board decisions;
18. *Requests* the Board of the Green Climate Fund:
- (a) To develop a monitoring and accountability framework in accordance with Green Climate Fund Board decision B.08/02;
 - (b) To consider decisions relevant to REDD-plus,⁹ including decisions 1/CP.16, 2/CP.17, 12/CP.17 and decisions 9/CP.19, 10/CP.19, 11/CP.19, 12/CP.19, 13/CP.19, 14/CP.19 and 15/CP.19;
19. *Urges* the Green Climate Fund to ensure that staff selection is open, transparent and based on merit without discrimination, taking into account geographical and gender balance, in accordance with the administrative policies of the Green Climate Fund;¹⁰
20. *Takes note* of Green Climate Fund Board decision B.08/24 on the institutional linkage between the United Nations and the Green Climate Fund, and *requests* the Board of the Green Climate Fund to continue further deliberations on privileges and immunities, and to report on this matter to the Conference of the Parties at its twenty-first session (November–December 2015);
21. *Urges* developing country Parties to enter into bilateral agreements with the Green Climate Fund based on the template to be approved by the Board of the Green Climate Fund, in order to provide privileges and immunities for the Fund, in accordance with Green Climate Fund Board decision B.08/24, paragraph (b);
22. *Requests* the Board of the Green Climate Fund to report biennially to the Conference of the Parties on the status of existing privileges and immunities with regard to its operational activities, starting at the twenty-first session of the Conference of the Parties;
23. *Also requests* the Board of the Green Climate Fund to make available its annual report in a timely manner and no later than 12 weeks prior to a session of the Conference of the Parties in accordance with decision 6/CP.18, paragraph 15, for due consideration by Parties;
24. *Further requests* the Green Climate Fund to include in its annual report to the Conference of the Parties the recommendations of its independent redress mechanism, if any, and any actions taken by the Board in response to those recommendations;¹¹
25. *Requests* the Board of the Green Climate Fund to report to the Conference of the Parties at its twenty-first session on progress made in the implementation of this decision, as well as the elements and provisions of the guidance contained in decisions 3/CP.17, 6/CP.18, 4/CP.19 and 5/CP.19;
26. *Invites* Parties to submit to the secretariat annually, and no later than 10 weeks prior to the subsequent session of the Conference of the Parties, their views and recommendations in writing on the elements to be taken into account in developing guidance to the Green Climate Fund;

⁹ Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

¹⁰ Green Climate Fund Board decision B.06/03, annex I.

¹¹ In accordance with the annex to decision 5/CP.19, paragraph 9.

27. *Requests* the secretariat to compile the submissions referred to in paragraph 26 above into a miscellaneous document for consideration by Parties in developing guidance through the Standing Committee on Finance to the Green Climate Fund.

Decision -/CP.20

Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility

The Conference of the Parties,

Recalling decisions 12/CP.2, 3/CP.16, 5/CP.16, 7/CP.16, 11/CP.17, 9/CP.18 and 6/CP.19,

Taking note with appreciation of the annual report of the Global Environment Facility to the Conference of the Parties,¹

Taking note of the recommendations of the Standing Committee on Finance contained in its report to the Conference of the Parties with regard to the provision of draft guidance to the Global Environment Facility;²

1. *Welcomes with appreciation* the sixth replenishment of the Global Environment Facility (July 2014 to June 2018), while urging countries that have not fulfilled their pledges for the fifth replenishment of the Global Environment Facility to do so as soon as possible;
2. *Notes* that the amount of funding available for the climate change focal area was reduced in the sixth replenishment period of the Global Environment Facility and that the country allocation of some countries, including some least developed countries, small island developing States, and African States has decreased as a consequence, while highlighting that funding for climate change related interventions at the Global Environment Facility has continued to increase with pilot integrated approaches;
3. *Welcomes* the pledges and contributions made to the Least Developed Countries Fund and the Special Climate Change Fund, and *calls* for continued support to these funds;
4. *Notes* the actions being taken by the Global Environment Facility to expedite its project cycle;
5. *Encourages* the Global Environment Facility to continue to cooperate with all its implementing and project agencies as well as recipient countries in order to improve its project cycle, taking into account the report of the fifth overall performance study of the Global Environment Facility³ and the recommendations contained therein;
6. *Also encourages* the Global Environment Facility to continue to increase the overall transparency and openness of its operations, particularly with regard to the disclosure of information on the status of the implementation of projects and programmes, the project-level accountability of its implementing agencies and with respect to the timely disbursement of funds, as well as the advice provided to countries on co-financing;
7. *Welcomes* the gender mainstreaming policy of the Global Environment Facility;

¹ FCCC/CP/2014/2 and Add.1.

² Annex V to document FCCC/CP/2014/5.

³ Global Environment Facility Evaluation Office, 2014, *Fifth Overall Performance Study of the GEF: At the Crossroads for higher Impact*.

8. *Requests* the Global Environment Facility to ensure that gender mainstreaming is implemented both within its portfolio and within its structure;
9. *Takes note* of the policy on co-financing of the Global Environment Facility and the concerns regarding the implementation of this policy as raised by some Parties;
10. *Encourages* the Global Environment Facility to improve the communication of its co-financing policy so that it is better understood, and appropriately applied by accredited project agencies and the implementing agencies of the Global Environment Facility, while acknowledging the potential impacts of this policy on developing country Parties, in particular the least developed countries, small island developing States, and African States;
11. *Also encourages* the Global Environment Facility to finalize the accreditation of project agencies and to share, in its next report to the Conference of the Parties, lessons learned and progress made in its pilot accreditation of project agencies, particularly in the least developed countries, small island developing States and African States;
12. *Requests* the Global Environment Facility to continue to work with its implementing agencies to further simplify its procedures and improve the effectiveness and efficiency of the process through which Parties not included in Annex I to the Convention receive funding to meet their obligations under Article 12, paragraph 1, of the Convention;
13. *Invites* Parties to submit to the secretariat annually, in writing, and no later than 10 weeks prior to the subsequent session of the Conference of the Parties, their views and recommendations on the elements to be taken into account in developing guidance to the Global Environment Facility;
14. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 13 above when providing draft guidance to the Global Environment Facility for consideration by the Conference of the Parties;
15. *Also requests* the Global Environment Facility to include, in its annual report to the Conference of the Parties, information on the steps that it has taken to implement the guidance provided in this decision.

Decision -/CP.20

Fifth review of the Financial Mechanism

The Conference of the Parties,

Recalling decisions 3/CP.4, 2.CP.12, 1/CP.16, 2/CP.16 and 8/CP.19,

Welcoming the progress made by the Board of the Green Climate Fund in operationalizing the Green Climate Fund,

Noting that the fifth review of the Financial Mechanism focused on the Global Environment Facility owing to the fact that the Green Climate Fund is still developing its operations and that therefore it was premature to review many aspects of the Green Climate Fund,

1. *Welcomes with appreciation* the expert input to the fifth review of the Financial Mechanism provided by the Standing Committee on Finance, contained in the technical paper referred to in paragraph 3 below;
2. *Encourages* the Standing Committee on Finance to build on the same methodology and criteria in future reviews of the Financial Mechanism;
3. *Acknowledges* the executive summary of the technical paper on the fifth review, as contained in the annex, including the conclusions and recommendations made by the Standing Committee on Finance;
4. *Encourages* the operating entities of the Financial Mechanism to address, as appropriate, these recommendations in their future work, particularly with regard to the complementarity between the operating entities of the Financial Mechanism;
5. *Recognizes* the general positive assessment of the performance of the Global Environment Facility;
6. *Notes*, however, that the least developed countries and small island developing States still experience challenges in accessing the resources from the Global Environment Facility;
7. *Decides* to consider the timing of guidance provided by the Conference of the Parties to the operating entities of the Financial Mechanism, especially that guidance which has resource implications vis-à-vis the replenishment cycles of the operating entities of the Financial Mechanism, in order to ensure that key guidance is fully considered in the programming strategies and policy recommendations associated with each replenishment period of the operating entities of the Financial Mechanism;
8. *Also decides* to initiate the sixth review of the Financial Mechanism at its twenty-second session (November–December 2016), in accordance with the criteria contained in the guidelines annexed to decision 8/CP.19, or as these guidelines may be subsequently amended;
9. *Requests* the Standing Committee on Finance to provide expert input to the sixth review of the Financial Mechanism in 2017 with a view to the review being completed by the Conference of the Parties at its twenty-third session (November–December 2017).

Annex

Executive summary of the technical paper on the fifth review of the Financial Mechanism

I. Background

1. At its 6th meeting, the Standing Committee on Finance requested the secretariat to prepare a technical paper that will inform the Committee in its deliberations on the effectiveness of the Financial Mechanism and in the drafting of its expert inputs, which will be submitted to the Conference of the Parties (COP) at its twentieth session. The technical paper builds on the criteria for the review agreed by Parties at COP 19.¹ These criteria have been grouped in the following clusters of issues: (i) governance; (ii) responsiveness to COP guidance; (iii) mobilization of financial resources; (iv) delivery of financial resources; (v) results and impacts achieved with the resources provided; (vi) consistency of the activities of the Financial Mechanism with the objectives of the Convention; (vii) consistency and complementarity of the Financial Mechanism with the other sources of investment and financial flows.

2. This technical paper is informed by desk research and literature review of the sources of information identified in the updated guidelines,² complemented with past decisions related to the Financial Mechanism as well as inputs from the secretariats of the operating entities of the Financial Mechanism. Interviews with the stakeholders of the operating entities of the Financial Mechanism were also undertaken in order to generate further information. Furthermore, the technical paper also benefited from information included in the 2014 biennial assessment and overview of financial flows prepared by the Standing Committee on Finance. As there was a time limitation, it was not possible to expand the research beyond the available literature and conduct surveys on an appropriate sample of recipient countries in order to complement the areas where updated information was not available. Such an approach, however, could be undertaken in preparing for the sixth review of the Financial Mechanism.

3. The Standing Committee on Finance, having considered the technical paper, prepared this executive summary to form its expert input to the fifth review of the Financial Mechanism.

II. Key insights, conclusions and possible recommendations

A. Governance

1. Transparency of the decision-making process of the operating entities

4. An independent assessment by Transparency International evaluated the decision-making process of the Global Environment Facility (GEF) as being fairly transparent and democratic to all its stakeholders. The stakeholders of the GEF include the Parties to the relevant Conventions, the COP, donors, civil society organizations and non-governmental organizations. Decisions of the GEF Assembly and the GEF Council are made by consensus, following consultation with stakeholders who have advance access to background documents, which are prepared for these two decision-making bodies. The

¹ Annex to decision 8/CP.19.

² See footnote 1.

meetings of the GEF Council are webcast and all Council documents and decisions are available online.³

5. While it was found that there is transparency at the level of the GEF Assembly and the GEF Council, Transparency International indicated that there remains room for improvement with regard to transparency in information disclosure by GEF agencies to GEF stakeholders. Furthermore, the fourth overall performance study of the GEF⁴ also highlighted a lack of transparency at the identification phase of GEF projects.

6. Owing to the fact that the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) follow the policies, procedures and governance structure of the GEF, their stakeholders experience similar challenges to the GEF regarding transparency and accountability at the level of project implementation.

7. The governance structure of the Green Climate Fund (GCF) follows a constituency model, with an established board composed of an equal number of members from developed and developing countries. The GCF Board is independent, accountable to the COP and aims to promote transparent decision-making. The Board members are selected by their respective constituency or by a regional group within their constituency. The GCF Board meetings are not webcast but they are recorded, and the recordings are made available online⁵ three weeks after the meeting for registered users, while the meeting documents are made publicly available online⁶ before each meeting of the Board.

Conclusions

8. Based on the review by Transparency International, there is evidence that the decision-making process at the GEF is transparent. The operations and interactions of the implementing agencies of the GEF with the recipient countries during project implementation could benefit from further transparency of information disclosure on the status of implementation of the projects. This transparency is particularly critical in those recipient countries where project implementation capacity is weak.

9. With respect to the transparency at the project preparation phase, the review found that the national portfolio formulation exercises (NPFs) promoted by the GEF during the fifth replenishment period of the GEF (GEF 5) has helped to improve the transparency of project preparation. Recipient countries are therefore encouraged to continue to undertake the NPFs in order to facilitate the identification of projects.

2. Level of stakeholder involvement

10. The GEF has fostered a high level of participation from civil society organizations (CSOs), and the private sector. The GEF Civil Society Organization Network, which comprises all accredited CSOs to the GEF, takes part in the GEF process from upstream policy development to project implementation at both national and local levels. The GEF Council meetings are preceded by a meeting of the GEF Civil Society Organization Network, and in addition, two CSO representatives participate in GEF Council meetings as observers and are invited to make interventions during those meetings. The GEF is currently reviewing the Policy on Public Involvement in GEF projects, in consultation with the GEF Civil Society Organization Network, in order to formulate draft guidelines for public involvement to be presented to GEF Council in October 2014.

³ <http://www.thegef.org/gef/council_meetings>.

⁴ Available at <<http://www.thegef.org/gef/OPS4>> .

⁵ <<http://www.gcfund.org/meetings.html>>.

⁶ As footnote 5.

11. The Governing Instrument of the GCF mandates the GCF Board to make arrangements, including developing and operating accreditation processes, to allow for effective participation by accredited observers in its meetings and to invite, to participate as active observers, two civil society representatives: one each from developing and developed countries, and two private sector representatives, one each from developing and developed countries.

12. The GCF Board adopted additional rules of procedure for the Board relating to observers and an accreditation process for observers to the Fund was put in place. To date, 183 organizations including CSOs, private sector organizations and international entities have been accredited as observers to GCF Board meetings. Furthermore, all four accredited active observers from civil society and the private sector participate in GCF Board meetings and are invited to make interventions.

Conclusion and recommendation

13. The GEF has been successful in ensuring stakeholder's involvement both at the level of the GEF Council and in project implementation.

14. The GCF could build on the experience of and lessons learned from the GEF in terms of stakeholder's involvement. In this regard, the GCF may consider establishing a robust consultative process with its observers in order to ensure that adequate and timely consultation is undertaken with respect to the development of its policies, procedures, guidelines, and, later on, during the implementation of programmes and projects of the Fund.

3. Gender sensitive approaches

15. The sub-study on gender mainstreaming made in the context of the fifth overall performance study of the GEF found that the GEF secretariat had made significant efforts to implement gender mainstreaming policy, while there was scope for improvement in the application of the policy by GEF agencies. In addition, the policy recommendation of the sixth replenishment period of the GEF on further work on gender mainstreaming emphasized that more concerted efforts need to be made in order to enhance gender mainstreaming within the GEF. Accordingly, the GEF secretariat is currently developing a Gender Action Plan, which will identify ways in which to enhance gender mainstreaming, including the use of relevant gender sensitive indicators and sex-disaggregated data. The Action Plan will be presented to the GEF Council in October 2014.

16. In the light of the provisions of its governing instrument to take a Fund-wide "gender-sensitive approach", the GCF has committed to integrating gender considerations in its procedures and operational modalities. At its seventh meeting, the GCF Board approved an initial results management framework with provisions for sex-disaggregated indicators, including initial criteria for assessing programmes and projects proposals that include gender aspects. The GCF secretariat is currently preparing a draft gender action policy and action plan for consideration by the Board at its meeting in October 2014.

Conclusion and recommendation

17. The GEF has made considerable progress in mainstreaming gender into its activities. Since there is scope for improvement, an action plan is to be approved by the GEF Council in October 2014 and the results of this progress are expected to be reflected in the programmes and projects of the GEF.

18. In developing its own approach to gender mainstreaming, the GCF could build on the experience of the GEF. It is recommended that gender equality be integrated in the structure and organization of the GCF itself, and that gender sensitive criteria are taken into account in funding approvals of the Fund.

4. Environmental and social safeguards

19. The GEF Policy on Agency Minimum Standards on Environment and Social Safeguards applies across all GEF agencies. Moreover, all entities seeking to be accredited must demonstrate not only that their internal policies and procedures comply with minimum standards, but also that the entities themselves have the institutional capacities and systems in place to implement those standards. To date, all existing GEF agencies are in compliance with the environmental and social safeguards of the GEF.

20. The GCF Board has adopted, on an interim basis, the International Financial Corporation's IFC Performance Standards on Environmental and Social Sustainability, with a view to developing its own environmental and social safeguard policy within three years of becoming operational.

Conclusion and recommendation

21. As the GCF is developing its own environment and social safeguards, it should consider consistency with the safeguards of the GEF.

22. Since the GCF will also be using financial intermediaries such as commercial banks, it is recommended that the GCF also develops an appropriate oversight mechanism to ensure that the institutions to which these intermediaries will channel funding, also comply with the environmental policies and social safeguards of the GCF.

5. Fiduciary standards

23. The minimum fiduciary standards of the GEF build on international best practices. GEF agencies are responsible for monitoring and implementing these standards. To date, all existing GEF agencies are in compliance with the minimum fiduciary standards established by the GEF.

24. At its 7th meeting, the GCF Board adopted initial fiduciary principles and standards, which will be reviewed within three years of their adoption. The GCF Board also requested the secretariat to develop, under the guidance of an accreditation panel established by the Board, additional specialized fiduciary standards that may be deemed necessary in order to effectively accommodate all capacities that are required in implementing entities and intermediaries in the initial phase of operations of the Fund.

Recommendation

25. As it monitors the use of its initial fiduciary standards and reviews those standards within the next three years, the GCF should consider maintaining consistency with the standards of the GEF.

B. Responsiveness to Conference of the Parties guidance

1. Level of responsiveness to Conference of the Parties guidance

26. In assessing the responsiveness of the GEF to COP guidance, the fifth overall performance study found that the guidance by the COP is fully reflected in the strategies of the GEF and that requests from the COP are largely taken into account in programming GEF resources. It concludes that the level of responsiveness of the GEF to COP guidance is high both at the strategic and portfolio levels.

27. Some of the Parties and stakeholders of the GEF viewed the GEF to be slow in operationalizing some of the guidance provided by the COP. The fifth overall performance study of the GEF, however, indicated that there are a few issues that made it difficult for the GEF to respond to the guidance received including: (i) the lack of clarity and

prioritization in the guidance; (ii) the repetitive nature of the guidance, which has led to an enormous volume of requests to the GEF; and (iii) the timing of the provision of guidance that falls between replenishments of the GEF.

Conclusion and recommendation

28. The Evaluation Office of the GEF has found that the GEF is highly responsive to COP guidance, and that it has taken considerable steps to report to the COP in this regard. The GEF is encouraged to continue to provide information on how it has responded to the guidance it has received via its report to the COP.

29. As the GCF is under development, it is too early to assess the level of its responsiveness to COP guidance. However, the efforts made by the GCF Board to respond to COP guidance can be acknowledged.

2. Efficiency of the Global Environment Facility project cycle

30. The GEF has been making considerable efforts over the past 10 years to improve the efficiency of its project cycle. Full size projects (FSPs) approved during the first replenishment period of the GEF (GEF 1) took an average of 36 months to progress through the project preparation cycle. This already lengthy preparation time increased to 50 months for projects during the second replenishment period of the GEF (GEF 2), and to 66 months for projects during the third replenishment period of the GEF (GEF 3). However, during GEF 5, the average time for preparation of GEF project cycle dropped to 18.5 months, as the GEF Council established a standard timeframe of 18 months for project preparation.

31. Since 2012, the GEF has undertaken a series of measures that seek to improve the efficiency of its project cycle, including a pilot project for the harmonization of the GEF and World Bank project cycles. The policy recommendation of the sixth replenishment period of the GEF (GEF 6) on improving the efficiency of the GEF project cycle requested the GEF secretariat to continue to review the performance of the GEF against the current timeframe standard of 18 months from GEF Council approval and endorsement by the Chief Executive Officer of the GEF to identify: (i) more effective measures with which to expedite project preparation; and (ii) an appropriate standard project cycle timeframe for the GEF 6.

32. Consequently, the GEF secretariat will prepare, for consideration by the GEF Council at its meeting in October 2014, a set of further measures to improve the policies and procedures associated with the full project cycle, including the programmatic approach and a proposal for a policy on the cancellation of projects that exceed timeframe targets for project preparation as requested by the GEF Council at its November 2013 meeting.

Conclusion

33. It is recognized that the GEF has undertaken measures to improve the length and efficiency of its project cycle over the years. These measures have resulted in significant improvements and the GEF is encouraged to continue undertaking such measures.

C. Mobilization of financial resources

1. Amount of resources provided to developing countries

34. The GEF Trust Fund has been the primary source of grants provided to developing countries through the Financial Mechanism. Funding for climate change mitigation by the GEF has increased steadily from the GEF pilot phase to GEF 5. As at June 2014, the GEF has funded 787 projects on climate change mitigation amounting to more than USD 4.5

billion. Specifically, during GEF 5, about USD 1.2 billion of GEF funding was programmed for direct mitigation projects. Moreover in April 2014, donors pledged USD 4.43 billion to the GEF for GEF 6 (July 2014 to June 2018).

35. With the complete programming of the USD 50 million allocation for the strategic priority on adaptation under the GEF Trust Fund, funding in support of adaptation at the GEF is now delivered directly through the LDCF and the SCCF. As at 30 June 2014, about USD 1.3 billion overall has been programmed by the GEF for adaptation.

36. The LDCF and the SCCF rely on voluntary contributions from developed countries and have experienced increasing trends in contributions. Cumulative pledges to the LDCF went from USD 292 million in October 2010 to about USD 900 million in June 2014 (96 per cent has been disbursed by developed countries), while cumulative pledges to the SCCF went from USD 167 million in October 2010 to about USD 344 million in June 2014 (94 per cent has been disbursed by developed countries).

37. An important milestone was achieved at the 7th meeting of the GCF Board, when it completed the eight essential requirements for the Fund to receive, manage, programme and disburse resources, and thereby decided to commence the process for an initial resource mobilization. Although no numerical figure or target was defined for this initial resource mobilization, it was agreed that it would be commensurate with the ambition of the Fund to promote the paradigm shift towards low-emission and climate resilient development pathways in developing countries.

Conclusion

38. The GEF has mobilized resources via a replenishment process (GEF Trust Fund) and voluntary channels for the LDCF and the SCCF. Additional resources are mobilized by co-financing for GEF funds. Through the aforementioned resources combined, the GEF has raised considerable funds for climate change.

2. Amount of finance leveraged and modalities of co-financing

39. From the estimates of co-financing ratios achieved by the GEF, climate change has attained the highest co-financing ratios. As a result, climate change constitutes about 50 per cent of the total co-financing mobilized by the GEF. However, caution should be exercised when looking at these ratios, as they mask a high variability in these ratios at the project level, and the flexibility accorded by the GEF to least developed countries (LDCs) and small island developing States (SIDS), from which a higher level of co-financing is not necessarily requested during the approval process.

40. National governments have been the main source of co-financing (equivalent to about 41 per cent of GEF 4 and GEF 5 co-financing that has been mobilized), followed by the GEF agencies as the second highest provider of co-financing (about 25 per cent of GEF 4 and GEF 5 total co-financing), the private sector and bilateral, multilateral sources, foundations or NGOs.

41. Two main issues have been raised within the GEF partnership with regards to co-financing. The first is the lack of clarity in the definition and application of co-financing by the GEF. The second is that the process for seeking co-financing can delay the project cycle significantly. At its 46th meeting, in May 2014, the GEF Council approved a “revised co-financing policy”,⁷ in response to the policy recommendations of GEF 6 on co-financing and the request made by the COP to the GEF, in order to clarify the concept of co-financing and its application to the review of funding proposals. The new policy clarifies the

⁷ Available at <http://www.thegef.org/gef/sites/thegef.org/files/documents/document/Co-financing_Policy.pdf>.

definition of co-financing and approaches to promoting effective co-financing. It also sets a goal for the overall GEF portfolio of reaching a co-financing ratio of at least USD 6 (co-financing) to USD 1 (GEF) with the expectation of greater co-financing in upper middle income countries that are not SIDS. There are no project-specific co-financing requirements.

Conclusion and recommendation

42. In order to expedite the project cycle during GEF 6, the GEF should ensure that its co-financing policy is clearly understood and appropriately applied by accredited GEF project agencies and GEF implementing agencies.

3. Adequacy, predictability and sustainability of funds

43. With a replenishment process taking place every four years, funding to the GEF Trust Fund is provided in a predictable and sustainable manner by developed countries. As no assessment of the financing needs of developing countries has been agreed on at the level of the Convention, it is challenging to assess the adequacy of the financing provided to the GEF. Furthermore, since GEF is only a channel through which financial support is provided to developing countries, an assessment of the adequacy of resources mobilized for developing countries that looks only at the operating entities of the Financial Mechanism will be misleading because of its narrow scope.

44. Through the application of its System for Transparent Allocation of Resources (STAR), the GEF has made the funding for its recipient countries, especially SIDS and LDCs, fairly predictable. The mid-term evaluation undertaken by the GEF Independent Evaluation Office highlighted that STAR has contributed to making GEF operations more relevant to country needs and priorities and has led to greater transparency in GEF operations. As a result, high levels of utilization of STAR allocations were experienced during GEF 5 by all GEF recipients, with an 85 and 80 per cent utilization of overall STAR allocations by SIDS and the LDCs, respectively. Moreover, the GEF 6 policy recommendation on updating STAR stipulates measures to increase the funding allocations for the LDCs.

45. Although the LDCF has seen considerable growth over recent years, additional contributions are needed if the fund is to meet the full costs of addressing the urgent and immediate adaptation needs of the LDCs. For example, as at September 2014, no resources were available for new funding approvals under the LDCF, whereas resources amounting to USD 41.8 million were sought for five full-sized projects that had been technically cleared by the GEF secretariat. For the next GEF cycle (2014–2018), the GEF has estimated the financing needs of the LDCF at USD 700–900 million.

46. Despite a successful record both in terms of positive evaluations and accelerated approval and disbursement rates, the main obstacle to adaptation programming under the SCCF remains the lack of adequate and predictable resources. Given the continued high demand for resources from the SCCF, the GEF has reported that, for example during the fiscal year 2014, the SCCF could meet less than 30 per cent of the demand reported in the priority project documents submitted to the GEF secretariat for technical review and in the relevant work programme entry. The GEF has estimated the financing needs of the SCCF for 2014–2018 at USD 400–500 million.

47. STAR does not apply to LDCF and SCCF funding. However, the LDCF applies a principle of 'equitable access' to ensure that funding is available to all LDCs. This principle includes a ceiling intended to prevent countries with strong institutional capacity in preparing projects from depleting the limited resources of the LDCF, to the disadvantage of other LDCs. In April 2014, the ceiling was increased from USD 20 million to USD 30

million in response to the significant, additional contributions received between June and December 2013.

48. The GCF is expected to eventually have a replenishment process, as the GEF does. The GCF will aim for an equal allocation of finance to mitigation and adaptation projects over time, and for at least 50 per cent of the adaptation finance to be allocated to particularly vulnerable countries, including the LDCs, SIDS and the African States. The Board has also decided to maximize the engagement of the private sector, including through significant allocation to the Private Sector Facility of the Fund.

Conclusion and recommendations

49. The financing for climate change from the GEF Trust Fund increased significantly from GEF 4 to GEF 5. While the allocation to the GEF 6 climate change focal area has slightly decreased compared with GEF 5, there are several climate-relevant components in the new integrated approaches and within the sustainable forest management set-aside. Overall, financing for climate change related interventions has continued to increase from GEF 5 to GEF 6. Moreover, the GEF Trust Fund is considered to be predictable and sustainable. Its adequacy, however, cannot be determined since the GEF is only one of the many financing channels for climate change in developing countries.

50. The review has found that the funds provided to the LDCF and SCCF have substantially increased over the period of the review. The needs, however, have also increased during that period and there remains a backlog of fundable projects. Financing is provided to these funds via voluntary channels and is therefore not considered predictable and sustainable.

51. The GEF and the GCF may consider collaborating in the use of funding pathways that may include the LDCF and the SCCF.

D. Delivery of financial resources

1. Accessibility to funds

52. The GEF delivers financing to recipient countries' governments, to NGOs and to the private sector. This is guided by a country allocation for the different focal areas of the GEF Trust Fund. There is no allocation system for the LDCF and the SCCF. However, the GEF has established a ceiling for the LDCF in order to prevent countries with strong institutional capacity in preparing projects from depleting the limited resources of the LDCF, to the disadvantage of the other LDCs. The GEF has also established a process for direct access to the GEF Trust Fund for enabling activities, but only a few countries have applied such direct access.

53. The allocation parameters and procedures of the GEF and its agencies, as well as the capacity of countries to formulate and develop proposals, affect developing countries' access to the GEF. To further assist countries, the GEF secretariat is working to directly engage countries and increase their awareness and understanding of policies and procedures of the GEF. This is done through national dialogues and other such mechanisms.

54. During GEF 5, all developing countries including LDCs and SIDS were able to programme their STAR allocation. Estimates of the overall utilization of STAR allocations by developing countries show an uptake of 93 per cent for the overall GEF Trust Fund, with 80 and 85 per cent of utilization by LDCs and SIDS, respectively. While some of the barriers to accessing the GEF Fund were solved with STAR, co-financing remains an issue to access, especially for the LDCs and SIDS.

55. The GEF Council in 2010 decided to accredit up to 10 new GEF project agencies, at least half of them based in developing countries, in order to expand the range of agencies with which GEF recipient countries could work. Out of the 10 new project agencies to be accredited, the GEF aims to accredit at least 5 national institutions with a regional balance, at least one national institution from an LDC and at least one national institution from a middle income country. This process has moved slower than expected and the GEF is reviewing its strategy in the light of the findings of the report on the fifth overall performance study of the GEF.

56. The GCF will allow direct access to it by national institutions based in developing countries. The GCF readiness program is intended to foster a better direct engagement between it and its recipient countries. It will provide technical and capacity-building support for implementing entities (particularly national and subnational institutions) that may not meet the standards of the Fund yet.

Conclusion and recommendation

57. The GEF has made a significant effort to inform countries of the programmes and policies of the GEF, and as a result, recipient countries have utilized most of their allocations. Nevertheless, the LDCs and SIDS still face challenges in accessing all of their resources.

58. The GCF would benefit from lessons learned on the accreditation process from other funds, particularly the GEF. In the case of the GEF, the goal of accreditation of 10 project agencies was only partially achieved. The GCF may consider building on existing systems of GEF intermediaries and implementing entities, and may in the process also consider providing financial assistance to support the accreditation of national entities in recipient countries that may need it.

2. Disbursement of funds

59. The speed and efficiency of disbursement appears to be improving at the GEF, despite some challenges. While the number of projects delayed by more than two years is substantially reduced compared with GEF 4 levels, information on the amount of funding that has actually been disbursed by GEF agencies to recipient countries has not been made available in an integrated form owing to a lack of reliability of data, which is due to a lack of standard definitions of when “disbursement” takes place from GEF agencies to recipient countries. Countries have identified slow disbursements as a reason for project delays. The GEF is currently working on harmonizing the timeline for the disbursement of funds and setting performance targets.

60. There has been significant emphasis on disbursement in the LDCF and the SCCF. In the case of the former, the May 2014 annual monitoring report finds that active projects amounted to USD 134.98 million as at 30 June 2013, of which USD 46.49 million had been disbursed, representing an average disbursement rate of 38 per cent. The SCCF had committed USD 94.29 million to 21 projects by 30 June 2013, of which USD 33.22 million or 32 per cent had been disbursed.

Conclusion

61. There is a recognized need to strengthen GEF project monitoring systems in order to be able to provide better information on the level of disbursement of approved funds. The GEF should work with its agencies on establishing a standard definition of “disbursement” in order to generate a common understanding of the term within the GEF partnership and enhance transparency of its processes.

3. Country ownership of programmes and projects

62. Efforts were made to strengthen the country ownership of GEF programmes and projects during GEF 5. In this regard, the mid-term reviews of the experiences with STAR suggest that the clarity that countries now have on the scale and scope of their GEF allocation has contributed to strengthening the ownership of programming at the GEF. Additionally, countries are now also supported to undertake an NPFE to engage across governments and relevant stakeholders on how GEF resources should best be used and prioritized. In the majority of cases, the NPFE provided a helpful framework for interaction between the GEF and stakeholders, but its uptake during GEF 5 was relatively low. Participants to the GEF-6 replenishment process encouraged recipient countries to undertake NPFEs as early as possible so as to facilitate the programming of GEF 6 country allocations.

63. The concept of country ownership has been a driving principle in the design of the GCF. It is also a key element of the GCF investment framework approved in May 2014. Coherence with national policies and strategies and engagement with national stakeholders will be key considerations in fostering country ownership in the actions of the GCF. A transparent no-objection procedure is to be developed to this end. Through early investments in readiness, the GCF secretariat is beginning the process of engagement with countries in order to understand their priorities.

Recommendation

64. There is a recognized need to continue to deepen engagement at different levels of the GEF partnership as a means of fostering ownership of projects and programmes in recipient countries. Upfront support in facilitating national stakeholder engagement on how best to use country allocations has proven to be useful when done through NPFEs. Developing countries should continue to undertake NPFEs in order to facilitate the programming of their GEF 6 STAR allocations.

4. Sustainability of programmes and projects

65. The GEF defines sustainability as the maintenance of the benefits of the project and programs beyond the life of the GEF intervention. In this regard, the review found that 70 per cent of GEF projects have been rated moderately satisfactory or higher in terms of their sustainability. Financial and institutional risks, as well as staff turnover and changes in government priorities have been highlighted as potential impediments to sustainability. Mainstreaming of the activities of the projects has been found to be best practice. However, mainstreaming normally requires time that goes well beyond the life of the project.

Conclusion

66. Policy and legislative changes as well as mainstreaming have been found to promote sustainability, but cannot always be fully implemented within the lifetime of the project.

5. Enabling environments

67. A significant share of GEF 5 programmes have sought to strengthen policy and regulatory environments in order to support low-emission and climate-resilient development. In this regard, a recent evaluation of GEF support for mitigation documented causal links between support and key policy changes in a third of the projects that it reviewed. It emphasized the importance of public sector institutions, strategies and policies for the private sector replication of the approaches piloted. It found that enabling programmes that engaged key non-governmental stakeholders (including the private sector) that could be advocates for policy change were more successful.

68. Country-driven GEF projects that aim to develop and enact key policy changes may improve the enabling environment in recipient countries. However, it should be noted that strengthening policy and regulatory environments may require more time than a single GEF project cycle.

Conclusion

69. There is ample room for the GCF to learn from the experiences of other funds in terms of improving the enabling environments in recipient countries. It can do this by linking investments with focused efforts to engage stakeholders within countries in programming, and by providing technical assistance and capacity-building so as to strengthen enabling environments – institutions, policies, and regulations – that support mitigation and adaptation actions in developing countries.

E. Results and impacts

70. In an effort to assess the impacts of its activities, the GEF has created a results-based management (RBM) framework and monitoring and evaluation (M&E) requirements. The fifth overall performance study, however, has reported that the RBM framework and M&E requirements of the GEF are too onerous to be executed and had recommended that the RBM framework of GEF 6 include a limited number of outcomes that can be measured through existing or easily generated data.

71. As a result, the GEF has made and is continuing to make efforts to streamline its RBM framework in order to improve the measurement of the results and impacts of its activities.

1. Mitigation results

72. The fifth overall performance study of the GEF found that as of 30 June 2013, the GEF had allocated a total of USD 3.3 billion to 615 projects that address climate change mitigation, of which USD 3.1 billion has been allocated to 547 projects with mitigation targets. The total amount of direct and indirect mitigation impact expected from these projects is 2.6 and 8.2 billion tonnes of carbon dioxide equivalent (CO₂ eq) emissions, respectively, or 10.8 billion tonnes CO₂ eq combined.

73. Despite improving the methodologies for the measurement of greenhouse gas (GHG) emission reductions, evaluations by the GEF of mitigation impact stress the difficulties of consistent reporting. The key underpinning parameters are dynamic, and this may result in substantial changes to realized GHG emission reductions. Similarly, assessing the cost-effectiveness of interventions is difficult. The GEF has initiated a work programme in order to improve its methodologies and systems for measuring GHG reductions more consistently.

2. Adaptation results

74. Over the years, the adaptation programme of the GEF (the GEF Trust Fund, the LDCF and the SCCF) has supported focused efforts to help developing countries to adapt to and strengthen their resilience to the impacts of climate change. As at 26 September 2014, a total of 79 LDCF projects provided an estimate of the expected number of direct beneficiaries. These projects, with LDCF resources amounting to USD 386.31 million, seek to reduce the vulnerability of an estimated 8.1 million people directly. Forty-nine LDCF projects support 35 countries in their efforts to integrate climate change adaptation into 112 national development policies, plans and frameworks. The LDCF also assists countries in laying the groundwork for climate-resilient development planning through 51 projects that

will enable 34 countries to strengthen their national hydro-meteorological and climate information services.

75. Under the SCCF, 32 projects provided an estimated number of direct beneficiaries as at 26 September 2014. These projects, to which SCCF resources amounting to USD 135.72 million have been allocated, aim to reduce the vulnerability of an estimated 3.54 million people directly. In addition, 19 SCCF projects are already supporting 34 countries in their efforts to integrate climate change adaptation into 102 national development policies, plans and frameworks.

Recommendation to strengthen adaptation and mitigation results

76. The GEF and the GCF may consider collaborating to harmonize impact indicators and set new norms around reporting practice, especially in the context of adaptation finance. Furthermore, the operationalization of the GCF results-based management framework presents an opportunity to make progress in this regard.

3. Technology transfer

77. During GEF 5, the GEF promoted technology transfer at various stages of the technology development cycle, from demonstration of innovative emerging low-emission and climate-resilient technologies to diffusion of commercially-proven environmentally sound technologies and practices. Moreover, support for technology transfer has also been delivered in the context of the Poznan strategic programme on technology transfer for which a funding window of USD 50 million was created at the GEF with funds from both the GEF Trust Fund and the SCCF. The GEF has also supported the operationalization of the Climate Technology Centre and Network.

4. Capacity-building

78. The GEF has made significant investments in capacity-building, including through cross-cutting capacity-building projects as well as through capacity gained in the design and implementation of projects. Investments of the GEF covered most of the priority areas listed in the framework for capacity-building in developing countries. Furthermore, capacity-building replication and scaling up, and climate change mainstreaming into national development planning are becoming increasingly common practice within the GEF. For example, several GEF small grants projects developed into medium- and full-sized projects.

Conclusion on results and impacts

79. There is evidence that good results and impacts have been achieved with the resources provided by the GEF. Efforts to harmonize and improve the methodologies for measuring the results and impacts of the supported activities need to continue.

F. Consistency of the Financial Mechanism with the objective of the Convention

80. Article 2 of the Convention stipulates that the ultimate objective of this Convention and any legal instrument adopted by the Convention is to achieve, in accordance with the relevant provisions of the Convention, stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, within a timeframe 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. Furthermore, in accordance with decision

1/CP.16, paragraph 4, the long-term goal of holding the increase in the global average temperature below 2 °C above pre-industrial levels was recognized.

81. The review found that as an operating entity of the Financial Mechanism, the GEF, through its projects and programmes, contributes to supporting developing countries in meeting the objective of the Convention, while enhancing their resilience to the adverse effects of climate change. In relation to the below 2 °C goal, the Intergovernmental Panel on Climate Change (IPCC) has noted that emission patterns that limit temperature increase from pre-industrial levels to no more than 2° C require considerably different patterns of investment.

Conclusion

82. The GEF programmes and policies are consistent with the objectives of the Convention.

G. Consistency and complementarity of the Financial Mechanism with the other financial flows and sources of investment

83. Decision 11/CP.1, paragraph 2(a), provides that “consistency should be sought and maintained between the activities (including those related to funding) relevant to climate change undertaken outside the framework of the financial mechanism and the policies, programme priorities and eligibility criteria for activities as relevant, established by the Conference of the Parties”.

84. In terms of activities funded outside the framework of the Financial Mechanism of the Convention, the clean development mechanism (CDM) has been a successful incentive to implement mitigation action in developing countries. By the end of 2013, over 7,400 CDM projects had been registered in 93 developing countries, representing an estimated investment in excess of USD 400 billion and amounting to 1.46 billion certified emission reductions issued (or a reduction of 1.46 billion tonnes of CO₂ eq).

85. Additionally, the Clean Technology Fund (of the Climate Investment Funds (CIFs)), currently the largest multilateral mitigation fund with a cumulative capitalization of USD 5.5 billion, has been providing grants and concessional loans to developing countries.

86. While the Adaptation Fund (AF) has been an important vehicle in providing support for adaptation in developing countries. It was established to finance concrete adaptation projects and programmes in developing countries, and since its inception has allocated USD 232 million of grants to 40 developing countries. The AF has also pioneered direct access with the accreditation of national implementing entities (NIEs) in developing countries which can directly access the Fund without having to go through intermediaries. To date, 17 NIEs have been accredited to the AF.

87. Another channel that has supported adaptation in developing countries is the Pilot Programme for Climate Resilience (PPCR) of the CIFs. The PPCR funds technical assistance and investments in order to support countries’ efforts to integrate climate risk and resilience into core development planning and implementation. With a total of pledges amounting to USD 1.3 billion, the PPCR provides incentives for scaled-up action and initiates transformational change by catalysing a shift from ‘business as usual’ to broad-based strategies for achieving climate resilience at the national level.

88. In terms of ensuring complementarity with the other financial flows and sources of investment, the GEF has reported that it continues to work collaboratively with other organizations on financing complementary activities. For example, synergies have been highlighted between the Clean Technology Fund and the GEF climate change focal area, as

well as between the pilot programme on climate resilience and the LDCF and the SCCF. Furthermore, the GEF and AF have been working collaboratively in order to enhance synergies and avoid duplication of their respective actions in developing countries.

89. With the establishment of the GCF, the risk of overlap among the activities financed within and outside the Convention is high. Although duplication is not desirable, it may not be the most important issue at this time, since, as outlined by the IPCC Fifth Assessment Report, much more significant climate financing is needed than that provided at present through all of these funds combined. Moreover, the funds can collaborate with each other to learn lessons from each other's programmes and to set common performance targets. In this context, the respective funds under the Convention should be actively engaging on their strategic positioning towards the GCF and how they could foster complementarity with the latter.

90. The governing instrument of the GCF provides that the Board will develop methods to enhance complementarity between the activities of the Fund and the activities of other relevant bilateral, regional and global funding mechanisms and institutions to better mobilize the full range of financial and technical capacities.

Conclusions and recommendations

91. The GEF has developed policies and programmes that have allowed it to be complementary to the community of climate finance providers.

92. The operating entities of the Financial Mechanism and the funds under the Convention should collaborate with the view to taking advantage of the complementarity of their respective policies and programmes. The operating entities of the Financial Mechanism should provide information on the progress made in ensuring the complementarity with the other sources of climate finance in their respective reports to the COP.

93. The Standing Committee on Finance could take into account the information on the efforts of the operating entities to enhance complementarity, when providing draft guidance for consideration by the COP.

Decision -/CP.20

Further guidance to the Least Developed Countries Fund

The Conference of the Parties,

Recognizing the specific needs and special circumstances of the least developed countries, as referred to in Article 4, paragraph 9, of the Convention,

Recalling decisions 6/CP.9, 3/CP.11, 5/CP.14, 5/CP.16, 9/CP.17 and 10/CP.18,

Also recalling the least developed countries work programme, as defined in decision 5/CP.7,

1. *Welcomes* the increased allocation and disbursement of funds to least developed country Parties under the Least Developed Countries Fund;
2. *Notes* with appreciation the additional contributions made by Parties to the Least Developed Countries Fund;
3. *Notes* the report of the Global Environment Facility to the Conference of the Parties at its twentieth session;¹ and the synthesis report prepared by the secretariat on the progress made in the implementation of the remaining elements of the least developed countries work programme;²
4. *Also notes* the submission from a Party on behalf of a group of Parties on information on experiences with the implementation of the remaining elements of the least developed countries work programme;³
5. *Further notes* that the Least Developed Countries Fund has financed the preparation of 51 national adaptation programmes of action, of which 50 have been completed, and has approved the funding for 159 national adaptation programmes of action implementation projects and for programmes in 48 least developed countries (as at 3 December 2014);
6. *Encourages* developed country Parties and other Parties in a position to do so to continue contributing on a voluntary basis to the Least Developed Countries Fund in order to support the implementation of the least developed countries work programme;
7. *Invites* the Global Environment Facility, as an operating entity of the Financial Mechanism of the Convention entrusted with the operation of the Least Developed Countries Fund, to continue to support the remaining activities contained in the least developed countries work programme;
8. *Requests* the Global Environment Facility, as an operating entity of the Financial Mechanism of the Convention entrusted with the operation of the Least Developed Countries Fund, to share, in its next report, lessons learned and progress made in its pilot accreditation of Global Environment Facility national project agencies;
9. *Invites* the Global Environment Facility, as an operating entity of the Financial Mechanism of the Convention entrusted with the operation of the Least Developed Countries Fund, to include, in its annual report to the Conference of the Parties, information on specific actions that it has undertaken to implement the remaining elements of the least

¹ FCCC/CP/2014/2.

² FCCC/SBI/2014/INF.17.

³ FCCC/SBI/2014/MISC.3.

developed countries work programme, including the updating and implementation of national adaptation programmes of action, with a view to the Conference of the Parties determining, at its twenty-first session, appropriate further guidance to be provided to the Global Environment Facility;

10. *Requests* the Global Environment Facility, as an operating entity of the Financial Mechanism of the Convention entrusted with the operation of the Least Developed Countries Fund, to enhance communication with its implementing agencies and to encourage its implementing agencies to enhance their communication with countries to facilitate a timely implementation of other elements of the least developed countries work programme including national adaptation programmes of action.

Decision -/CP.20

Methodologies for the reporting of financial information by Parties included in Annex I to the Convention

The Conference of the Parties,

Recalling Articles 4, 5, 7, 10 and 12 of the Convention,

Also recalling decisions 9/CP.2, 11/CP.4, 4/CP.5 and 1/CP.16, paragraph 40,

1. *Decides* to extend by one year the deadline of the mandate given to the Subsidiary Body for Scientific and Technological Advice, as referred to in decision 2/CP.17, paragraph 19, with a view to recommending a decision on the methodologies for the reporting of financial information, as referred to in decision 2/CP.17, paragraph 19, to the Conference of the Parties at its twenty-first session (November–December 2015);
2. *Invites* Parties and observer organizations to submit to the secretariat, by 25 March 2015, views on the methodologies for the reporting of financial information, as referred to in decision 2/CP.17, paragraph 19, for compilation into a miscellaneous document;
3. *Requests* the secretariat to prepare a technical paper, prior to the forty-second sessions of the subsidiary bodies (June 2015), summarizing existing international methodologies and drawing on relevant information contained in submissions from Parties included in Annex I to the Convention, as referred to in decision 2/CP.17, paragraph 17, on their experience with reporting the first biennial reports, the submissions referred to in paragraph 2 above, information submitted by Parties on appropriate methodologies and systems used to measure and track climate finance, as referred to in decision 5/CP.18, paragraph 10, and the work of the Standing Committee on Finance on the 2014 biennial assessment and overview of climate finance flows;
4. *Also requests* the secretariat to organize a joint in-session technical workshop in conjunction with the forty-second sessions of the subsidiary bodies, drawing on the information referred to in paragraphs 2 and 3 above, so as to inform the work of the Subsidiary Body for Scientific and Technological Advice, as referred to in decision 2/CP.17, paragraph 19;
5. *Decides* that the workshop referred to in paragraph 4 above shall be jointly organized under the auspices of the Subsidiary Body for Scientific and Technological Advice, the Subsidiary Body for Implementation and the Standing Committee on Finance;
6. *Requests* the Standing Committee on Finance, as a part of its work on measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows, taking into consideration the outcomes of the joint in-session technical workshop referred to in paragraph 4 above, to include its recommendations on the methodologies for the reporting of financial information, as referred to in decision 2/CP.17, paragraph 19, in its annual report to the Conference of the Parties at its twenty-first session;
7. *Also requests* the Standing Committee on Finance to present an update on its work on this matter to the Subsidiary Body for Scientific and Technological Advice for its consideration at its forty-third session (November–December 2015);
8. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat pursuant to the provisions contained in paragraphs 3 and 4 above;

9. *Requests* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.

Decision -/CP.20

Fifth Assessment Report of the Intergovernmental Panel on Climate Change

The Conference of the Parties,

Recalling decisions 6/CP.1, 6/CP.2, 25/CP.7 and 5/CP.13,

1. *Welcomes* the Fifth Assessment Report of the Intergovernmental Panel on Climate Change;
 2. *Expresses* its appreciation and gratitude to all those involved in the preparation of the Fifth Assessment Report for their excellent work;
 3. *Recognizes* that the Fifth Assessment Report represents the most comprehensive and robust assessment of climate change to date, providing an integrated scientific, technical and socioeconomic perspective on relevant issues;
 4. *Acknowledges* that the Fifth Assessment Report provides the scientific foundation for the Ad Hoc Working Group on the Durban Platform for Enhanced Action;
 5. *Urges* Parties to the Convention to make use of the information contained in the Fifth Assessment Report in their discussions under all relevant agenda items;
 6. *Encourages* Parties to draw on the information contained in the Fifth Assessment Report in the development of their national policies on climate change, as appropriate;
 7. *Invites* the Intergovernmental Panel on Climate Change to continue to provide relevant information to Parties on the scientific, technical and socioeconomic aspects of climate change, taking into account the work of the UNFCCC in determining its future products and assessment cycles;
 8. *Encourages* Parties to continue to support the work of the Intergovernmental Panel on Climate Change.
-

Decision -/CP.20

Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention

The Conference of the Parties,

Recalling the relevant provisions of the Convention, in particular its Articles 4 and 12, and decisions 2/CP.1, 9/CP.2, 6/CP.3, 6/CP.5, 33/CP.7, 19/CP.8, 2/CP.9, 18/CP.10, 1/CP.13, 1/CP.16, 2/CP.17, 23/CP.19 and 24/CP.19,

Noting the work programme established in decision 2/CP.17 on the revision of the guidelines for the review of biennial reports and national communications, including national inventory reviews,

Also noting that, while the revision of the review guidelines for national communications and biennial reports was completed at the nineteenth session of the Conference of the Parties, the revision of the review guidelines for greenhouse gas inventories was to be completed by the twentieth session of the Conference of the Parties,

Recognizing the improvements that Parties included in Annex I to the Convention (Annex I Parties) have made in providing complete and timely annual greenhouse gas inventories,

Having considered the experience gained in the review of information submitted by Annex I Parties to date and the need to have a cost-effective, efficient and practical review process that does not impose an excessive burden on Parties, experts or the secretariat,

Having also considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Decides* to revise the “Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention”, adopted by decision 23/CP.19, to make the necessary changes to include “Part III: UNFCCC guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention”;
2. *Also decides* that the “Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention” contained in the annex shall be used for the review of biennial reports, national communications and greenhouse gas inventories, effective immediately;
3. *Requests* the secretariat to coordinate the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention in accordance with the provisions of the guidelines contained in the annex, subject to the availability of financial resources;
4. *Also requests* the secretariat to develop and implement a standardized set of data comparisons, and to select a group of experienced review experts from among the lead

reviewers of the greenhouse gas inventories to conduct an assessment of those data comparisons every five years;

5. *Decides* that the group referred to in paragraph 4 above, using the assessment described in the same paragraph, should, for consideration at the next meeting of lead reviewers for greenhouse gas inventories:

(a) Explore additional standardized data comparisons, based on the requirements in paragraph 68 of the annex, as well as the past experiences with the data comparisons carried out in previous review cycles;

(b) Consider whether the standardized set of data comparisons implemented remains useful;

6. *Requests* the secretariat to include in the report referred to in paragraph 44 of the annex any revised set of the standardized data comparisons, for consideration by the Subsidiary Body for Scientific and Technological Advice;

7. *Also requests* the secretariat, in view of the adoption of “Part III: UNFCCC guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention”, to modify the relevant information technology tools, as needed, to support the implementation of the review process, recognizing that the modification of those tools will require time and effort and that the implementation of the modifications will need to take place during the 2015–2016 review cycles;

8. *Further requests* the secretariat, as part of the technical review of annual national greenhouse gas inventories, to compile and tabulate aggregate information¹ and trends concerning greenhouse gas emissions by sources and removals by sinks from the latest available greenhouse gas inventory submissions of Parties included in Annex I to the Convention (Annex I Parties), and any other inventory information, and to publish this information on the UNFCCC website electronically as well as in a stand-alone document;

9. *Notes* that the document referred to in paragraph 8 above:

(a) Will provide aggregate information to the Conference of the Parties on greenhouse gas emissions by sources and removals by sinks and their trends for all Annex I Parties;

(b) Allows comparisons across Annex I Parties, as well as compiles and compares information across Annex I Parties in a tabular and, as appropriate, graphical format;

(c) May also be used as an input to the individual technical review process;

10. *Decides* that a summary of the document mentioned in paragraph 8 above will be published in electronic format for consideration by the Conference of the Parties and the subsidiary bodies, and that this summary will include trends in greenhouse gas emissions by sources and removals by sinks and an assessment of the adherence of the reported inventory information to the “Guidelines for the preparation of national communications by Parties

¹ Containing the information on:

(a) For key categories, based on the approach 1 of the *2006 IPCC Guidelines for National Greenhouse Gas Inventories*, and other selected categories: (i) methodologies used in the preparation of the inventories; (ii) implied emission factors, default values and ranges contained in the *2006 IPCC Guidelines for National Greenhouse Gas Inventories*; (iii) reported activity data and data from authoritative sources, taking into account the conclusions of the meeting of the lead reviewers for greenhouse gas inventories and agreed by the Subsidiary Body for Scientific and Technological Advice if possible; (iv) other information provided in the various common reporting format tables;

(b) Estimates of carbon dioxide (CO₂) emissions from fuel combustion using the Intergovernmental Panel on Climate Change reference approach compared with estimates of CO₂ emissions from fuel combustion using a national (sectoral) approach;

(c) Inventory recalculations.

included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories” and the provisions of relevant decisions of the Conference of the Parties, including information on any delays in submitting the annual inventory information;

11. *Recognizes* that the deadline, as set out in paragraph 5 of decision 24/CP.19, for providing the upgraded common reporting format (CRF) Reporter to Annex I Parties, enabling them to submit their greenhouse gas inventories, was not met;

12. *Notes* that version 5.0.0 of the CRF Reporter is not functioning² in order to enable Annex I Parties to submit their common reporting format tables for the year 2015;

13. *Reiterates* that Annex I Parties in 2015 may submit their common reporting format tables after 15 April, but no longer than the corresponding delay in the CRF Reporter availability;

14. *Urges* Annex I Parties to submit the information referred to in paragraph 13 above as soon as practically possible;

15. *Requests* the Subsidiary Body for Scientific and Technological Advice to consider, at its forty-eighth session (May 2018), the experiences in conducting desk reviews, taking into consideration any relevant conclusions of the meetings of lead reviewers for greenhouse gas inventories up to 2017.

² Functioning software means that the data on greenhouse emissions/removals are reported accurately both in terms of common reporting format tables and XML format.

Annex

Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention

PART I: STRUCTURE OF THE REVIEW GUIDELINES

1. The UNFCCC guidelines for review of annual inventories are composed of Part II and Part III of these guidelines.
2. The UNFCCC guidelines for review of biennial reports are composed of Part II and Part IV of these guidelines.
3. The UNFCCC guidelines for review of national communications are composed of Part II and Part V of these guidelines.

PART II: GENERAL APPROACH TO THE REVIEW

A. Applicability

4. Information provided by Parties included in Annex I to the Convention (Annex I Parties) in their greenhouse gas (GHG) inventories, biennial reports (BRs) and national communications (NCs) will be subject to reviews pursuant to relevant decisions of the Conference of the Parties (COP), in accordance with the provisions of these guidelines.

B. Objectives

5. The objectives of the review of information reported under the Convention related to GHG inventories, BRs and NCs and pursuant to relevant decisions of the COP are the following:
 - (a) To provide, in a facilitative, non-confrontational, open and transparent manner, a thorough, objective and comprehensive technical review of all aspects of the implementation of the Convention by individual Annex I Parties and Annex I Parties as a whole;
 - (b) To promote the provision of consistent, transparent, comparable, accurate and complete information by Annex I Parties;
 - (c) To assist Annex I Parties in improving their reporting of information contained in GHG inventories, BRs and NCs and pursuant to other relevant decisions of the COP and the implementation of their commitments under the Convention;
 - (d) To ensure that the COP has accurate, consistent and relevant information in order to review the implementation of the Convention.
6. The objectives of the review guidelines are to promote consistency, comparability and transparency in the review of information reported under the Convention related to GHG inventories, BRs and NCs.

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C. General approach

7. The provisions of these guidelines will apply to the review of information reported under the Convention related to GHG inventories, BRs and NCs and pursuant to relevant decisions of the COP.
8. Specific provisions for the review of GHG inventories, NCs and BRs are included in specific parts of these review guidelines.
9. The same information submitted by an Annex I Party in its BR, NC and GHG inventory will be reviewed only once, by an expert review team (ERT).
10. The ERTs shall provide a thorough and comprehensive technical review of all aspects of the implementation of the Convention by Annex I Parties and shall identify any potential issues referred to in paragraphs 81 (inventory section), 105 and 119 below. The ERTs shall conduct technical reviews to provide information expeditiously to the COP in accordance with the procedures detailed in these guidelines.
11. At any stage in the review process, the ERTs may put questions to, or request additional or clarifying information from, the Annex I Parties under review regarding identified issues. The ERTs should offer suggestions and advice to those Annex I Parties on how to resolve such issues, taking into account the national circumstances of the Party under review. The ERTs shall also provide technical advice to the COP or the Subsidiary Body for Implementation (SBI), upon request.
12. The Annex I Parties under review should provide the ERTs with access to the information necessary to substantiate and clarify the implementation of their commitments under the Convention, in accordance with the relevant reporting guidelines adopted by the COP, and, during in-country visits, should also provide appropriate working facilities. The Parties should make every reasonable effort to respond to all questions and requests of the ERTs for additional clarifying information.

Confidentiality

13. In response to a request from the ERT for additional data or information, or access to data used in the preparation of the GHG inventory, BR and NC reports, an Annex I Party may indicate whether such information or data are confidential. In such a case, the Party should provide the basis for protecting such information, including any domestic law, and, upon receipt of assurance that the data will be maintained as confidential by the ERT, will submit the confidential data in accordance with domestic law and in a manner that allows the ERT access to sufficient information or data for the assessment of the implementation of the commitments under the Convention by Annex I Parties and the conformity with the relevant methodological guidance as agreed by the COP. Any confidential information or data submitted by a Party in accordance with this paragraph shall be maintained as confidential by the ERT, in accordance with any decisions on this matter adopted by the COP.
14. An ERT member's obligation not to disclose confidential information and data submitted by a Party in accordance with paragraph 13 above shall continue after the termination of his or her service on the ERT.

D. Timing and procedures

I. Review of greenhouse gas inventories

15. Each GHG inventory submitted under the Convention by an Annex I Party will be subject to review, in accordance with part II and part III of these guidelines.

II. Review of biennial reports

16. Each BR submitted under the Convention by an Annex I Party will be subject to a review by an ERT, in accordance with part II and part IV of these guidelines.
17. The ERTs shall make every effort to complete the individual review of BRs within 15 months of the due date of their submission for each Annex I Party.
18. In the years when NCs and BRs are submitted together, both the NC and BR will be subject to an in-country review.
19. In the years when the BR is not reported in conjunction with the NC, the BR shall be subject to a centralized review. However, the ERT, based on the findings of the review,¹ can recommend that the next review be an in-country review and, upon a Party's request, the secretariat shall organize an in-country review for that Party.
20. The secretariat, where appropriate, may consider other UNFCCC review processes when coordinating BR and NC reviews, in particular with a view to addressing the need to improve the cost-effectiveness of the review process and national circumstances.

III. Review of national communications

21. The ERTs shall make every effort to complete the individual review of NCs within 15 months of the due date of their submission for each Annex I Party.
22. Each NC submitted under the Convention by an Annex I Party shall be subject to a scheduled in-country review by an ERT, in accordance with part II and part V of these guidelines.
23. The secretariat, where appropriate, shall consider other UNFCCC review processes when coordinating BR and NC reviews, in particular with a view to addressing the need to improve the cost-effectiveness of the review process and national circumstances.

E. **Expert review teams and institutional arrangements**

I. Expert review teams

24. Each submission of information reported under the Convention related to GHG inventories, BRs and NCs and pursuant to relevant decisions of the COP shall be assigned to a single ERT, which shall be responsible for performing the review thereof in accordance with the procedures and time frames established in these guidelines. The submissions of an Annex I Party shall not be reviewed in two successive reviews by an ERT with identical composition.
25. Each ERT shall provide a thorough and comprehensive technical review of the information reported under the Convention related to GHG inventories, BRs and NCs and pursuant to relevant decisions of the COP and shall, under its collective responsibility, prepare a review report, assessing the implementation of the commitments of the Annex I Party and identifying any potential issues referred to in paragraphs 81 (GHG inventory section), 105 and 119 below. The ERTs shall refrain from making any political judgement.
26. The ERTs shall be coordinated by the secretariat and shall be composed of experts selected on an ad hoc basis from the UNFCCC roster of experts and shall include lead reviewers. The ERTs formed to carry out the tasks under the provisions of these guidelines may vary in size and composition, taking into account the national circumstances of the Party under review, the format of the review, the number of reports and the different needs for expertise for each review task. Additional experts may be added to a review team where necessary.

¹ The findings from the ERT are related to issues indicated in paragraph 105.

27. Participating experts shall serve in their personal capacity.
28. Experts shall be nominated by Parties to the Convention to the UNFCCC roster of experts and, as appropriate, by intergovernmental organizations.
29. Participating experts shall have recognized competence in the areas to be reviewed in accordance with these guidelines. The training to be provided to the experts, and the subsequent assessment after the completion of the training² and/or any other means needed to ensure the necessary competence of the experts for their participation in ERTs, shall be designed and operationalized by the secretariat in accordance with relevant decisions of the COP.
30. Experts selected for a specific review activity shall neither be nationals of the Party under review nor be nominated or funded by that Party.
31. Participating experts from Parties not included in Annex I to the Convention (non-Annex I Parties) and Annex I Parties with economies in transition shall be funded according to the existing procedures for participation in UNFCCC activities. Experts from other Annex I Parties shall be funded by their governments.
32. In conducting reviews, the ERTs shall adhere to these guidelines and work on the basis of established and published procedures agreed upon by the COP and the Subsidiary Body for Scientific and Technological Advice (SBSTA), including quality assurance (QA) and quality control (QC) and confidentiality provisions.

II. Competences of the expert review teams

33. The competences required to be a member of an ERT for the technical review of GHG inventories are in the areas referred to in paragraph 75 in part III of these guidelines.
34. The competences required to be a member of an ERT for the technical review of BRs are in the areas referred to in paragraph 104(c) in part IV of these guidelines.
35. The competences required to be a member of an ERT for the technical review of NCs are in the areas referred to in paragraph 118(c) below in part V of these guidelines.

III. Composition of the expert review teams

36. The secretariat shall select the members of the ERTs to review the GHG inventories, BRs and NCs submitted under the Convention and pursuant to relevant decisions of the COP in such a way that the collective skills and competencies of the ERTs address the areas mentioned in paragraphs 33, 34 and 35 above, respectively.
37. The secretariat shall select the members of the ERTs with a view to achieving a balance between experts from Annex I and non-Annex I Parties in the overall composition of the ERTs, without compromising the selection criteria referred to in paragraph 36 above. The secretariat shall make every effort to ensure geographical balance among the experts selected from non-Annex I Parties and among those selected from Annex I Parties.
38. The secretariat shall ensure that in any ERT one co-lead reviewer shall be from an Annex I Party and one from a non-Annex I Party.
39. Without compromising the selection criteria referred to in paragraphs 33, 34 and 35 above, the formation of ERTs should ensure, to the extent possible, that at least one member is fluent in the language of the Party under review.
40. The secretariat shall prepare an annual report to the SBSTA on the composition of ERTs, including the selection of experts for the review teams and the lead reviewers, and

² The experts that opt not to participate in the training have to undergo a similar assessment successfully to enable them to qualify for participation in ERTs.

on the actions taken to ensure the application of the selection criteria referred to in paragraphs 36 and 37 above.

IV. Lead reviewers

41. Lead reviewers shall act as co-lead reviewers for the ERTs in accordance with these guidelines.
42. Lead reviewers should ensure that the reviews in which they participate are performed by each ERT according to the relevant review guidelines and consistently across Parties. They should also ensure the quality and objectivity of the thorough and comprehensive technical examinations in the reviews and provide for the continuity, comparability and timeliness of the reviews.
43. With the administrative support of the secretariat, lead reviewers shall, for each review:
 - (a) Ensure that the reviewers have all of the necessary information provided by the secretariat prior to the review;
 - (b) Monitor the progress of the review;
 - (c) Coordinate the submission of queries of the ERT to the Party under review and coordinate the inclusion of the answers in the review report;
 - (d) Provide technical advice to the members of the ERT, if needed;
 - (e) Ensure that the review is performed and the review report is prepared in accordance with these guidelines;
 - (f) Ensure that the ERT gives priority to issues raised in previous review reports.
44. Lead reviewers shall also collectively prepare an annual report to the SBSTA as part of the annual report referred to in paragraph 40 above, containing suggestions on how to improve the quality, efficiency and consistency of the reviews in the light of paragraph 5 above of these guidelines.

V. Ad hoc review experts

45. Ad hoc review experts shall be selected by the secretariat from those nominated by Parties or, exceptionally and only when the required expertise for the task is not available among them, from those nominated by relevant intergovernmental organizations belonging to the UNFCCC roster of experts for specific reviews. They shall perform individual review tasks in accordance with the duties set out in their nomination.
46. Review experts shall, as necessary, perform desk review tasks in their home countries and participate in in-country visits and centralized reviews.

VI. Role of the secretariat

47. The secretariat shall organize the reviews, including the preparation of a schedule for the review, the coordination of the practical arrangements concerning the review and the provision of all relevant reported information to the ERT concerned.
48. The secretariat shall develop review tools and materials and templates for review reports under the guidance of the lead reviewers.
49. The secretariat shall coordinate, together with the lead reviewers, the communication during the review between the ERT concerned and the Party under review and shall maintain a record of communications between ERTs and Parties.
50. The secretariat, together with the lead reviewers, shall compile and edit the final review reports.

51. The secretariat shall facilitate annual meetings of the lead reviewers for GHG inventories, BRs and NCs. It shall summarize information on issues raised in the reviews to facilitate the work of lead reviewers in fulfilling their task to ensure consistency in the reviews across Parties.

52. The secretariat shall design and implement training activities for review experts, including lead reviewers, and the subsequent assessment of the experts' qualifications, under the guidance of the SBSTA (see para. 29 above).

VII. Guidance provided by the Subsidiary Body for Scientific and Technological Advice

53. The SBSTA shall provide general guidance to the secretariat on the selection of experts and the coordination of the ERTs, and to the ERTs on the expert review process. The reports mentioned in paragraphs 40 and 44 above are intended to provide the SBSTA with inputs for elaborating such guidance.

F. Reporting and publication

54. The ERTs shall, under their collective responsibility, produce review reports. The review of the same information (see para. 9 above) shall be reflected in one report only. The following review reports should be produced for each Annex I Party:

(a) For the review of GHG inventories, a final report on the review of the GHG inventory, in accordance with part II and part III of these guidelines;

(b) For the review of BRs, a technical report on the review of the BR, in accordance with part II and part IV of these guidelines;

(c) For the review of NCs, a report on the review of the NC, in accordance with part II and part V of these guidelines.

55. The review reports for each Annex I Party shall follow a format and outline comparable to that set out in paragraph 56 below and shall include the specific elements described in parts III–V of these guidelines.

56. All review reports prepared by ERTs shall include the following elements:

(a) An introduction and a summary;

(b) A description of the technical review of each of the elements reviewed according to the relevant sections on the scope of the review detailed in parts III–V of these guidelines, including:

(i) A description of any potential issues identified in accordance with paragraphs 81, 105 and 119 below;

(ii) Any suggestions provided by the ERT to resolve the potential issues;

(iii) An assessment of any efforts made by the Annex I Party under review to address any potential issues identified by the ERT during the current review or during previous reviews that have not been addressed;

(iv) The sources of information used in the formulation of the final report.

57. Following their completion, all review reports shall be published and forwarded by the secretariat, together with a written comment on the final review report made by the Party under review, to the Party concerned, the COP and the subsidiary bodies, as appropriate, following these guidelines.

PART III: UNFCCC Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention

A. Purpose of the review

58. The purpose of the technical review of Annex I Parties' GHG inventories is:

(a) To ensure that the COP has adequate and reliable information on annual inventories and emission trends of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol;

(b) To provide the COP with an objective, consistent, transparent, thorough and comprehensive technical assessment of the annual quantitative and qualitative inventory information submitted by Annex I Parties, and a technical assessment of the implementation of Annex I Parties' commitments under Article 4, paragraph 1(a), and Article 12, paragraph 1(a), of the Convention;

(c) To examine, in a facilitative and open manner, the reported inventory information for consistency with the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories" (decision 24/CP.19) (hereinafter referred to as the UNFCCC Annex I inventory reporting guidelines), the Intergovernmental Panel on Climate Change (IPCC) *2006 IPCC Guidelines for National Greenhouse Gas Inventories* (hereinafter referred to as the 2006 IPCC Guidelines) as implemented through the UNFCCC Annex I inventory reporting guidelines and, if applied, the *2013 Supplement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories: Wetlands* (hereinafter referred to as the Wetlands Supplement) and any additional guidance adopted by the COP;

(d) To assist Annex I Parties in improving the quality of their GHG inventories;

(e) To inform the review of BRs and NCs and to ensure that the COP has reliable information on the implementation of commitments under the Convention by each Annex I Party and Annex I Parties as a whole with a view to promoting comparability and building confidence.

B. General procedures

59. GHG inventory submissions, comprising the national inventory report (NIR) and the common reporting format (CRF) tables, from all Annex I Parties will be subject to an annual technical review.

60. The annual technical review process comprises two stages which consider different aspects of the inventories in such a way that all of the purposes described above are achieved by the end of the process. The two stages are:

(a) Initial assessment by the secretariat;

(b) Review of individual annual inventories by the ERT.

61. The stages of the technical review process complement each other so that, in general, for each Annex I Party, one stage is concluded before the next one is undertaken.

62. Three operational approaches may be used during the second stage of the technical review, namely desk reviews, centralized reviews and in-country reviews, assuming available resources. During a desk review, the inventory information of Annex I Parties will be sent to experts, who will conduct the review in their own countries. During a centralized review, the experts will meet in a single location to review the inventory information of Annex I Parties. During an in-country review, experts will visit an Annex I Party to review the inventory information of that Party.

63. The review of individual inventories of Annex I Parties will be conducted annually either as a desk review, as a centralized review or as an in-country review. The GHG inventory of each Annex I Party shall be subject to a desk review at most once every three years. Desk reviews will be conducted only by experienced experts. The GHG inventory of each Annex I Party will be subject to an in-country review at least once every five years. In-country visits will be scheduled, planned and take place with the consent of, and close coordination with, the Annex I Party subject to review. In general, during a centralized review, up to four GHG inventories should be reviewed; during a desk review up to two GHG inventories should be reviewed. In exceptional circumstances where an individual member of an ERT is unable to attend the centralized or in-country review, that member may contribute to that review from his/her desk. The scope of the individual review differs between years with desk reviews and years with centralized reviews as defined in paragraphs 75 and 76 below.

64. The ERT, based on the findings of the review,³ can recommend that the next review be an in-country review. The ERT shall provide in the review report a rationale for the additional in-country review and a list of questions and issues to be addressed during the in-country review. The in-country review shall then be scheduled for the year following the review that recommended such a visit.

65. Upon an Annex I Party's request, the secretariat shall organize an in-country review for that Party. The request for an in-country review shall be submitted to the secretariat no later than the inventory submission due date.

66. At all stages of the inventory review process, individual Annex I Parties under review will have the opportunity to clarify issues or provide additional information. The secretariat will send to these Annex I Parties drafts and the final version of their status report, assessment report and their individual inventory review report. The ERT shall provide a list of preliminary main findings to the Annex I Party at the end of the review week. The ERT shall produce the final version of the review report, taking into account the comments of the Annex I Party. Every effort will be made to reach agreement with each Annex I Party on the content of a report prior to its publication. In the case of an Annex I Party and the expert team being unable to agree on an issue, the Party may provide explanatory text to be included in a separate section of the final review report. All final review reports shall be published and forwarded by the secretariat, together with any written comments on the final review report by the Annex I Party that is the subject of the report, to the COP.

C. Scope of the review

I. Initial assessment

67. The secretariat shall conduct an initial assessment annually to examine that each Annex I Party has submitted a consistent, complete and timely annual inventory in the correct format, including the NIR and the CRF tables, and to identify issues for further consideration during the review of individual inventories.

68. The checks will include a standardized set of data comparisons mainly based on the CRF data and identify:

(a) Whether an Annex I Party has submitted an annual inventory or the NIR or the CRF tables by the due date, or within six weeks of the due date;

(b) Whether the submission is complete in terms of whether an NIR and all CRF tables were submitted;

³ The findings from the ERT are related to issues as defined in paragraph 81 below.

(c) Whether all required sources, sinks and gases⁴ included in the UNFCCC Annex I inventory reporting guidelines as well as any additional guidance adopted by the COP are reported and if any additional gases or sources have been reported;

(d) Whether all CRF tables have been completed and any gaps have been explained in the CRF tables by the use of notation keys (such as “NE”, “NA”, “NO”, “IE”, “C”),⁵

(e) Whether emission estimates are provided for all required years;

(f) Whether methodologies are indicated with notations in the CRF tables;

(g) Whether estimates for CO₂ emissions from fossil fuel combustion are reported using the IPCC reference approach in addition to estimates derived using a sectoral approach;

(h) Whether emission estimates for hydrofluorocarbons and perfluorocarbons are reported by individual chemical species;

(i) Whether any recalculations are reported for the entire time series and explanatory information relating to these recalculations is provided in the NIR;

(j) Whether emissions from fuel used in international transportation are reported separately from national totals;

(k) Whether key categories have been reported in the NIR and whether the results are consistent with those automatically reported in the CRF tables;

(l) Whether the tables on uncertainties have been reported;

69. The initial assessment will cover the national inventory submission and previous national inventory submissions, where relevant, and will also:

(a) Identify whether there are any irregularities or inconsistencies in implied emission factors and other inventory data, including emission or removal estimates and activity data, across Annex I Parties and compared with data of previous years or from previous submissions;

(b) Identify whether there are irregularities in activity data compared with activity data from other relevant authoritative sources, if available, taking into account the conclusions of the meeting of the lead reviewers for GHG inventories and agreed by the SBSTA;

(c) Identify whether there are issues within source or sink categories requiring further consideration or clarification during the individual review stage, particularly recurring issues, taking into account responses from previous reviews or recommendations provided in previous reviews;

(d) Examine inventory recalculations and the consistency of the time series;

(e) Identify whether there are any inconsistencies between the information in the CRF tables and related information in the NIR.

⁴ In Part III “UNFCCC Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention” of the present guidelines, required sources, sinks and gases are those sources, sinks and gases referred to in a provision with a “shall” in the UNFCCC Annex I inventory reporting guidelines.

⁵ NE = not estimated, NA = not applicable, NO = not occurring, IE = included elsewhere, C = confidential.

70. The secretariat shall compare any findings from the initial assessment specific to individual Annex I Parties with findings and responses from Parties from previous reviews. For this purpose, a communication tool with findings and responses from Annex I Parties should be developed and maintained that registers findings from the initial assessment and questions from ERTs together with responses from Parties over time. The ERTs should have access to past exchanges between Annex I Parties and reviewers via this tool.

71. The secretariat shall immediately notify the Annex I Party concerned of any omissions or issues identified with a Party's submission that prevent the performance of the initial assessment.

II. Review of individual annual inventories

72. ERTs, coordinated by the secretariat, shall conduct reviews of individual GHG inventories in order to assess whether the COP has accurate, consistent and relevant information on annual GHG inventories. The individual reviews will be conducted in accordance with paragraphs 75 and 76 below. The individual inventory review shall cover each Annex I Party's national inventory, supplementary material submitted by the Party and, if necessary for the review of recalculations and inventory improvements, previous inventory submissions.

73. ERTs shall pay particular attention to key categories, those areas of the inventory where issues have been identified and recommendations made in previous reviews, or stages of the review, progress in the implementation of the planned improvements, or where recalculations or other changes have been reported by the Annex I Party. Focus should be given to issues that have an impact on the level and/or trend of total national GHG emissions and removals, taking into account national circumstances, as appropriate. The Party may respond to an ERT identification of an issue with information about the amount of effort and resources required for an improvement relative to the impact on the level and/or trend of total national GHG emissions or removals for consideration by the ERT. ERTs should not perform an individual review in cases where an NIR has not been provided.

74. In addition to the tasks mentioned in paragraph 75 below, ERTs conducting in-country reviews will consider the 'paper trail' of the inventory from the collection of data to the reported emission estimates and will examine procedures and institutional arrangements for inventory development and management, including QA and QC, record-keeping and documentation procedures. During subsequent centralized reviews, the ERTs will identify any changes that may have occurred in these procedures and institutional arrangements, based on the information provided in the NIRs of Annex I Parties and further information from the Parties provided to the ERT.

75. Each ERT shall for centralized and in-country reviews:

(a) Examine application of the requirements of the UNFCCC Annex I inventory reporting guidelines and any further guidance adopted by the COP, and, if applied, the Wetlands Supplement, and identify any departure from these requirements;

(b) Examine whether the 2006 IPCC Guidelines as implemented through the UNFCCC Annex I inventory reporting guidelines and any supplementary methodologies adopted by the COP and, if applied, the Wetlands Supplement was applied and documented, in particular noting the identification of key categories, selection and use of methodologies and assumptions, development and selection of emission factors, collection and selection of activity data, reporting of recalculations and consistent time-series, reporting of uncertainties related to inventory estimates, methodologies used for estimating those uncertainties and QA/QC procedures, and identify any inconsistencies;

(c) Compare emission or removal estimates, activity data, implied emission factors and any recalculations with data from previous submissions of the Annex I Party to identify any irregularities or inconsistencies;

- (d) Identify any missing categories and examine any explanatory information relating to their exclusion from the GHG inventory;
- (e) Assess the consistency of information in the CRF tables with that in the NIR;
- (f) Assess the extent to which issues raised in the initial assessment of annual inventories, and issues and questions raised by ERTs in previous reports, have been addressed and resolved. The ERT shall assess information on changes in response to recommendations from the previous ERT, which may include the progress made in implementing improvements taking into consideration the publication date of the previous review report and national circumstances;
- (g) Where applicable, identify areas for further improvement of the inventories taking into account, inter alia, paragraph 73 above and note possible ways for improving the estimation and the reporting of inventory information;
- (h) Assess whether the national inventory arrangements for the estimation of anthropogenic GHG emissions by sources and removals by sinks are performing the required functions and facilitating the continuous improvement of the GHG inventory;
- (i) Whether all emissions are reported without corrections relating, for example, to climate variations or trade of electricity.

76. During desk reviews, the ERT shall prioritize addressing the following tasks and should address the elements in paragraph 75 above for key categories:

- (a) Assess the extent to which issues raised in the initial assessment of annual inventories, and issues and questions raised by ERTs in previous reports, have been addressed and resolved. The ERT shall assess information on changes in response to recommendations from the previous ERT, which may include the progress made in implementing improvements taking into consideration the publication date of the previous review report and national circumstances;
- (b) Analyse any recalculations that have changed the emission/removal estimate for a category by more than 2 per cent and/or national total emissions by more than 0.5 per cent as provided in the CRF tables for any of the recalculated years and assess the reasons provided by the Annex I Party for the recalculations and improvements performed as well as the consistency of the revised estimates with the 2006 IPCC Guidelines as implemented through the UNFCCC Annex I inventory reporting guidelines.

77. The ERT may compare the activity data of the Annex I Party with relevant authoritative sources taking into account the conclusions of the meeting of the lead reviewers for GHG inventories and agreed by the SBSTA, if feasible, and identify if there are significant differences which have not been explained by the Party. In cases where significant differences between the data sources are identified, the ERT shall provide the Annex I Party with the data used to make its assessment where it is possible to do so. Recommendations based on the outcome of the data comparison should not appear in the review report in cases where it is not possible to provide the Party with the data.

78. The secretariat shall support the individual review with the development of review tools and materials that support the tasks of the ERTs in order to improve the efficiency and consistency of the reviews. Such tools and materials shall be periodically revised and updated taking into account the needs of the review process. New and revised tools and materials shall be presented and discussed at the meetings of lead reviewers for GHG inventories and shall also be presented in the annual report on the technical review of GHG inventories from Annex I Parties and shall be made available to Parties upon request. The meeting of lead reviewers should discuss which review tools should also be made available to the general public and make recommendations in this regard to the SBSTA.

79. If an Annex I Party fails to provide the ERT with responses to the questions raised and does not provide the data and information necessary for the assessment of conformity

with the UNFCCC Annex I inventory reporting guidelines and any further guidance adopted by the COP, the ERT shall assume that the reporting was not prepared in accordance with the UNFCCC Annex I inventory reporting guidelines and any further guidance adopted by the COP and clearly identify such cases in the review report.

III. Identification of issues

80. The individual inventory review shall identify any issues related to adherence to the UNFCCC Annex I inventory reporting guidelines.

81. Issues will be identified as a failure to follow the requirements⁶ and definitions in the UNFCCC Annex I inventory reporting guidelines. Issues will also be identified as failure to follow general IPCC good practice for any other category that the Party included in its national estimates in accordance with the UNFCCC Annex I inventory reporting guidelines. These may be further subdivided as issues of:

- (a) Transparency;
- (b) Consistency;
- (c) Comparability, including failure to use agreed reporting formats;
- (d) Completeness;
- (e) Accuracy;
- (f) Adherence to the UNFCCC Annex I inventory reporting guidelines.

82. In assessing completeness, when a category has been reported as not estimated based on it being insignificant, the ERT shall assess if the information reported by the Annex I Party meets the criteria set out in paragraph 37(b) of the UNFCCC Annex I inventory reporting guidelines.

83. The ERT will identify issues, in particular those relating to accuracy and completeness for key categories as described in paragraph 73 above, missing categories as described in paragraph 75(d) above, or potential key categories as identified by the ERT and that could not be clarified with the Party during the review week. In the case where, after such an issue has been identified in three successive reviews, in accordance with paragraphs 75(f) and 76(a) above, and has not been addressed by the Party, the ERT will include a prominent paragraph in the review report noting the issue, the number of successive reviews in which the Party has been notified of the issue, and that the Party has not addressed the issue.

84. All main issues which are identified by the ERT in relation to requirements in the UNFCCC Annex I inventory reporting guidelines, including any issues described in paragraph 83 above, should be summarized by the ERT in the list of provisional main findings. The provisional main findings shall be communicated to the Annex I Party at the end of the week in which the individual review is performed. The Party may provide further clarifications related to the provisional main findings within two weeks. Any provisional main findings should, as appropriate, form the basis for the recommendations in the review report.

D. **Timing**

I. Initial assessment

85. The secretariat will complete the initial assessment in accordance with paragraph 68 above and should prepare a draft status report within three weeks after the submission date

⁶ In Part III “UNFCCC Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention” of the present guidelines, a requirement refers to a provision with a “shall” in the UNFCCC Annex I inventory reporting guidelines.

of the annual GHG inventory and send it to the Annex I Party for comments. Each Annex I Party should provide comments on the draft status report within three weeks of its receipt by the Party.

86. The secretariat will complete the initial assessment containing the elements in paragraph 69 above. The secretariat will incorporate all submissions and any resubmissions from Annex I Parties that were provided as a response to the status report and were received within six weeks from the due date for submissions. Annex I Parties should provide comments within three weeks of receipt of the draft assessment report. The secretariat will send a draft of the assessment report to the Annex I Party at the latest seven weeks prior to the scheduled individual review, and the Party will provide comments within three weeks. The assessment report and the Annex I Party's comments will be forwarded to the ERT as input for the individual review.

87. Any information, corrections, additional information or comments on the draft status report received from the Annex I Party within six weeks of the submission due date shall be subject to the initial assessment. A delay in the submission of the annual inventory shortens the time available for the Annex I Party concerned to comment on the draft status report.

II. Review of individual annual inventories

88. The secretariat should forward all relevant information to the members of the ERTs one month prior to the start of the review of the individual annual inventories. The ERT shall examine the information and raise questions for clarification to Annex I Parties under review, if necessary, two weeks prior to the start of the review. Annex I Parties should make all efforts to respond promptly to the questions received.

89. To achieve consistent review reports and a comparable treatment of Annex I Parties in the review process the secretariat shall implement QA procedures. The QA procedures developed by the secretariat should be presented to and discussed at the meeting of the lead reviewers for GHG inventories. The purpose of the QA procedures is to ensure a consistent identification and treatment of issues. Editorial streamlining should take place only to the extent that the timelines for publication of the review reports are not compromised.

90. Each review should be completed within 20 weeks. In general, the timetable for the individual review activities, assuming available resources, should conform to the following:

(a) Each ERT performs an individual review and prepares a draft review report for each Party under review, within six weeks after the end of the review week;

(b) The secretariat applies QA/QC procedures, edits and formats the draft reports within four weeks and sends them to the respective Annex I Parties for comments;

(c) The Annex I Parties respond within four weeks;

(d) The ERT shall produce the final version of the annual review report, taking into account the comments of the Annex I Party, within four weeks⁷ of receipt of the comments;

(e) All final review reports together with any written comments on the final review report by the Annex I Party that is the subject of the report, shall be published on the UNFCCC website within two weeks and forwarded by the secretariat to the COP.

E. Reporting

⁷ Four weeks, or 20 working days if the Party has a public holiday occurring within the four-week time frame.

I. Status report

91. The results of the initial assessment for each Annex I Party will be published on the UNFCCC website as a status report, mainly in tabular format. The status report will:

- (a) Indicate the date of receipt of the GHG inventory submission by the secretariat;
- (b) Determine whether the submission is complete and identify any gaps in the reported data, covering the elements listed in paragraph 68 above.

II. Assessment report

92. The results of the initial assessment, as described in paragraph 69 above, containing a preliminary analysis of individual Annex I Party inventories, will be sent to the respective Party for comments. The results, together with the comments provided by the respective Party, will be provided to the corresponding ERT as input for the individual review.

93. The assessment report for each individual inventory will contain the results of the checks described in paragraph 69 above.

III. Individual review reports

94. Under its collective responsibility, the ERT will produce an individual inventory review report for publication in electronic format on the UNFCCC website based on the results of the tasks listed in paragraphs 75 and 76 above. The review reports should contain an objective assessment of the adherence of the inventory information to the UNFCCC Annex I inventory reporting guidelines and the provisions of relevant COP decisions and should not contain any political judgement. The review report shall, as appropriate, also contain recommendations and encouragements from the ERT regarding ways in which the Annex I Party can improve the quality of its inventory.

95. The following specific elements shall be included in the individual review report:

- (a) A summary of the results of the inventory review and a general assessment of the inventory;
- (b) A technical review of the elements specified in paragraphs 75 and 76 above;
- (c) An identification of issues in accordance with paragraphs 81, 82 and 83 above, as appropriate;
- (d) An assessment of the overall organization of the national inventory arrangements, including a discussion on the effectiveness and reliability of the institutional, procedural and legal arrangements for estimating GHG emissions.

96. The review reports should not extensively duplicate information already publically available, for example, through the CRF tables and NIRs reported by Annex I Parties.

97. The report should include standardized tables whenever possible, to increase the efficiency of communication. To the extent possible, the text of the report should not duplicate the information in the tables. The status of implementation of previous review recommendations should be listed in one of these standardized tables.

98. The report of all reviews shall be as concise as possible and the ERT shall make every effort that the report does not exceed 30 pages, including a 2–3 page summary.

PART IV: UNFCCC Guidelines for the technical review of biennial reports from Parties included in Annex I to the Convention

A. Purpose of the review

99. The technical review of BRs is the first step of the international assessment and review (IAR) process. The overall objectives of the IAR process are to review the progress made by developed country Parties in achieving emission reductions and to assess the provision of financial, technological and capacity-building support to developing country Parties, as well as to assess emissions and removals related to quantified economy-wide emission reduction targets under the SBI, taking into account national circumstances, in a rigorous, robust and transparent manner, with a view to promoting comparability and building confidence. In addition, the IAR process aims at assessing the implementation of methodological and reporting requirements.

100. The purposes of the technical review of BRs from Annex I Parties are the following:

(a) To provide a thorough and comprehensive technical review of the parts of BRs that are not otherwise covered in the annual GHG inventory review;

(b) Taking into account paragraph 100(a) above, to examine in an objective and transparent manner whether quantitative and qualitative information was submitted by Annex I Parties in accordance with the “UNFCCC biennial reporting guidelines for developed country Parties” adopted by the COP;⁸

(c) To promote consistency of the information contained in BRs submitted by Annex I Parties;

(d) To assist Annex I Parties in improving their reporting of information and the implementation of their commitments under the Convention;

(e) To undertake an examination of the Party’s progress in achieving its economy-wide emission reduction target.

(f) To ensure that the COP has reliable information on the implementation of commitments under the Convention by each Annex I Party with a view to promoting comparability and building confidence.

B. General procedures

101. Each Annex I Party’s BR will be reviewed. A Party’s BR shall be reviewed in conjunction with its NC in the years in which both the BR and the NC are submitted.

102. Prior to the review, as part of its preparation, the ERT shall conduct a desk review of the BR of the Annex I Party under review. The ERT, through the secretariat, shall notify the Party concerned of any questions the team has regarding the information provided in the BR and of any focal areas for the review.

103. The output of the technical review will be a technical review report, building on existing reporting standards and including an examination of the Party’s progress in achieving its economy-wide emission reduction target.

C. Scope of the review

104. The individual review will:

(a) Provide an assessment of the completeness of the BR, in accordance with the reporting requirements contained in decisions 2/CP.17 and 19/CP.18, and an indication of whether it was submitted on time;

⁸ Decision 2/CP.17, annex I; decision 19/CP.18.

- (b) Examine the consistency of the BR with the annual GHG inventory and NC but it will not include in-depth examination of the inventory itself;
- (c) Undertake a detailed technical examination of only those parts of the BR that are not included in the annual GHG inventory review, including the following:
- (i) All emissions and removals related to the Party's quantified economy-wide emission reduction target;
 - (ii) Assumptions, conditions and methodologies related to the attainment of the Party's quantified economy-wide emission reduction target;
 - (iii) Progress the Party has made towards the achievement of its quantified economy-wide emission reduction target;
 - (iv) The Party's provision of financial, technological and capacity-building support to developing country Parties;
- (d) In the years in which an NC is submitted at the same time as the BR, serve as part of the review of the NC, where there is an overlap between the content of the BR and that of the NC.

Identification of issues

105. The issues identified during the technical review of individual sections of the BR shall be identified as relating to the following:
- (a) Transparency;
 - (b) Completeness;
 - (c) Timeliness;
 - (d) Adherence to the biennial report reporting guidelines as per decision 2/CP.17.

D. Timing

106. If an Annex I Party expects difficulties with the timeliness of its BR submission by the due date, it should inform the secretariat thereof by the due date of the submission, to the extent possible, in order to facilitate the arrangements of the review process.
107. The ERTs shall make every effort to complete the individual review of BRs within 15 months of the due date of their submission for each Annex I Party.
108. If additional information is requested during the review week, the Annex I Party should make every reasonable effort to provide the information within two weeks after the review week.
109. The ERT for the review of the BR of each Annex I Party shall, under its collective responsibility, produce a draft technical review report following the format detailed in paragraph 112 below, to be finalized within eight weeks after the review week.
110. The draft technical review report of each BR shall be sent to the Annex I Party subject to the review for comment. The Party concerned shall be given four weeks⁹ from its receipt of the draft report to provide comments thereon.
111. The ERT shall produce the final version of the BR technical review report, taking into account the comments of the Annex I Party within four weeks of receipt of the comments. All final review reports shall be published and forwarded by the secretariat, together with any written comments on the final review report by the Party that is the subject of the report, to the COP.

⁹ Four weeks, or 20 working days if the Party has a public holiday occurring within the four-week time frame.

E. Reporting

112. The following specific elements shall be included in the technical review report referred to in paragraph 54(b) above:

(a) The results of the technical examination of the elements specified in paragraph 104(c) above, including an examination of the Party's progress in achieving its economy-wide emission reduction target;

(b) An identification of issues in accordance with paragraph 105 above.

PART V: UNFCCC Guidelines for the technical review of national communications from Parties included in Annex I to the Convention

A. Purpose

113. The purposes of the review of NCs from Annex I Parties are the following:

(a) To establish a process for a thorough and comprehensive technical review of the implementation of the commitments under the Convention by individual Annex I Parties and Annex I Parties as a group;

(b) Taking into account paragraph 113 (a) above, to examine in an objective and transparent manner whether quantitative and qualitative information was submitted by Annex I Parties in accordance with the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications" adopted by the COP;

(c) To promote consistency of the information contained in the NCs of Annex I Parties;

(d) To assist Annex I Parties in improving their reporting of information under Article 12 of the Convention and the implementation of their commitments under the Convention;

(e) To ensure that the COP has reliable information on the implementation of commitments under the Convention by each Annex I Party and Annex I Parties as a whole.

B. General procedures

114. Each Annex I Party's NC will be reviewed, where relevant in conjunction with the review of the BR.

115. Each NC submitted under the Convention by an Annex I Party shall be subject to an in-country review.

116. Annex I Parties with total GHG emissions of less than 50 Mt CO₂ eq (excluding LULUCF) in accordance with their most recent GHG inventory submission, with the exception of Parties included in Annex II to the Convention, may choose to undergo a centralized review for their NCs.

117. Prior to the review, the ERT shall conduct a desk review of the NC of the Annex I Party under review. The ERT, through the secretariat, shall notify the Party concerned of any questions the team has regarding the NC and of any focal areas for the review.

C. Scope of the review

118. The individual review will, noting paragraph 9 above:

(a) Provide an assessment of the completeness of the NC in accordance with the "Guidelines for the preparation of national communications by Parties included in Annex I

to the Convention, Part II: UNFCCC reporting guidelines on national communications” adopted by the COP, and an indication of whether it was submitted on time;

(b) Check the consistency of information contained in the NC with that contained in the BR and GHG inventory. If the same information is reported elsewhere, the information should be reviewed only once;

(c) Undertake a detailed technical examination of the unique information contained in the NC and the procedures and methodologies used for the preparation of the information therein, noting that the outline of the NC is included in the list below:

- (i) National circumstances relevant to GHG emissions and removals;
- (ii) GHG inventory information;
- (iii) Policies and measures;
- (iv) Projections and the total effect of policies and measures;
- (v) Vulnerability assessment, climate change impacts and adaptation measures;
- (vi) Financial resources;
- (vii) Transfer of technology;
- (viii) Research and systematic observation;¹⁰
- (ix) Education, training and public awareness;

(d) Giving consideration to national circumstances, identify any potential issues referred to in paragraph 119 below.

Identification of issues

119. The issues identified during the technical review of individual sections of the NC shall be identified as relating to the following:

- (a) Transparency;
- (b) Completeness;
- (c) Timeliness;
- (d) Adherence to the NC reporting guidelines as per decision 4/CP.5.

D. Timing

120. If an Annex I Party expects difficulties with the timeliness of its NC submission by the due date, it should inform the secretariat thereof by the due date of the submission, to the extent possible, in order to facilitate the arrangements of the review process.

121. The ERTs shall make every effort to complete the individual review of NCs within 15 months of the due date of their submission for each Annex I Party.

122. If additional information is requested during the review week, the Annex I Party should make every reasonable effort to provide the information within two weeks after the review week.

123. The ERT for the review of the NC of each Annex I Party shall, under its collective responsibility, produce a draft of the review report following the format detailed in paragraph 126 below, to be finalized within eight weeks after the review week.

¹⁰ Information provided under this heading includes a summary of the information provided on global climate observing systems.

124. The draft of each NC review report shall be sent to the Annex I Party subject to the review for comment. The Party concerned shall be given four weeks¹¹ from its receipt of the draft report to provide comments thereon.

125. The ERT shall produce the final version of the NC review report, taking into account the comments of the Annex I Party within four weeks of receipt of the comments. All final review reports shall be published and forwarded by the secretariat, together with any written comments on the final review report by the Party that is the subject of the report, to the COP.

E. Reporting

126. The following specific elements shall be included in the report referred to in paragraph 54(c) above:

- (a) A technical review of the elements specified in paragraph 118(c) above;
 - (b) An identification of issues in accordance with paragraph 118(d) and 119 above.
-

¹¹ Four weeks, or 20 working days if the Party has a public holiday occurring within the four-week time frame.

Decision -/CP.20

Training programme for review experts for the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention

The Conference of the Parties,

Recalling Articles 4, 7 and 12 of the Convention,

Also recalling decisions 19/CP.8, 12/CP.9 and 10/CP.15,

Further recalling decisions 1/CP.16 and 2/CP.17, which established a work programme under the Subsidiary Body for Scientific and Technological Advice for the revision of the guidelines for the review of biennial reports and national communications, including national inventory reviews,

Recalling decision 24/CP.19, by which the revised “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories” were adopted and decision -/CP.20,¹ by which the “Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention” were adopted,

Having considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

Recognizing the importance of the training programme for review experts for the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention,

1. *Requests* the secretariat to implement the training programme for review experts for the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention, as outlined in the annex, including the examination of experts, and to give priority to organizing an annual training seminar for the basic course;
2. *Encourages* Parties included in Annex I to the Convention in a position to do so to provide financial support for the implementation of the training programme;
3. *Requests* the secretariat to include, in its annual report to the Subsidiary Body for Scientific and Technological Advice on the composition of expert review teams, information on the training programme, in particular on examination procedures and the selection of trainees and instructors, in order for Parties to assess the effectiveness of the programme.

¹ Draft decision proposed for adoption under agenda item 3(a) of the Conference of the Parties.

Annex

Training programme for review experts for the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention

A. Details of the training programme

1. The courses are intended to train review experts for the technical review of information reported under the Convention related to greenhouse gas (GHG) inventories by Parties included in Annex I to the Convention. All training courses will be available online. For trainees without easy access to the Internet, courses will be distributed electronically; for courses facilitated by instructors, trainees will communicate electronically with the instructor during the training period. At the request of any Party, the training courses will also be made available to other experts interested in the technical review of GHG inventories, provided that this does not require additional resources. All courses will be available upon request to trainees all year round, without facilitation by instructors.
2. A closing seminar for the basic course of the training programme will be offered annually for around 30 participants (new review experts for the technical review of GHG inventories).
3. Additional regional training seminars for new review experts for the technical review of GHG inventories and a refresher seminar for experienced review experts for the technical review of GHG inventories may be offered annually, depending on the availability of resources. The refresher seminars may be offered in conjunction with meetings of lead reviewers, in order to enhance their knowledge and that of other experienced review experts for the technical review of GHG inventories.
4. All training courses will include an examination. Examination procedures will be standardized, objective and transparent.
5. When participants attend a training seminar, the examination will generally take place during that seminar. In all other circumstances, other arrangements for examinations will be made, provided that the examinations take place under the supervision of the secretariat and that no additional resources are required. For courses without a training seminar, the examination will take place online.
6. New review experts for the technical review of GHG inventories who successfully complete the relevant requirements of the training programme and pass the examinations will be invited to participate in centralized or in-country reviews, working alongside experienced review experts.
7. New review experts who do not pass a course examination at the first attempt may retake the examination once only, provided that the expert has fulfilled all of the tasks assigned during the training course in a timely manner and that the retake does not require the secretariat to incur additional costs.
8. Experienced review experts for the technical review of GHG inventories will be invited to take the online training courses. Examinations are not mandatory for experienced review experts but are encouraged, and may take place in conjunction with meetings of lead reviewers.

9. Experienced review experts with relevant GHG inventory reporting and review expertise will be invited to act as instructors for relevant courses of the training programme, ensuring that their collective skills cover the subjects addressed in each course. The secretariat will seek to achieve a geographical balance among the instructors participating in the training programme.

10. When selecting new review experts to attend training courses facilitated by instructors, the secretariat will give priority to review experts with relevant GHG inventory reporting expertise, nominated to the UNFCCC roster of experts, from Parties that do not have review experts who have previously participated in review activities.

B. Courses of the training programme

1. Basic course for the review of greenhouse gas inventories of Parties included in Annex I to the Convention

Description: This course covers a comprehensive introduction to the “Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention”, an overview of the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories”, guidance on procedures and approaches for the technical review of GHG inventories and general Intergovernmental Panel on Climate Change (IPCC) inventory guidance (*2006 IPCC Guidelines for National Greenhouse Gas Inventories*), as well as specific aspects of the review of the following IPCC sectors: energy; industrial processes and product use; agriculture; land use, land-use change and forestry; and waste. This course also provides guidance on drafting substantive review reports that are consistent among review teams and reader friendly.

Preparation: 2015

Implementation: 2015–2016

Target audience: New and experienced review experts for the technical review of GHG inventories

Type of course: E-learning, facilitated by instructors, with a closing seminar

Examination requirements and format: New review experts for the technical review of GHG inventories must pass the general examination as well as a sectoral examination before participating in expert review teams. Lead reviewers and experienced review experts for the technical review of GHG inventories are encouraged to take the examinations. The examinations will be conducted in person.

2. Review of complex models and higher-tier methods

Description: This course provides general guidance and procedures, as well as guidance on specific aspects of the review of emission estimations performed using complex models and higher-tier methods (tier 3 methods).

Preparation: 2010

Implementation: 2014–2016

Target audience: Lead reviewers and review experts for the technical review of GHG inventories

Type of course: E-learning, without an instructor

Examination requirements and format: Optional; self-check electronic examination

3. Improving communication and facilitating consensus in expert review teams

Description: This course provides guidance and tools to improve the work of expert review teams and to facilitate teamwork

Preparation: 2003

Implementation: 2014–2016

Target audience: Lead reviewers and review experts for the technical review of GHG inventories

Type of course: E-learning, without an instructor

Examination requirements and format: Optional; self-check electronic examination

C. Refresher seminar for experienced greenhouse gas inventory review experts

Description: This annual seminar provides general guidance on specific and complex aspects of the technical review of GHG emission estimates. It enables experienced review experts for the technical review of GHG inventories to strengthen and refresh their knowledge, in relation to both cross-cutting aspects and sector-specific issues.

Implementation: 2014–2016, subject to the availability of resources

Target audience: Lead reviewers and experienced review experts for the technical review of GHG inventories

Decision -/CP.20

Training programme for review experts for the technical review of biennial reports and national communications of Parties included in Annex I to the Convention

The Conference of the Parties,

Recalling Articles 4, 7 and 12 of the Convention and decisions 2/CP.1, 9/CP.2, 6/CP.3, 4/CP.5, 33/CP.7, 18/CP.10, 1/CP.13, 2/CP.17 and 19/CP.18, on national communications and biennial reports,

Also recalling decision 23/CP.19, on the guidelines for the review of biennial reports and national communications, including national inventory reviews,

Having considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

Recognizing the importance of the training programme for review experts for the technical review of biennial reports and national communications of Parties included in Annex I to the Convention,

1. *Requests* the secretariat to develop and implement the training programme for review experts for the technical review of biennial reports and national communications of Parties included in Annex I to the Convention, including the examination of experts, as outlined in the annex;
2. *Encourages* Parties included in Annex I to the Convention in a position to do so to provide financial support for the implementation of the training programme;
3. *Requests* the secretariat to include, in its annual report to the Subsidiary Body for Scientific and Technological Advice on the composition of expert review teams, information on the training programme, in particular on examination procedures and the selection of trainees, so that Parties may assess the effectiveness of the programme.

Annex

Training programme for review experts for the technical review of biennial reports and national communications of Parties included in Annex I to the Convention

A. Details of the training programme

1. The courses are intended to train review experts for the technical review of biennial reports and national communications of Parties included in Annex I to the Convention. All training courses will be available online. For trainees without easy access to the Internet, courses will be distributed through electronic means. At the request of any Party, the courses will also be made available to others interested in the review process, provided that this does not require additional resources. All courses will be available upon request to trainees all year round, without facilitation by instructors.
2. All training courses will include an examination. Examination procedures will be standardized, objective and transparent.
3. The examination will take place online. In exceptional circumstances, other arrangements for examinations will be made, provided that the examinations take place under the supervision of the secretariat and that this does not require additional resources.
4. New review experts who successfully complete the relevant requirements of the training programme and pass the examinations will be invited to participate in a centralized or in-country review, working alongside experienced review experts.
5. Experts who do not pass an examination for a course at the first attempt may retake the examination once only, provided that the expert has fulfilled all of the tasks assigned during the training course in a timely manner and that the retake does not require the secretariat to incur additional costs.

B. Courses of the training programme

1. General and cross-cutting aspects of the review of national communications and biennial reports

Description: This course covers the reporting requirements and the procedures for the general aspects of the review process of national communications and biennial reports under the Convention and aims to provide a comprehensive overview of the reporting and review requirements and guidance to expert review teams on the process and steps for conducting reviews under the international assessment and review process. The course promotes consistency and fairness in the review process by providing technical guidance on the general review approaches and use of tools.

Preparation: 2014

Implementation: 2014–2016

Target audience: New review experts and lead reviewers

Type of course: E-learning, without an instructor

Examination requirements and format: New review experts and lead reviewers must pass the examination before participating in expert review teams. Online examination.

2. Technical review of targets and of policies and measures, their effects and their contribution to achieving those targets

Description: This course provides general guidance and approaches for the technical review of information on national policy context and greenhouse gas (GHG) mitigation targets, policies and measures (PaMs), the effects of each individual PaM and their contribution to the reduction of GHG emissions.

Preparation: 2014

Implementation: 2014–2016

Target audience: New review experts reviewing targets and PaMs, and lead reviewers

Type of course: E-learning, without an instructor

Examination requirements and format: New review experts must pass the examination before participating in expert review teams. Online examination.

3. Technical review of greenhouse gas emissions, emission trends, projections and the total effect of policies and measures

Description: This course provides general guidance and approaches for the technical review of information on GHG emissions, emission trends, projections and the total effect of PaMs.

Preparation: 2014

Implementation: 2014–2016

Target audience: New review experts reviewing emission trends, projections and the total effect of PaMs, and lead reviewers

Type of course: E-learning, without an instructor

Examination requirements and format: New review experts must pass the examination before participating in expert review teams. Online examination.

4. Technical review of the provision of financial support, technology transfer and capacity-building

Description: This course provides general guidance and approaches for the technical review of information on the provision of financial resources by Parties included in Annex II to the Convention to Parties not included in Annex I to the Convention, the promotion, facilitation and financing of the transfer of technology, and capacity-building, including creating national expertise on climate change related issues, strengthening institutions and developing educational, training and awareness-raising activities.

Preparation: 2014

Implementation: 2014–2016

Target audience: New review experts reviewing the provision of financial support, technology transfer and capacity-building, and lead reviewers

Type of course: E-learning, without an instructor

Examination requirements and format: New review experts must pass the examination before participating in expert review teams. Online examination.

Decision -/CP.20

Joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network for 2013

The Conference of the Parties,

Recalling decisions 1/CP.16, 2/CP.17, 4/CP.17, 1/CP.18, 13/CP.18, 14/CP.18 and 25/CP.19,

Also recalling decisions 13/CP.18, paragraph 8, and 14/CP.18, paragraph 11,

1. *Welcomes* the joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network for 2013¹ and the work these bodies undertook in 2013 to facilitate the effective implementation of the Technology Mechanism;

Activities and performance of the Technology Executive Committee in 2013

2. *Also welcomes* the effective implementation of the rolling workplan of the Technology Executive Committee for 2012–2013 and the key messages contained in the report referred to in paragraph 1 above;

3. *Adopts* the modalities of the Technology Executive Committee on linkages with other relevant institutional arrangements under and outside of the Convention contained in the annex to the report referred to in paragraph 1 above, with a view to promoting coherence and cooperation across technology activities under and outside of the Convention;²

Activities and performance of the Climate Technology Centre and Network in 2013

4. *Welcomes* the progress made by the United Nations Environment Programme, as the host of the Climate Technology Centre, in making the arrangements necessary for the full operationalization of the Climate Technology Centre and Network in 2013;

5. *Also welcomes* the timely completion of the mandated activities of the Advisory Board of the Climate Technology Centre and Network in 2013, which provided the necessary means for the Climate Technology Centre and Network to receive and respond to requests from developing country Parties in accordance with decision 1/CP.16, paragraph 123;

6. *Urges* Parties that have not yet nominated their national designated entity to promptly communicate their nomination to the secretariat through their national focal point;

7. *Invites* developing country Parties to submit requests, through their national designated entity, to the Climate Technology Centre and Network in accordance with decision 1/CP.16, paragraph 123;

8. *Acknowledges* with appreciation the financial support provided by Parties for the activities of the Climate Technology Centre and the mobilization of the services of the Network.

¹ FCCC/SB/2013/1.

² The text in the annex to the report referred to in paragraph 1 above will replace chapters V and VI of the modalities of the Technology Executive Committee adopted by decision 4/CP.17.

Decision -/CP.20

Joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network for 2014

The Conference of the Parties,

Recalling decisions 1/CP.16, 2/CP.17, 4/CP.17, 1/CP.18, 13/CP.18, 14/CP.18 and 25/CP.19,

Also recalling decision 1/CP.16, paragraph 126,

1. *Welcomes with appreciation* the joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network for 2014¹ and its joint key messages;
2. *Notes* that through the work of these bodies in 2014 the Technology Mechanism is progressing in an effective manner towards fulfilling its mandate as provided for in the Cancun Agreements and the Durban Outcomes;
3. *Notes with appreciation* the collaboration between the Technology Executive Committee and the Climate Technology Centre and Network and encourages them to continue collaborating to enhance coherence and synergy in the work of the Technology Mechanism;
4. *Decides* that the Technology Executive Committee and the Climate Technology Centre and Network shall continue to prepare a joint annual report to the Conference of the Parties, through the subsidiary bodies, on their respective activities and the performance of their respective functions;

Activities and performance of the Technology Executive Committee in 2014

5. *Welcomes* the rolling workplan of the Technology Executive Committee for 2014–2015² and the progress made by the Committee in advancing the implementation of the workplan;
6. *Recognizes* the key messages of the Technology Executive Committee on climate technology financing, technologies for adaptation and technology needs assessments, as contained in the report referred to in paragraph 1 above;
7. *Welcomes* the work of the Technology Executive Committee in 2014 on technologies for adaptation, including the TEC Briefs on technologies for adaptation in the agriculture and water sectors, and looks forward to the Committee's work on technologies for mitigation as part of the implementation of its rolling workplan for 2014–2015;
8. *Notes* that the Technology Executive Committee held a workshop on national systems of innovation in October 2014 and requests the Technology Executive Committee to continue its work on enabling environments and barriers as stipulated in activity 4 of its rolling workplan for 2014–2015;
9. *Notes with appreciation* the effective implementation by the Technology Executive Committee of its linkage modalities with institutional arrangements through its active

¹ FCCC/SB/2014/3.

² Technology Executive Committee document TEC/2014/8/10, annex II.

collaboration with bodies under and outside of the Convention, including the Adaptation Committee, the Standing Committee on Finance and the Global Environment Facility;

10. *Acknowledges* that the Technology Executive Committee, in response to an invitation by the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation,³ has undertaken activities in 2014 to strengthen linkages with organizations under and outside of the Convention;

11. *Encourages* the Technology Executive Committee to continue to strengthen the linkages referred to in paragraph 10 above in the implementation of its rolling workplan for 2014–2015;

12. *Recognizes* the need for the technology needs assessment process to be improved in order to facilitate the implementation of the project ideas emanating from it. This can be done through the provision of technical assistance and finance to each technology needs assessment, which should also aim to integrate economic, environmental and social aspects into the development of the technology needs assessment;

13. *Requests* the Technology Executive Committee to provide guidance on how the results of the technology needs assessments, in particular the technology action plans, can be developed into projects that can be ultimately implemented, and to provide an interim report on its preliminary findings to the subsidiary bodies at their forty-third sessions;

Activities and performance of the Climate Technology Centre and Network in 2014

14. *Welcomes with appreciation* the progress made by the Climate Technology Centre and Network in implementing its programme of work, including by: responding to requests from developing countries; fostering collaboration and access to information; and strengthening networks, partnerships and capacity-building;

15. *Welcomes* the elaboration and approval by the Advisory Board of the Climate Technology Centre and Network of the Climate Technology Centre network criteria and the Climate Technology Centre and Network prioritization criteria for national designated entity requests and encourages the Advisory Board of the Climate Technology Centre and Network to elaborate these criteria as needed;

16. *Encourages* the Climate Technology Centre and Network to further elaborate its procedures for handling requests and to inform Parties and stakeholders of these activities in the joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network;

17. *Welcomes* the work of the Advisory Board of the Climate Technology Centre and Network in 2014 to facilitate the operation and services of the Climate Technology Centre and Network;

18. *Notes* the ongoing consultations between the Global Environment Facility and the Climate Technology Centre and Network and requests the Climate Technology Centre and Network to report on those consultations in future joint annual reports of the Technology Executive Committee and the Climate Technology Centre and Network;

19. *Also notes* document FCCC/SB/2014/3, paragraphs 64–66, and invites the Climate Technology Centre and Network to continue to report on these issues, as well as on funding resources available for responding to requests, in future joint annual reports of the Technology Executive Committee and the Climate Technology Centre and Network.

³ FCCC/SBSTA/2014/2, paragraph 32, and FCCC/SBI/2014/8, paragraph 133.

Decision -/CP.20

Forum and work programme on the impact of the implementation of response measures

The Conference of the Parties,

Decides to forward the text of the draft decision contained in the annex for consideration by the subsidiary bodies at their forty-second sessions (June 2015), with a view to recommending a draft decision on this matter for adoption by the Conference of the Parties at its twenty-first session (November–December 2015).

Annex

[English only]

Recommendation of the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice

The Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice at their forty-first sessions, recommended the following draft decision for consideration and adoption by the Conference of the Parties at its twentieth session:

Draft decision -/CP.20

Forum and work programme on the impact of the implementation of response measures

The Conference of the Parties,

[Recalling the ultimate objective of the Convention,]

[Reaffirming the importance of the objective of the Convention, and the relevant principles and provisions of the Convention related to the economic and social consequences of response measures, in particular its Articles 2, 3 and 4,]

Recalling decisions 5/CP.7, 1/CP.10 1/CP.13, 1/CP.16, 2/CP.17, 8/CP.17, 1/CP.18 and 31/CMP.1, and Article 4, paragraphs 8, 9 and 10 of the Convention, as well as Article 2, paragraph 3, and Article 3, paragraph 14, of its Kyoto Protocol,

[Acknowledging Parties' repeated calls for a continued and structured exchange of information on both the positive and negative consequences of response measures and on ways to maximize the positive and minimize the negative consequences for Parties, in line with the work programme on this matter developed by the subsidiary bodies,]

Recalling decision 8/CP.17, paragraph 3, which established the forum on the impact of the implementation of response measures to implement the work programme on the impact of the implementation of response measures, [and decision 2/CP.17, paragraph 91, which consolidated all progressive discussions related to response measures under the Convention,]

[Also reaffirming that developed country Parties are urged to strive to implement policies and measures to respond to climate change in such a way as to avoid negative social and economic consequences for developing country Parties, taking into account Article 3 of the Convention, and to assist these Parties to address such consequences by providing support, including financial resources, transfer of technology and capacity building, in accordance with Article 4 of the Convention, to build up the resilience of societies and economies negatively affected by response measures,]

[Also recalling that Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change; measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade,]

Noting that the initial review of the work of the forum on the impact of the implementation of response measures, pursuant to decision 8/CP.17, paragraph 5, indicates that a more focused consideration of issues is needed for the effectiveness of the process,

Option 1:

1. *Decides* to hereby continue the forum on the impact of the implementation of response measures [which consolidates all progressive discussions related to response measures under the Convention] [until 2015] in order to provide a platform allowing Parties to share, in an interactive manner, information, experiences, case studies, best practices and views;
2. *Decides* to focus future work under the forum on the impact of the implementation of response measures on expert input and the provision of concrete examples, case studies and practices in order to enhance the capacity of Parties, in particular developing country Parties, to deal with [all] [positive and negative] impacts of the implementation of response measures;
3. *Requests* the Chairs of the subsidiary bodies to convene the forum , to implement the updated work programme on the impact of the implementation of response measures, which shall meet [once] [twice] a year, in conjunction with the sessions of the subsidiary bodies;
4. [*Requests* the subsidiary bodies, at their forty-second sessions (June 2015), to update the work programme on the impact of the implementation of response measures, and the modalities to implement that work programme;]
5. [*Requests* the subsidiary bodies, in updating the work programme, to take into consideration the following elements:
 - (a) Economic diversification and transformation;
 - (b) Just transition of the work force, and the creation of decent work and quality jobs;
 - (c) Assessment and analysis of impacts[, including economic modelling];]
6. [*Requests* the subsidiary bodies to review at their forty-fifth sessions the work of the forum, including the need for its continuation, with a view to providing recommendations to the Conference of the Parties at its twenty-second session (November–December 2016);]
7. [*Requests* the secretariat to prepare, subject to the availability of financial resources, a guidance document to assist developing countries to assess the impacts of the implementation of response measures, including guidance on modeling tools, as well as technical materials to assist developing countries on their economic diversification initiatives, for consideration at SBI 42 and SBSTA 42 (June 2015);]

Option 2:

(Provisions related to the colloquium)

Option 1:

8. *Decides* to establish a Mechanism for Enhanced Action on Response Measures, and requests the subsidiary bodies to develop the functions and modalities of the mechanism at their forty-second sessions, for consideration and adoption by the Conference of the Parties at its twenty-first session (November–December 2015).

Option 2:

(No text)

9. *Takes* note of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in paragraph 4 above. They requested that the actions of the secretariat called for in these conclusions be undertaken subject to the availability of financial resources.

Decision -/CP.20

Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties

The Conference of the Parties,

Reaffirming decisions 26/CP.7, 1/CP.16, 2/CP.17 and 1/CP.18, which recognized that Turkey is in a situation different from that of other Parties included in Annex I to the Convention,

Also reaffirming the importance of financial, technological and capacity-building support to Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties in order to assist these Parties in implementing the Convention,

1. *Recognizes* the opportunities for Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties to benefit, at least until 2020, from support from relevant bodies established under the Convention and other relevant bodies and institutions to enhance mitigation, adaptation, technology, capacity-building and access to finance;
 2. *Encourages* Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties to fully utilize those opportunities;
 3. *Urges* Parties included in Annex II to the Convention which are in a position to do so, through multilateral agencies, including the Global Environment Facility within its mandate, relevant intergovernmental organizations, international financial institutions, other partnerships and initiatives, bilateral agencies and the private sector, or through any further arrangements, as appropriate, to provide financial, technological, technical and capacity-building support to Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties in order to assist them in implementing their national strategies, actions and plans on climate change mitigation and adaptation, and developing their low-emission development strategies or plans in accordance with decision 1/CP.16.
-

Draft decision -/CP.20

Lima work programme on gender

The Conference of the Parties,

Recalling decisions 36/CP.7, 1/CP.16 and 23/CP.18 on improving the participation of women in Convention negotiations and in the representation of Parties in bodies established under the Convention,

Underscoring the importance of coherence between gender-responsive climate policies and balanced participation of women and men in the Convention process and the provisions of international instruments such as the Convention on the Elimination of All Forms of Discrimination against Women and the Beijing Declaration and Platform for Action,

Acknowledging the progress made in advancing gender balance and gender equality within the context of climate change policies and in line with the individual country circumstances and gender-responsive climate policy through the decisions referred to above, and the need for gender mainstreaming through all relevant targets and goals in activities under the Convention as an important contribution to increase their effectiveness,

Noting that, notwithstanding the progress made by Parties in implementing the decisions referred to above, there is a need for women to be represented in all aspects of the Convention process, including through membership of their national delegations and the chairing and facilitation of formal and informal negotiating groups,

Also noting that gender-responsive climate policy still requires further strengthening in all activities related to adaptation and mitigation as well as decision-making on the implementation of climate policies,

1. *Decides* to enhance the implementation of decisions 36/CP.7, 1/CP.16 and 23/CP.18 by inviting Parties to advance gender balance, promote gender sensitivity in developing and implementing climate policy and achieve gender-responsive climate policy in all relevant activities under the Convention;
2. *Also decides* that additional efforts need to be made by Parties to improve the participation of women in their delegations and in all of the bodies established under the Convention, as stipulated in decisions 36/CP.7 and 23/CP.18;
3. *Further decides* to establish a two-year work programme for promoting gender balance and achieving gender-responsive climate policy, developed for the purpose of guiding the effective participation of women in the bodies established under the Convention, the elements of which are contained in paragraphs 4 to 7 below;
4. *Requests* the secretariat to include in its next annual report, as referred to in decision 23/CP.18, paragraph 8, information regarding the implementation by the secretariat of those decisions that include a gender approach, in keeping with applicable gender-related policies under the Convention;
5. *Decides* to strengthen the existing work on gender balance in the thematic priority areas set out in paragraphs 6 to 12 below;
6. *Encourages* Parties to support (a) training and awareness-raising for female and male delegates on issues related to gender balance and climate change, and (b) building the

skills and capacity of their female delegates to effectively participate in UNFCCC meetings via training on, inter alia, negotiation skills, drafting of legal language and strategic communication;

7. *Also encourages* interested Parties and relevant organizations to support these training and capacity-building efforts, particularly for delegates from Parties that are particularly vulnerable to the adverse effects of climate change, including the least developed countries, small island developing States and countries in Africa;

8. *Requests* the secretariat to support the organization of these training and capacity-building efforts, inter alia, in conjunction with sessions of the subsidiary bodies;

9. *Invites* Parties to increase the representation of women and active participation of women in the bodies established under the Convention;

10. *Decides* to clarify the meaning of the term “gender-responsive climate policy” from an implementation perspective and improve the development and effective implementation of gender-responsive climate policy;

11. *Requests* the secretariat to organize an in-session workshop on gender-responsive climate policy with a focus on mitigation action and technology development and transfer during the forty-second session of the Subsidiary Body for Implementation (June 2015) and prepare a report on the workshop for consideration at its forty-third session (November–December 2015);

12. *Also requests* the secretariat to organize an in-session workshop on gender-responsive climate policy with a focus on adaptation and capacity-building, and training for delegates on gender issues during the forty-fourth session of the Subsidiary Body for Implementation (May 2016) and prepare a report on the workshop for consideration at its forty-fifth session (November–December 2016). Future work could include in-session workshops on other themes;

13. *Invites* Parties and admitted observer organizations to submit to the secretariat, by 18 February 2015 and 3 February 2016, respectively, their views on the matters to be addressed at the in-session workshops referred to in paragraphs 11 and 12 above;

14. *Requests* the secretariat to prepare a technical paper on guidelines or other tools on integrating gender considerations into climate change related activities under the Convention for consideration by the Subsidiary Body for Implementation at its forty-fourth session;

15. *Invites* Parties and admitted observer organizations to provide information on progress made in meeting the goals of achieving gender balance and gender-responsive climate policy;

16. *Agrees* to review this information at its twenty-second session (November–December 2016) with a view to taking any necessary action needed to strengthen the progress of furthering these goals;

17. *Requests* the Executive Secretary to appoint a senior gender focal point, who is an expert in this subject matter, to develop and ensure the implementation of, within existing resources, an action plan for the two-year work programme on gender and climate change;

18. *Invites* Parties and relevant organizations to provide the means for implementing gender-related activities within the two-year work programme;

19. *Takes* note of the budgetary implications of the activities to be undertaken by the secretariat referred to in this decision;

20. *Requests* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.

Draft decision -/CP.20

The Lima Ministerial Declaration on Education and Awareness-raising

The Ministers and Heads of Delegation attending the twentieth session of the Conference of the Parties and the tenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, held in Lima, Peru, from 1 to 12 December 2014,

Reaffirming the importance of Article 6 of the Convention and Article 10(e) of the Kyoto Protocol,

Recalling decision 15/CP.18,

Concerned about the impacts of climate change on both current and future generations,

Recognizing that education, including formal, non-formal and informal education, and public awareness programmes should promote the attitudes and behaviour needed to prepare our societies to adapt to the impacts of climate change,

Reaffirming that public participation, access to information and knowledge are crucial for developing and implementing effective policies to combat climate change and adapt to its impacts, as well as to engage actively, as appropriate, all stakeholders, including children, youth, the elderly, women, persons with disabilities, indigenous and local communities and non-governmental organizations in the implementation of these policies,

Underlining that effective climate change action requires public understanding of the issues at stake and the potential benefits of climate action, and that there is a need for public understanding that a transformation is necessary now to avoid increasingly serious consequences in the future,

Acknowledging the progress made by Parties, international organizations, civil society and other stakeholders in planning, coordinating and implementing activities related to education, training, public awareness, public participation and access to information,

Recalling the outcomes of major United Nations conferences and summits related to education,

Considering, in this context, the importance of the United Nations Educational, Scientific and Cultural Organization World Conference on Education for Sustainable Development held in Aichi-Nagoya, Japan, from 10 to 12 November 2014, which called for urgent action to further strengthen and scale up education for sustainable development,

1. *Stress* that education, training, public awareness, public participation, public access to information, knowledge and international cooperation play a fundamental role in meeting the ultimate objective of the Convention and in promoting climate-resilient sustainable development;

2. *Reaffirm* our commitment to promote and facilitate, at the national and, as appropriate, at subregional and regional levels, and in accordance with national laws and regulations, and within the respective capacities, the development and implementation of educational and public awareness programmes on climate change and its effects, of public access to information on climate change and its effects and of public participation in addressing climate change;

3. *Encourage* governments to develop education strategies that incorporate the issue of climate change in curricula and to include awareness-raising on climate change in the design and implementation of national development and climate change strategies and policies in line with their national priorities and competencies;
4. *Urge* all Parties to give increased attention, as appropriate, to education, training, public awareness, public participation and public access to information on climate change;
5. *Encourage* all Parties to participate in, and to benefit from, the work of intergovernmental panels and expert groups established under the United Nations on matters related to climate change education, natural science and public awareness;
6. *Express* our resolve to cooperate and engage through multilateral, bilateral and regional complementary initiatives that aim to raise awareness and enhance education on climate change and its impacts, opportunities and co-benefits;
7. *Reaffirm* our commitment to the implementation of the Doha work programme on Article 6 of the Convention.¹

¹ See decision 15/CP.18.

Decision -/COP.20

Administrative, financial and institutional matters

The Conference of the Parties,

Recalling decision 27/CP.19, in which the programme budget for the biennium 2014–2015 was approved and the Executive Secretary was requested to report to the Conference of the Parties at its twentieth session on income and budget performance and to propose any adjustments that might be needed in the programme budget for the biennium 2014–2015,

Also recalling paragraph 11 of the financial procedures of the Conference of the Parties,¹

Having considered the information contained in the documents prepared by the secretariat on administrative, financial and institutional matters,²

I. Audited financial statements for the biennium 2012–2013

1. *Takes note* of the audited financial statements for the biennium 2012–2013, the audit report of the United Nations Board of Auditors, which includes recommendations, and the comments of the secretariat thereon;
2. *Expresses its appreciation* to the United Nations for arranging the audits of the accounts of the Convention and for the valuable observations and recommendations of the auditors;
3. *Urges* the Executive Secretary to implement the recommendations of the auditors, as appropriate;

II. Budget performance report for the biennium 2014–2015

4. *Takes note* of the report on budget performance for the biennium 2014–2015 as at 30 June 2014 and the status of contributions as at 15 November 2014 to the trust funds administered by the secretariat;
5. *Expresses its appreciation* to Parties that made contributions to the core budget in a timely manner;
6. *Calls upon* Parties that have not yet made contributions to the core budget to do so without delay, bearing in mind that contributions are due on 1 January of each year in accordance with the financial procedures of the Conference of the Parties;
7. *Expresses its appreciation* for the contributions received from Parties to the Trust Fund for Participation in the UNFCCC Process and to the Trust Fund for Supplementary Activities;

¹ Decision 15/CP.1, annex I.

² FCCC/SBI/2014/10, FCCC/SBI/2014/16 and Add.1 and 2 and FCCC/SBI/2014/INF.23.

8. *Urges* Parties to further contribute to the Trust Fund for Participation in the UNFCCC Process, in order to ensure the widest possible participation in the negotiations in 2015, and to the Trust Fund for Supplementary Activities;

9. *Reiterates* its appreciation to the Government of Germany for its annual voluntary contribution to the core budget of EUR 766,938 and its special contribution of EUR 1,789,522 as Host Government of the secretariat;

III. Programme budget for the biennium 2016–2017

10. *Requests* the Executive Secretary to submit, for consideration by the Subsidiary Body for Implementation at its forty-second session (June 2015), a proposed programme budget for the biennium 2016–2017;

11. *Also requests* the Executive Secretary, when preparing the programme budget for the biennium 2016–2017, to prepare a contingency for funding conference services,³ should this prove necessary in the light of decisions taken by the General Assembly at its seventieth session;

12. *Further requests* the Subsidiary Body for Implementation to recommend, at its forty-second session, a programme budget for adoption by the Conference of the Parties at its twenty-first session and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session (November–December 2015);

13. *Authorizes* the Executive Secretary to notify Parties of their indicative contributions for 2016 on the basis of the recommended budget.

³ See document FCCC/SBI/2013/6, paragraphs 59–62, for an overview.

Decision -/CP.20

Revisions to the financial procedures for the Conference of the Parties, its subsidiary bodies and the secretariat

The Conference of the Parties,

Noting that the United Nations General Assembly, by its resolution 60/283, approved the adoption of the International Public Sector Accounting Standards for the presentation of financial statements within the United Nations system,

Also noting that the UNFCCC secretariat, in keeping with the timeline established by the United Nations Secretariat, is scheduled to prepare its first financial statements in accordance with the International Public Sector Accounting Standards in April 2015,

Having considered the proposed revisions to the financial procedures for the Conference of the Parties, its subsidiary bodies and the secretariat required for the adoption of the International Public Sector Accounting Standards,¹

Approves the proposed revisions to the financial procedures for the Conference of the Parties, its subsidiary bodies and the secretariat required for the adoption of the International Public Sector Accounting Standards contained in the annex to document FCCC/SBI/2014/INF.9.

¹ FCCC/SBI/2014/INF.9.

Decision -/CP.20

Dates and venues of future sessions

The Conference of the Parties,

Recalling Article 7, paragraph 4, of the Convention,

Also recalling United Nations General Assembly resolution 40/243 of 18 December 1985 on the pattern of conferences,

Further recalling rule 22, paragraph 1, of the draft rules of procedure being applied regarding the rotation of the office of President among the five regional groups,

I. Dates and venues of future sessions

A. Twenty-second session of the Conference of the Parties and twelfth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

1. *Notes with appreciation* the expression of interest received from the Government of Morocco in relation to hosting the twenty-second session of the Conference of the Parties and the twelfth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, which will be held from Monday, 7 November to Friday, 18 November 2016;

2. *Requests* the secretariat to initiate a fact-finding mission to Morocco and to report to the Bureau of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, by June 2015, on whether all logistical, technical, legal and financial elements for hosting the sessions are available there, in conformity with United Nations General Assembly resolution 40/243;

3. *Also requests* the Subsidiary Body for Implementation to consider, at its forty-second session (June 2015), the issue of the host of the twenty-second session of the Conference of the Parties and the twelfth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and to recommend a draft decision on this matter for consideration and adoption by the Conference of the Parties at its twenty-first session (November–December 2015);

B. Twenty-third session of the Conference of the Parties and thirteenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

4. *Notes* that, in keeping with the principle of rotation among regional groups, the President of the twenty-third session of the Conference of the Parties and the thirteenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol would come from the Asia-Pacific States;

5. *Invites* Parties to undertake further consultations on the hosting of those sessions, which will be held from Monday, 6 November to Friday, 17 November 2017;

6. *Requests* the Subsidiary Body for Implementation, at its forty-second session, to consider the issue of the host of the twenty-third session of the Conference of the Parties and the thirteenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and to recommend a draft decision on this matter for consideration and adoption by the Conference of the Parties at its twenty-first session;

II. Calendar of meetings of the Convention and Kyoto Protocol bodies

7. *Takes note* that, as recommended by the Subsidiary Body for Implementation at its fortieth session,¹ future May/June sessions of the subsidiary bodies should commence on a Monday, and that, in order to enhance efficiency and time management, work should be completed one day earlier than previously, so as to finish the sessions on the Thursday of the second week, and that all meetings at those sessions taking place on the Saturday should be completed by midday in order to enhance the efficiency, timeliness and transparency of the work;

8. *Decides* to adopt the following dates for the sessional periods in 2015, 2016, 2017, 2018 and 2019:

(a) 2015: Monday, 1 June to Thursday, 11 June and Monday, 30 November to Friday, 11 December;

(b) 2016: Monday, 16 May to Thursday, 26 May and Monday, 7 November to Friday, 18 November;

(c) 2017: Monday, 8 May to Thursday, 18 May and Monday, 6 November to Friday, 17 November;

(d) 2018: Monday, 30 April to Thursday, 10 May and Monday, 5 November to Friday, 16 November;

(e) 2019: Monday, 17 June to Thursday, 27 June and Monday, 11 November to Friday, 22 November.

¹ FCCC/SBI/2014/8, paragraphs 212 and 213.

Advance unedited version

Decision -/CMP.10

Report of the Adaptation Fund Board

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Welcoming the report of the Adaptation Fund Board,¹

Noting with concern the level of market prices for certified emission reductions and their expected impact on the availability of funding from the Adaptation Fund and on its ability to fulfil its mandate,

1. *Adopts* the amendment to the terms and conditions of services to be provided by the International Bank for Reconstruction and Development (the World Bank) as trustee for the Adaptation Fund, on an interim basis, contained in the annex;
2. *Notes* the following information, actions and decisions relating to the Adaptation Fund Board contained in the report of the Adaptation Fund Board and the oral report made by the Chair of the Adaptation Fund Board in December 2014:
 - (a) The accreditation of 17 national implementing entities that can directly access resources from the Adaptation Fund, including one accredited during the reporting period; and the accreditation of four regional implementing entities, including two during the reporting period;
 - (b) Cumulative project and programme approvals reaching USD 264.8 million as at November 2014;
 - (c) Approval of the environmental and social policy of the Adaptation Fund;
 - (d) Approval of the readiness programme for direct access to climate finance, launched on 1 May 2014, and of its execution arrangements and eligibility criteria for the allocation of funds to accredited implementing entities for specific activities;
 - (e) Approval of one annual intersessional project/programme review cycle during an intersessional period of 24 weeks or more between two consecutive Board meetings;
 - (f) Approval of 16 project/programme proposals, totalling USD 80.6 million, submitted by implementing entities from July 2013 to November 2014, including 10 proposals submitted by national implementing entities totalling USD 43.2 million;
 - (g) Establishment of a new fundraising target of USD 80 million per calendar year in 2014 and 2015;
3. *Also notes* the cumulative receipts of USD 407.9 million into the Adaptation Fund Trust Fund;
4. *Further notes* that the pledges have surpassed the initial fundraising target set by the Adaptation Fund Board of USD 100 million for the calendar years 2012 and 2013;
5. *Urges* those developed country Parties that responded to the initial fundraising target of the Adaptation Fund Board but have not completed the process to do so at their earliest opportunity;

¹ FCCC/KP/CMP/2014/6.

6. *Welcomes* the target for the resource mobilization strategy set by the Adaptation Fund Board of USD 80 million per calendar year in 2014 and 2015;
7. *Continues to encourage* Parties included in Annex I to the Convention to provide funding to support the target referred to in paragraph 6 above and to scale up funding, with a view to the resource mobilization goal of the Board being reached from resources that are additional to the share of proceeds from clean development mechanism project activities, the first international transfers of assigned amount units and the issuance of emission reduction units for activities under Article 6 of the Kyoto Protocol;
8. *Welcomes* the financial contributions that have been made to the Adaptation Fund in 2014 and the pledge of EUR 50 million made by Germany towards the target referred to in paragraph 6 above;
9. *Invites* further support for the readiness programme of the Adaptation Fund Board for direct access to climate finance in accordance with decision -/CMP.10, paragraph 5 (second review of the Adaptation Fund);²
10. *Requests* the Adaptation Fund Board, in its future reports to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, to provide further clarity on the effect of the fluctuation of the price of certified emission reductions and the impact of this fluctuation on the resources available to the Fund;
11. *Also requests* the Adaptation Fund Board to continue its work on options for permanent institutional arrangements for the secretariat and the trustee, including via an open and competitive bidding process for the selection of a permanent trustee for the Adaptation Fund on the basis of the cost and time frame of each option and its legal and financial implications in order to ensure there is no discontinuity of the trustee service.

² Draft decision proposed for adoption under agenda sub-item 7(b) of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (FCCC/SBI/2014/L.39).

Annex

Amended and restated terms and conditions of services to be provided by the International Bank for Reconstruction and Development as trustee for the Adaptation Fund

I. Recitals

- (a) A clean development mechanism (CDM) was established under Article 12 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (the Convention) (the Kyoto Protocol).
- (b) The Conference of the Parties decided in its decision 10/CP.7 that an adaptation fund (the Adaptation Fund) shall be established to finance concrete adaptation projects and programmes in developing country Parties that are Parties to the Kyoto Protocol, as well as activities identified in decision 5/CP.7, paragraph 8.
- (c) The decision was further endorsed by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) through its decision 28/CMP.1.
- (d) In decision 1/CMP.3, the CMP decided that the Adaptation Fund shall finance concrete adaptation projects and programmes that are country driven and are based on the needs, views and priorities of eligible Parties, and that the Adaptation Fund Board shall be established as the operating entity of the Adaptation Fund.
- (e) The CMP, in its decision 1/CMP.3, invited the International Bank for Reconstruction and Development (the World Bank) to serve as the trustee for the Adaptation Fund (the World Bank in such capacity, the Trustee) on an interim basis, and requested the Adaptation Fund Board to present the necessary legal arrangements to be concluded between the CMP and the trustee, for adoption by the CMP at its fourth session.
- (f) The CMP and the World Bank concluded the legal arrangements necessary for the World Bank to serve as Trustee on an interim basis by way of adopting and accepting the terms and conditions of services to be provided by the International Bank for Reconstruction and Development as trustee for the Adaptation Fund (the Terms and Conditions) as contained in the appendix to annex III to decision 1/CMP.4.
- (g) The Terms and Conditions were amended twice to extend the term of the Trustee's services thereunder on an interim basis, as set out in decision 5/CMP.6, paragraph 1, and decision 1/CMP.9, paragraph 1.
- (h) The CMP, in its decision 1/CMP.9, requested the Adaptation Fund Board to develop and approve the legal arrangements with the trustee regarding the services for the 2 per cent share of proceeds levied in accordance with decision 1/CMP.8, paragraph 21, for approval by the CMP.
- (i) The Adaptation Fund Board has developed and approved the legal arrangements with the Trustee for approval by the CMP, which are proposed to be concluded between the CMP and the Trustee by amending and restating the Terms and Conditions.
- (j) The CMP and the World Bank wish to amend and restate the Terms and Conditions as follows.

II. Terms and conditions

A. Role and responsibilities of the Trustee

1. The World Bank shall act as the Trustee on an interim basis in accordance with the Terms and Conditions set forth herein.
2. The Trustee shall comply with the principles and modalities for operations stipulated in the relevant decisions of the CMP and decisions of the Adaptation Fund Board. The Trustee shall be closely consulted in the development of decisions, taken by the CMP or the Adaptation Fund Board after the effective date of the Terms and Conditions, which relate in any way to the functions of the Trustee performed or to be performed, and the Terms and Conditions stipulated below shall be applicable. The Trustee shall perform its functions under the Terms and Conditions in accordance with the applicable provisions of the World Bank's Articles of Agreement, by-laws, policies and procedures.
3. The CMP hereby: (1) confirms its designation, under its decision 1/CMP.3, of the Adaptation Fund Board as its designee and delegatee in respect of the Adaptation Fund, acting under the authority and guidance of the CMP; and (2) imbues the Adaptation Fund Board with the capacity, power and authority to render decisions and provide instructions, directions and guidance to the Trustee hereunder and to cause to be effectuated the sale or disposal, for the purpose of monetization (Sale), of certified emission reductions (CERs), assigned amount units (AAUs) or emission reduction units (ERUs) collected as the share of proceeds for the Adaptation Fund (any such CERs, AAUs or ERUs, hereinafter referred to individually or collectively as the Share of Proceeds), pursuant to paragraphs 24, 25, 26, 27 and 28 below.
4. The Trustee, in the performance of its functions under the Terms and Conditions, shall be accountable to the Adaptation Fund Board.
5. Without prejudice to any other provisions of the Terms and Conditions, the Trustee shall, in performing its functions under the Terms and Conditions, act upon decisions, instructions, directions or guidance of the CMP or the Adaptation Fund Board (or such other person designated in writing by the Adaptation Fund Board for that purpose (Authorized Designee)) only if such decisions, instructions, directions or guidance are provided to the Trustee in writing. The Trustee shall not be responsible for inquiring or investigating if any decisions, instructions, directions or guidance of the Adaptation Fund Board or, as the case may be, any Authorized Designees, do not contravene an existing decision or act of the CMP, and shall have no liability for relying in good faith on any written decision, instruction, direction or guidance of the CMP, Adaptation Fund Board or any Authorized Designees, without further inquiry or investigation on its part or otherwise for any actions taken, or omitted to be taken, in good faith.
6. The CMP acknowledges that the Trustee may disclose information obtained by it in connection with its functions under the Terms and Conditions, if such disclosure is required or otherwise necessary in carrying out the services and activities set out herein, in accordance with the World Bank's policies and procedures.
7. The Trustee shall establish a trust fund for the Adaptation Fund (the Trust Fund), and shall hold in trust, as a legal owner, and administer the funds, assets and receipts, which constitute the Trust Fund, on behalf of the Adaptation Fund supervised and managed by the Adaptation Fund Board.
8. For the purpose of the monetization of the Share of Proceeds for the Adaptation Fund, the Trustee, in its capacity as agent of the CMP, is hereby authorized by the CMP to administer Sales of the Share of Proceeds under the instructions, direction and guidance of

the Adaptation Fund Board consistent with its responsibility for the monetization of the Share of Proceeds, pursuant to paragraphs 24, 25, 26, 27 and 28 below.

9. The Trustee shall be responsible only for performing those duties and responsibilities specifically and expressly set forth in the Terms and Conditions and shall not be subject to any other duties or responsibilities (express or implied), including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of equity, trust or fiduciary obligations and/or any other legal or equitable principles. To the extent that Sales of the Share of Proceeds are conducted by the Trustee pursuant to paragraphs 24, 25, 26, 27 and 28 below, the Trustee shall not be responsible for the legality, validity or enforceability of any such Sales of the Share of Proceeds, the value obtained from such Sales of the Share of Proceeds (including any reduction in the value of the CERs, AAUs or the ERUs from the time they are credited to the CDM Account (as defined in paragraph 24 below) to the time such Sales are consummated) or any expenses or liabilities incurred in connection with such Sales.

10. The Trustee shall not be liable for any failure to carry out its obligations under the Terms and Conditions where such failure is a result of a Force Majeure Event and, for so long as such circumstances continue, shall be relieved of its obligations under the Terms and Conditions which it has been prevented from fulfilling as a result of that Force Majeure Event without liability; provided that the Trustee shall, notwithstanding that it is relieved from its obligations hereunder, take all reasonable and practical steps to minimize any loss and/or disruption resulting from any such Force Majeure Event. For the purpose of this paragraph, "Force Majeure Event" means any event beyond the reasonable control of the person affected including, without limitation, labor dispute, act of God, war, act or circumstance of terrorism, riot, civil commotion, malicious damage, accident, breakdown of essential computer software, hardware or system failure, fire, flood and/or storm and other unforeseen circumstances materially and adversely affecting the performance of the functions of the Trustee under the Terms and Conditions.

11. The CMP acknowledges that the World Bank shall have the right to engage in any of the types of activities described in the Terms and Conditions for its own account or for the account of clients other than the Adaptation Fund whether acting as trustee, adviser or in any other capacity vis-à-vis such clients. The CMP agrees that the World Bank, in carrying out such activities for its own account or for the account of others, may decide to adopt approaches and courses of actions, which differ from the approaches and courses of action that the Trustee decides to take in performing the services for the Adaptation Fund described in the Terms and Conditions. In engaging in such activities for its own account or for the account of others, the World Bank will put in place measures designed to avoid or mitigate conflicts of interest arising from its functions under the Terms and Conditions relating to the Sale of the Share of Proceeds for the Adaptation Fund.

12. If a decision by the CMP or the Adaptation Fund Board after the effective date of the Terms and Conditions relates to the functions of the Trustee performed or to be performed under the Terms and Conditions, such a decision shall be developed in close consultation with the Trustee. In the absence of such consultation with and the agreement of the Trustee, the Trustee shall not be bound by any decision of the CMP or the Adaptation Fund Board, to the extent that such a decision relates to the functions of the Trustee performed or to be performed under the Terms and Conditions.

13. The CMP agrees that the Trustee shall be fully indemnified, out of the assets held for the Adaptation Fund, including the Trust Fund resources, for any liabilities, claims, losses, costs and expenses, including attorneys' fees and expenses, incurred by the Trustee in connection with or in any way arising out of its activities as Trustee, including but not limited to any activities of the Trustee in connection with the Sale or the facilitation of the Sale of the Share of Proceeds. Such indemnity shall not include any liabilities, claims,

losses, costs or expenses incurred by the Trustee as a direct result of its own gross negligence or willful misconduct.

14. The privileges and immunities accorded to the World Bank shall apply to the property, assets, archives, operations and transactions of the Trust Fund. Nothing in the Terms and Conditions shall be considered a waiver of any privileges or immunities of the World Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved.

15. The CMP agrees that the Trustee shall be reimbursed annually from the assets held for the Adaptation Fund, including the Trust Fund resources, for the fees, costs and expenses incurred by it in connection with performing its functions under the Terms and Conditions, including, without limitation, the costs and expenses incurred in connection with the establishment and administration of the Trust Fund, the Sale of the Share of Proceeds, and any and all services provided hereunder, including attorneys' fees and expenses and external auditors' costs, costs of insurance policies and relevant service providers' fees. For this purpose, the Trustee shall submit to the Adaptation Fund Board a proposal for mutual agreement for the services and activities to be provided by the Trustee and estimated fees, costs and expenses to carry out such services and activities for the initial and/or upcoming fiscal year, as applicable. Upon approval by the Adaptation Fund Board of such a proposal, the Trustee shall deduct and transfer the amount of the estimated fees, costs and expenses to its own account from the Trust Fund resources or such other assets held for the Adaptation Fund; provided that the amount of the fees, costs and expenses transferred may be subject to an end of year adjustment based on actual costs and expenses incurred, as such an arrangement may be agreed between the Adaptation Fund Board and the Trustee in connection with the aforementioned proposal.

16. In order to enable the Trustee to carry out its functions enumerated in the Terms and Conditions, the Trustee shall be entitled to attend any meetings of the Adaptation Fund Board and, as an observer, any meetings of the CMP which may concern the operations and activities of the Adaptation Fund. Further, the CMP hereby requests the secretariat servicing the Adaptation Fund Board in accordance with decision 1/CMP.3, and the secretariat of the Convention (the UNFCCC secretariat), to cooperate fully with the Trustee.

B. Administration of the Trust Fund

17. The Trustee shall receive and hold in the Trust Fund any proceeds from the Sale of the Share of Proceeds conducted pursuant to paragraphs 24, 25, 26, 27 and 28 below. If requested by the Adaptation Fund Board, the Trustee may accept, on terms mutually agreed between the Trustee and the Adaptation Fund Board, contributions from donors to support the operations of the Adaptation Fund. For the avoidance of doubt, no Share of Proceeds shall be held in the Trust Fund.

18. Subject to paragraphs 2 and 12 above, the Trustee shall administer the funds, assets and receipts of the Trust Fund only for the purpose of, and in accordance with, the Terms and Conditions and the relevant decisions of the CMP and the Adaptation Fund Board.

19. In accordance with decision 1/CMP.3, paragraph 21, and in conformity with the administrative and investment arrangements of the Trustee, the Trustee shall hold the funds, assets and receipts that constitute the Trust Fund separate and apart from the funds of the World Bank. The Trustee shall establish and maintain separate records and accounts to identify the resources of the Trust Fund, the commitments financed out of the Trust Fund, and the receipts and transfers of funds in the Trust Fund.

20. The Trustee shall invest the funds held in the Trust Fund, pending their transfer under paragraphs 15 above and 22 below, in accordance with the Trustee's policies and procedures for the investment of trust funds administered by the World Bank, including commingling of the resources of the Trust Fund for administrative and investment purposes with other trust fund assets maintained by the World Bank. The commingling of Trust Fund resources for administrative and investment purposes should not affect the amount of resources from proceeds of monetization of the Share of Proceeds available in the Trust Fund for transfer of funds for Adaptation Fund operations, activities, projects and programmes. The Trustee shall credit all income from such investment to the Trust Fund to be used for the same purposes as other funds held in the Trust Fund. The CMP acknowledges that no warranty is given by the Trustee as to the performance or profitability of the investment of the funds held in the Trust Fund.

21. The funds held in the Trust Fund may be freely exchanged by the Trustee into other currencies as may facilitate their administration and transfer.

22. The Trustee shall, subject to the availability of resources held in the Trust Fund, record commitments and make transfers of funds from the Trust Fund in the manner agreed between the Trustee and the Adaptation Fund Board, and only at, and in accordance with, the written direction provided to the Trustee by the Adaptation Fund Board or any Authorized Designee. Upon the transfer of funds, the Trustee shall not have any responsibility for the use of the Trust Fund funds transferred and activities carried out therewith, including but not limited to any responsibility with respect to supervising, monitoring, reporting on or verifying activities carried out with the Trust Fund funds transferred by the Trustee herein.

23. The Trustee shall prepare and furnish the Adaptation Fund Board with financial reports of the Trust Fund annually (or at any other such frequency agreed between the Trustee and the Adaptation Fund Board), and provide records and accounts of the Trust Fund for audit by its external auditors annually (or at any other such frequency agreed between the Trustee and the Adaptation Fund Board), in accordance with the policies and procedures of the Trustee. Furthermore, the Trustee shall prepare and furnish the Adaptation Fund Board with reports on the Sale of the Share of Proceeds for the Adaptation Fund and on the status of commitments and transfers of Trust Fund funds annually (or at any other such frequency agreed between the Trustee and the Adaptation Fund Board).

C. Sales of Share of Proceeds

24. The CMP hereby authorizes the Sale of the Share of Proceeds from the account established and maintained at the CDM registry for the Adaptation Fund to hold and transfer the Share of Proceeds to assist in meeting the costs of adaptation in accordance with Article 12, paragraph 8, of the Kyoto Protocol (the CDM Account) in the manner set forth hereunder.

25. The Sale of the Share of Proceeds from the CDM Account shall be administered under the instructions, direction and guidance of the Adaptation Fund Board consistent with its responsibility to supervise and manage the Adaptation Fund and for the monetization of the Share of Proceeds.

26. Pursuant to the authority provided under paragraph 3 above, the Adaptation Fund Board may cause to be entered into any and all contracts necessary for the Sale of the Share of Proceeds from the CDM Account by granting to the Trustee any necessary power of attorney on behalf of the CMP, so that the Trustee may execute contracts of Sale with the relevant third-party Share of Proceeds purchasers and such other contracts necessary in

connection with the Sale or the facilitation of the Sale of the Share of Proceeds, at the direction of the Adaptation Fund Board pursuant to paragraph 28 below.

27. Pursuant to the authority provided under paragraph 8 above, and in furtherance of paragraphs 24, 25 and 26 above, the Trustee may, at the direction of the Adaptation Fund Board pursuant to paragraph 28 below: (1) cause the transfer of the title to the Share of Proceeds to the relevant third-party purchasers, or the cancellation of the Share of Proceeds, upon receipt of payment in respect of the transfer or cancellation; (2) enter into arrangements with the CDM Registry Administrator to effectuate such transfers or cancellations of the Share of Proceeds; (3) engage with relevant service providers for the purposes of execution, clearance, settlement and other logistic matters in connection with the Sale or the facilitation of the Sale of the Share of Proceeds; and (4) take other such actions as necessary to effectuate the Sale of the Share of Proceeds for the benefit of the Adaptation Fund.

28. Sale of the Share of Proceeds and transfer of title or cancellation of the Share of Proceeds in respect of such Sale pursuant to paragraphs 24, 25, 26 and 27 above shall be effected by the Trustee only in accordance with the guidelines agreed in writing between the Trustee and the Adaptation Fund Board.

D. Dispute resolution: notices

29. The CMP and the Trustee shall, to the extent possible, strive to resolve promptly and amicably questions of interpretation and application of the Terms and Conditions and settle any disputes, controversy or claim arising out of or relating to the Terms and Conditions.

30. Any dispute, controversy or claim arising out of or relating to the Terms and Conditions, which has not been settled by agreement between the CMP and the Trustee, shall be submitted to arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) in force on the effective date of the Terms and Conditions, and the following provisions: (1) the appointing authority shall be the Secretary-General of the Permanent Court of Arbitration; and (2) the language of the arbitral proceedings shall be English.

31. Any arbitral award under paragraph 30 above shall be final and binding upon the CMP and the Trustee. The provisions set forth in paragraphs 29 and 30 above shall be in lieu of any other procedure for the settlement of disputes between the CMP and the Trustee.

32. Any notice or request required or permitted to be given or made under the Terms and Conditions and any other agreement between any of the parties contemplated by the Terms and Conditions shall be in writing. Any such notice or request shall be deemed to have been duly given or made once it has been delivered by hand, mail, facsimile or, if so designated by the parties, by other electronic means, to the World Bank or the UNFCCC secretariat, in the case of the CMP, to which it is required or permitted to be given or made at such party's address designated by notice to the World Bank or in the case of the CMP, the UNFCCC Secretariat, giving such notice or making such a request. Deliveries made by facsimile or other electronic means shall also be confirmed by mail.

E. Amendment and termination

33. Any amendment to the Terms and Conditions shall become effective only upon approval and acceptance by the CMP and the World Bank.

34. The Trustee's role as trustee servicing the Adaptation Fund under the Terms and Conditions shall be automatically terminated on 30 May 2017, unless the CMP and the

Trustee affirmatively agree in writing to extend beyond this date the term of the Trustee's services under the Terms and Conditions.

35. Notwithstanding paragraph 34 above, the CMP may at any time terminate the appointment of the Trustee as trustee servicing the Adaptation Fund under the Terms and Conditions. The Trustee's role as trustee servicing the Adaptation Fund shall be terminated three months after receipt by the Trustee of the notice in writing of the termination of the appointment.

36. Notwithstanding paragraph 34 above, the Trustee may at any time terminate its role as trustee servicing the Adaptation Fund by giving the CMP notice in writing no less than three months prior to any session of the CMP. The Trustee's role as trustee servicing the Adaptation Fund shall be terminated immediately after the session of the CMP which immediately follows the notice by the Trustee. In the event that no session of the CMP is held within 12 months of the Trustee giving notice, however, the Trustee's role shall be terminated 12 months after the Trustee has given notice.

37. Following termination of the Trustee's role as trustee servicing the Adaptation Fund pursuant to paragraphs 34, 35 or 36 above, the Trustee shall carry on no business for the Adaptation Fund except for the purpose of winding up its affairs. The Trustee shall take all necessary action for winding up its affairs in an expeditious manner, and for meeting the commitments already made by the Trustee and the transfer of any remaining funds, assets and receipts in the Trust Fund, as directed by the Adaptation Fund Board. The CMP hereby mandates that in such circumstances the Adaptation Fund Board shall provide such direction to the Trustee without undue delay. All of the powers and rights of the Trustee under the Terms and Conditions, including the right to be reimbursed for the fees, costs and expenses incurred under paragraph 15 above, shall continue until the affairs of the Trustee shall have been wound up.

F. Effectiveness

38. The Terms and Conditions or any amendments to the same shall become effective and constitute an agreement between the CMP and the World Bank upon decisions by the CMP and the World Bank to approve and accept the Terms and Conditions or any amendments to the same.

Decision -/CMP.10

Second review of the Adaptation Fund

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Underlining the crucial importance of the Adaptation Fund as an essential channel for supporting adaptation action and the main promoter of direct access, together with its focus on funding the full costs of concrete adaptation projects and programmes in developing countries,

Noting with deep concern the continued issues related to the sustainability, adequacy and predictability of funding from the Adaptation Fund, given the current prices of certified emission reductions, which affect its ability to fulfil its mandate,

1. *Takes note* of the report of the Adaptation Fund Board¹ and the technical paper on the second review of the Adaptation Fund;²
2. *Underlines* the urgent implementation of the resource mobilization strategy of the Adaptation Fund Board;
3. *Encourages* the Adaptation Fund Board to consider the following options for addressing the predictability of resources, in particular:
 - (a) The scale of resources;
 - (b) Regular estimates of the resources needed;
 - (c) Continuous review of the status of projects;
4. *Requests* the Adaptation Fund Board to consider options, including those contained in the technical paper referred to in paragraph 1 above, for addressing the diversification of revenue streams of the Adaptation Fund, in accordance with the mandate of the Fund;
5. *Also requests* the Adaptation Fund Board to consider, under its readiness programme, the following options for enhancing the access modalities of the Adaptation Fund:
 - (a) Targeted institutional strengthening strategies to assist developing countries, in particular the least developed countries, to accredit more national or regional implementing entities to the Adaptation Fund;
 - (b) Ensuring that accredited national implementing entities have increased and facilitated access to the Adaptation Fund, including for small-size projects and programmes;
6. *Further requests* the Adaptation Fund Board to consider options for developing operational linkages, as appropriate, between the Adaptation Fund and constituted bodies under the Convention, taking into consideration the mandates of the respective bodies;
7. *Takes note* of decision -/CP.20³ concerning the request of the Conference of the Parties to the Standing Committee on Finance to consider issues related to possible future

¹ FCCC/KP/CMP/2014/6.

² FCCC/TP/2014/7.

³ Draft decision proposed for adoption under agenda item 12(b) of the Conference of the Parties.

institutional linkages and relations between the Adaptation Fund and other institutions under the Convention;

8. *Decides* to extend to June 2017 the interim arrangements with the secretariat of the Adaptation Fund Board and the trustee of the Adaptation Fund, with a view to further consideration by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol of options for permanent institutional arrangements for the secretariat and trustee, including via an open and competitive bidding process and on the basis of the cost and time frame of each option and its legal and financial implications;

9. *Requests* the Subsidiary Body for Implementation, at its forty-fourth session (May 2016), to initiate the third review of the Adaptation Fund, in accordance with the terms of reference contained in the annex to decision 2/CMP.9, or as they may be subsequently amended, and to report back to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its twelfth session (November–December 2016), with a view to the review being undertaken by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its thirteenth session (November–December 2017);

10. *Also requests* the Adaptation Fund Board to include in its report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session (November–December 2015) information on the progress made in relation to the matters referred to in paragraphs 3–6 above.

Decision -/CMP.10

Date of the completion of the expert review process under Article 8 of the Kyoto Protocol for the first commitment period

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling decision 27/CMP.1, annex, section XIII,

Also recalling decisions 13/CMP.1, 14/CMP.1 and 22/CMP.1,

Emphasizing the importance of the expert review process under Article 8 of the Kyoto Protocol for the last year of the commitment period, in view of the central role of this process in the assessment of Party compliance with commitments under Article 3, paragraph 1, of the Kyoto Protocol,

Concerned that a significant proportion of annual inventory review reports have not been finalized by 15 April of the year following the submission of annual reports in recent annual review cycles, despite measures identified to facilitate their timely completion,

Recognizing that the 2014 review process may encounter further difficulty due to the complexity of the process, as it is the last review for the first commitment period and that delays may result from factors that are not within the control of the Party subject to review,

Recalling that the secretariat maintains a compilation and accounting database to compile and account for emissions and assigned amounts, pursuant to Article 3, paragraphs 7 and 8, of the Protocol and of additions to, and subtractions from, assigned amounts, pursuant to the same paragraphs, for the accounting of the compliance assessment, in order to facilitate the assessment of the compliance of each Party included in Annex I with its commitment under Article 3, paragraph 1, of the Protocol,

Noting the importance of transparent information on the status of the 2014 compliance review in advance of the eleventh session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, to be held from 30 November to 11 December 2015,

1. *Decides* that the expert review process under Article 8 of the Kyoto Protocol for the last year of the first commitment period shall be completed by 10 August 2015 and decides that if the expert review process is not completed by this date, it shall continue, and the date of completion shall be the date of publication of the last inventory review report for the last year of the first commitment period;
2. *Urges* the secretariat to expedite the review process to satisfy this deadline;
3. *Decides* that the report upon expiration of the additional period for fulfilling commitments for the first commitment period, covering the information required in decision 13/CMP.1, annex, paragraph 49, using the standard electronic format tables as agreed in decision 14/CMP.1, shall be submitted as soon as practicable but not later than 45 days after the expiration of the additional period for fulfilling commitments for the first commitment period (hereinafter referred to as the true-up period);

4. *Also decides* that the secretariat shall produce, in electronic format, on 30 September 2015 and every four weeks thereafter, until the month of the completion of the true-up period, the following information for each Party with a commitment in Annex B for the first commitment period, indicating clearly the source of this information:

- (a) Inventory data for each year of the commitment period;
- (b) Total emissions over the commitment period;
- (c) Total quantity of units held in Party holding accounts, cancellation accounts, and the retirement account;

5. *Further decides* that this information should include the total quantity of aggregated holdings in the clean development mechanism registry;

6. *Decides* that information on the review processes remaining to be completed should be provided by the secretariat together with the information referred to in paragraph 4 above, including information on which reviews are incomplete, which stage the incomplete review processes have reached, on what dates previous stages were completed and, to the extent possible, when outstanding stages are expected to be completed.

Decision -/CMP.10

Guidance relating to the clean development mechanism

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling the provisions of the Kyoto Protocol and decision 1/CMP.8,

Cognizant of decision 3/CMP.1 and subsequent guidance provided by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol relating to the clean development mechanism,

I. General

1. *Welcomes* the annual report for 2013–2014 of the Executive Board of the clean development mechanism;¹
2. *Commends* the Executive Board for the substantial work undertaken over the past year;
3. *Expresses* satisfaction with the progress of the clean development mechanism of the Kyoto Protocol, which to date has been responsible for:
 - (a) Over 7,500 project activities being registered in over 95 countries;
 - (b) Over 1,700 component project activities being included in over 270 programmes of activities registered in over 75 countries;
 - (c) Over 1.5 billion certified emission reductions being issued and over USD 215 billion being invested;
 - (d) Over 1.6 million certified emission reductions being voluntarily cancelled;
 - (e) Over 30 million certified emission reductions being transferred through the share of proceeds to the Adaptation Fund;
 - (f) Over USD 190 million of revenue being accrued for the Adaptation Fund from the sale of certified emission reductions;
 - (g) 56 loans under the clean development mechanism loan scheme being approved and over USD 5 million of total commitment;
 - (h) 16 sustainable development co-benefits description reports being published using the voluntary sustainable development tool;²
4. *Designates* as operational entities those entities that have been accredited, and provisionally designated, as operational entities by the Executive Board to carry out the sector-specific validation and verification functions described in annex I;

¹ FCCC/KP/CMP/2014/5.

² Referred to in decision 5/CMP.8.

II. Baseline and monitoring methodologies and additionality

5. *Requests* the Executive Board to further consider the implications of allowing requests for revision of a baseline and monitoring methodology without a draft project design document in cases where the Executive Board considers that the assessment of such a request can be conducted without project-specific information, in order to provide flexibility in the provisions contained in paragraph 38 of the annex to decision 3/CMP.1, and report back to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session for its consideration;

6. *Encourages* the Executive Board to continue its work on the simplification and streamlining of baseline and monitoring methodologies with the aim of reducing transaction costs for all project activities and programmes of activities, taking into account that countries, regions and subregions underrepresented in the clean development mechanism are especially affected by high transaction costs;

7. *Decides* to replace paragraph 32 of the annex to decision 5/CMP.1, related to the flexibility in the timing of verification for afforestation and reforestation project activities, with the paragraph contained in annex II;

8. *Requests* the Executive Board to explore additional cost-effective approaches to demonstrating the eligibility of land to qualify as a clean development mechanism afforestation or reforestation project activity, and report back on this matter to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session for its consideration;

III. Registration of clean development mechanism project activities and issuance of certified emission reductions

9. *Decides* to allow the validation by a designated operational entity and the submission for approval by the Executive Board of a monitoring plan at any time up to the first request for issuance of certified emission reductions for all scales of project activities and programmes of activities in order to provide flexibility in the provisions contained in sections G. and H. of the annex to decision 3/CMP.1;

10. *Endorses* the development of a procedure by the Executive Board that would allow for the voluntary deregistration of clean development mechanism project activities by project participants, while ensuring environmental integrity and the consultation of Parties involved;

11. *Requests* the Executive Board to report on the implementation of the procedure for voluntary deregistration to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session;

12. *Also requests* the Executive Board to publish its procedures for dealing with communications from stakeholders;

13. *Requests* the Executive Board to further analyse options to allow the simplified registration of project activities and programmes of activities that qualify as automatically additional and report back to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session for its consideration; the options would include, inter alia, that registration is approved on the basis of a standardized pre-approved registration template using objective criteria without prior validation through a designated operational entity, combined with ex post confirmation by a designated operational entity

during the first verification of the compliance with the registered template of the implemented project activity or programme of activities;

14. *Requests* the Executive Board to analyse the implications, and possible provisions for ensuring environmental integrity, of allowing the same designated operational entity to carry out validation and verification for the same project activity or programme of activities of all scales and report back on this matter to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session for its consideration;

15. *Also requests* the Executive Board to develop and digitize methodology-specific design document forms for project activities and programme of activities;

16. *Decides* that, for multi-country programmes of activities, a request for review of a request for issuance raised by a host Party of a programme of activities shall affect only the component project activities in the territory of that Party;

17. *Requests* the Executive Board to streamline provisions relating to programmes of activities in the “CDM project standard”, “CDM validation and verification standard”, “CDM project cycle procedure” and other relevant documents, with a view to achieving consistency in a consolidated set of rules;

18. *Also requests* the Executive Board to consider adjusting, and if appropriate implement, the rules governing programmes of activities to reflect the special features of programmes of activities in order to facilitate effective implementation and reduce associated transaction costs while ensuring environmental integrity, taking into account the implications for liability with regard to the issuance of certified emission reductions resulting from significant deficiencies in validation, verification and certification reports, including rules that:

(a) Apply microscale thresholds at the unit level rather than at the component project activity level;

(b) Allow, as an option, a simplified validation and registration process for activities that satisfy microscale thresholds and are considered automatically additional; this option shall allow for:

(i) Validation of a programme of activities without the submission of a specific-case component project activity;

(ii) Inclusion on the basis of a pre-approved standardized inclusion template of component project activities carried out directly by the coordinating/managing entity without prior validation through a designated operational entity;

IV. Regional and subregional distribution

19. *Requests* the Executive Board to explore and analyse options to improve accreditation of operational entities in regions underrepresented in the clean development mechanism, and report back on this matter to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session for its consideration;

V. Resources for work on the clean development mechanism

20. *Requests* the Executive Board to ensure the prudent management of the resources of the clean development mechanism and its ability to perform its duties in maintaining and developing the mechanism up to the end of the true-up period of the second commitment period of the Kyoto Protocol.

Annex I

Entities accredited and provisionally designated by the Executive Board of the clean development mechanism in the reporting period, including entities for which the scope of accreditation was extended (5 October 2013 to 30 September 2014)

<i>Name of entity</i>	<i>Sectoral scopes (validation & verification)</i>
BRTÜV Avaliações da Qualidade S.A. (BRTÜV) ^a	1–5, 12–14
Bureau Veritas Certification Holding SAS (BVCH) ^b	1–15
Carbon Check (Pty) Ltd. (Carbon Check) ^d	1–5, 8–10, 13
Carbon Check (Pty) Ltd. (Carbon Check) ^c	14
CEPREI Certification Body (CEPREI) ^d	1–5, 8–10, 13, 15
China Classification Society Certification Company (CCSC) ^b	1–10, 13
China Environmental United Certification Center Co. Ltd. (CEC) ^b	1–15
China Quality Certification Center (CQC) ^b	1–15
Colombian Institute for Technical Standards and Certification (ICONTEC) ^d	1–5, 7, 10, 13–15
Conestoga-Rovers & Associates Ltd. (CRA) ^b	1, 4–5, 8–10, 12–13
Deloitte Tohmatsu Evaluation and Certification Organization Co. Ltd. (Deloitte–TECO) ^d	1–5, 8, 10, 12, 13, 15
Deloitte Tohmatsu Evaluation and Certification Organization Co. Ltd. (Deloitte–TECO) ^e	6
DNV Climate Change Services AS (DNV) ^b	1–15
Earthood Services Private Limited ^a	1, 3–5, 8, 10, 12–13, 15
EPIC Sustainability Services Pvt. Ltd. (EPIC) ^b	1–11, 13–15
ERM Certification and Verification Services Limited (ERM CVS) ^b	1–5, 8–10, 13, 15
Ernst & Young Associés (France) (EYG) ^b	14
Foundation for Industrial Development – Management System Certification Institute (Thailand) (MASCI) ^b	1, 3–4, 9–10, 13, 15
Germanischer Lloyd Certification GmbH (GLC) ^b	1–5, 7–10, 13, 15
Hong Kong Quality Assurance Agency (HKQAA) ^b	1
IBOPE Instituto Brasileiro de Opinião Pública e Estatística Ltda. (IBOPE) ^b	1
Indian Council of Forestry Research and Education (ICFRE) ^b	14
JACO CDM Ltd. (JACO CDM) ^d	1, 3, 13, 14
Japan Consulting Institute (JCI) ^f	1, 2, 4–5, 8–10, 13
Japan Management Association (JMA) ^b	1–4, 6, 8–9, 14

<i>Name of entity</i>	<i>Sectoral scopes (validation & verification)</i>
Japan Quality Assurance Organization (JQA) ^b	1, 3–5, 9–10, 13–14
Japan Quality Assurance Organization (JQA) ^e	11
KBS Certification Services Pvt. Ltd. (KBS) ^b	1, 3–5, 7, 9–10, 12–13, 15
Korea Energy Management Corporation (KEMCO) ^b	1, 3–5, 7, 9, 11–15
Korea Energy Management Corporation (KEMCO) ^e	2, 6, 8, 10
Korea Environment Corporation (KECO) ^b	1, 3, 13
Korea Environment Corporation (KECO) ^e	2, 4, 5, 6, 7, 9, 10, 14, 15
Korea Testing & Research Institute (KTR) ^b	1, 4–5, 9–11, 13
Korean Foundation for Quality (KFQ) ^b	1–5, 8–11, 13
Korean Register of Shipping (KR) ^b	1, 7, 13
Korean Standards Association (KSA) ^b	1–5, 9–10, 13
LGAI Technological Center S.A. (LGAI) ^b	1, 13
Lloyd's Register Quality Assurance Ltd. (LRQA) ^b	1–13
Northeast Audit Co. Ltd. (NAC) ^b	1–13, 15
Perry Johnson Registrars Carbon Emissions Services (PJRCES) ^d	1–4, 7, 9–10, 12–13, 15
Re-consult Ltd. (Re-consult) ^b	1
RINA Services S.p.A. (RINA) ^b	1–11, 13–15
SGS United Kingdom Ltd. (SGS) ^b	1–7, 9–13, 15
Shenzhen CTI International Certification Co. Ltd. (CTI) ^b	1–4, 6–10, 13
SIRIM QAS International Sdn. Bhd. (SIRIM) ^b	1–4, 7–10, 13, 15
Spanish Association for Standardisation and Certification (AENOR) ^d	1–15
Swiss Association for Quality and Management Systems (SQS) ^f	1–15
TÜV NORD CERT GmbH (TÜV NORD) ^b	1–16
TÜV Rheinland (China) Ltd. (TÜV Rheinland) ^b	1–15
TÜV SÜD South Asia Private Ltd. (TÜV SÜD) ^b	1–15
URS Verification Private Limited (URS) ^b	1, 13

^a Accreditation granted for five years as per paragraph 20 of decision 5/CMP.8.

^b Accreditation period extended from three to five years as per paragraph 20 of decision 5/CMP.8.

^c Extension of sectoral scopes. Only the new sectoral scopes are indicated.

^d Reaccreditation granted for five years as per paragraph 20 of decision 5/CMP.8.

^e Voluntary withdrawal of accreditation. Only the withdrawn sectoral scopes are indicated.

^f Voluntary withdrawal of accreditation in its entirety.

Annex II

Flexibility in the timing of the verification of afforestation and reforestation project activities

Replacement of paragraph 32 of the annex to decision 5/CMP.1:

“The initial verification and certification of an afforestation or reforestation project activity under the clean development mechanism may be undertaken at a time selected by the project participants. In the case of afforestation or reforestation project activities for which tCERs are issued, subsequent verification and certification may be carried out at most once in each subsequent commitment period, at a time selected by the project participants. For afforestation or reforestation project activities for which ICERs are issued, subsequent verifications and certifications shall be carried out within eight years of the date when the previous certification report was submitted until the end of the crediting period.”

Draft decision -/CMP.10

Guidance on the implementation of Article 6 of the Kyoto Protocol

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling the provisions of Articles 3 and 6 of the Kyoto Protocol and decision 1/CMP.8,

Cognizant of decision 9/CMP.1 and subsequent guidance provided by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol relating to joint implementation,

1. *Takes note* of the achievements of joint implementation in the period 2006–2014, accounting for 548 Track 1 projects,¹ 51 Track 2 projects,² five accredited independent entities and over 856 million emission reduction units issued for emission reductions generated for the first commitment period of the Kyoto Protocol;

2. *Takes note with appreciation* of the annual report for 2013–2014 of the Joint Implementation Supervisory Committee³ and the status of work undertaken by the Committee, in particular:

(a) The additional recommendations on the transition from the existing to the revised joint implementation guidelines, as a further complement to the recommendations submitted by the Committee to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol in 2012 and 2013;

(b) The recommendations and report on progress made in relation to the accreditation system for joint implementation aligned with that of the clean development mechanism;

3. *Reiterates* its concern regarding the difficult market situation currently faced by participants in joint implementation and the need to ensure the continued success of the mechanism in order to assist Parties with a quantified emission limitation or reduction commitment inscribed in the third column of Annex B in the Doha Amendment, contained in decision 1/CMP.8, annex I, in meeting their commitments for the second commitment period under Article 3 of the Kyoto Protocol;

4. *Takes note* of the ongoing work of the Subsidiary Body for Implementation on the review of the joint implementation guidelines,⁴ as contained in the annex to decision 9/CMP.1;

5. *Requests* the secretariat to prepare a technical paper, for consideration by the Subsidiary Body for Implementation at its forty-second session (June 2015), on the opportunities for cost savings and efficiencies for joint implementation, learning from the

¹ Decision 9/CMP.1, annex, paragraph 23.

² The verification procedure under the Joint Implementation Supervisory Committee, defined in decision 9/CMP.1, annex, paragraphs 30–45.

³ FCCC/KP/CMP/2014/4.

⁴ See document FCCC/SBI/2014/L.34.

experiences of the clean development mechanism, while recognizing the respective mandates of the two mechanisms;

6. *Invites* Parties to submit to the secretariat, by 16 March 2015, examples of voluntary technical approaches, designed by host Parties for their joint implementation projects, that could assist the host Parties in achieving their quantified emission limitation or reduction commitments under the Kyoto Protocol;

7. *Requests* the secretariat to synthesize these submissions into a synthesis report for consideration by the Subsidiary Body for Implementation at its forty-second session;

8. *Requests* the Joint Implementation Supervisory Committee to submit elaborated recommendations, for consideration by the Subsidiary Body for Implementation at its forty-second session, on the review of the joint implementation guidelines;

9. *Also requests* the Joint Implementation Supervisory Committee to ensure sufficient infrastructure and capacity for the mechanism's use by Parties until at least the end of the additional period for fulfilling commitments under the second commitment period of the Kyoto Protocol, and to keep the joint implementation management plan under review, making necessary adjustments to ensure the efficient, cost-effective and transparent functioning of joint implementation.

Decision -/CMP.10

Synergy relating to accreditation under the mechanisms of the Kyoto Protocol

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling decision 6/CMP.8, paragraph 15(b),

1. *Requests* the Executive Board of the clean development mechanism and the Joint Implementation Supervisory Committee to collaborate in considering the establishment of a joint accreditation committee under their authority and supervision and in the operation of accreditation, within the mandates established by decisions 3/CMP.1 and 9/CMP.1 and other relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol related to accreditation;
 2. *Further requests* the Executive Board of the clean development mechanism and the Joint Implementation Supervisory Committee to report on the progress of the actions referred to in paragraph 1 above to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session (November–December 2015).
-

Decision -/CMP.10

Outcome of the work programme on modalities and procedures for possible additional land use, land-use change and forestry activities under the clean development mechanism

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Affirming that the implementation of land use, land-use change and forestry activities included under the provisions of the Kyoto Protocol shall be consistent with the objectives and principles of, and any decisions taken under, the Convention and its Kyoto Protocol,

Recalling decisions 5/CMP.1, 6/CMP.1 and 16/CMP.1,

Having considered decision 2/CMP.7,

1. *Requests* the Executive Board of the clean development mechanism, in the context of the work programme referred to in decision 2/CMP.7, paragraph 6, to assess the applicability of the modalities and procedures contained in decisions 5/CMP.1 and 6/CMP.1 to project activities involving revegetation, based on the definition contained in decision 16/CMP.1 annex, paragraph 1(e), including in areas with agroforestry and silvopastoral practices where the established vegetation is not likely to reach the forest thresholds selected by the host Party under decision 5/CMP.1, annex, paragraph 8, in the event that such project activities would be eligible under the clean development mechanism;
2. *Requests* the Executive Board of the clean development mechanism to report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its eleventh session (November–December 2015), on the outcome of the assessment referred to in paragraph 1 above, including an indication of sections of the modalities and procedures in which modifications would be needed in respect of the project activities referred to in paragraph 1 above;
3. *Requests* the Subsidiary Body for Scientific and Technological Advice, in the context of the work referred to in paragraph 4 below, to consider the report of the Executive Board of the clean development mechanism referred to in paragraph 2 above at its forty-third session (November–December 2015);
4. *Requests* the Subsidiary Body for Scientific and Technological Advice to continue, under the work programme referred to in paragraph 1 above, its consideration of additional land use, land-use change and forestry activities under the clean development mechanism at its forty-fourth session (May 2016), with a view to recommending a draft decision on this matter for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its twelfth session (November–December 2016).

Decision -/CMP.10

Administrative, financial and institutional matters

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling Article 13, paragraph 5, of the Kyoto Protocol,

Also recalling decision 27/CP.19, in particular paragraph 11,

Further recalling paragraph 11 of the financial procedures of the Conference of the Parties, which also applies to the Kyoto Protocol,¹

Taking note of decision -/CP.20,²

Having considered the information contained in the documents prepared by the secretariat on administrative, financial and institutional matters,³

I. Audited financial statements for the biennium 2012–2013

1. *Takes note* of the audited financial statements for the biennium 2012–2013, the audit report of the United Nations Board of Auditors, which includes recommendations, and the comments of the secretariat thereon;
2. *Expresses its appreciation* to the United Nations for arranging the audits of the accounts of the Convention and for the valuable observations and recommendations of the auditors;
3. *Urges* the Executive Secretary to implement the recommendations of the auditors, as appropriate;

II. Budget performance report for the biennium 2014–2015

4. *Takes note* of the report on budget performance for the biennium 2014–2015 as at 30 June 2014 and the status of contributions as at 15 November 2014 to the trust funds administered by the secretariat;
5. *Expresses its appreciation* to Parties that made contributions to the core budget and to the international transaction log⁴ in a timely manner;
6. *Calls upon* Parties that have not yet made contributions to the core budget or to the international transaction log to do so without delay, bearing in mind that contributions are due on 1 January of each year in accordance with the financial procedures of the Conference of the Parties;

¹ Decision 15/CP.1, annex I.

² Draft decision proposed for adoption under agenda sub-items 18(a) and (b) of the Subsidiary Body for Implementation.

³ FCCC/SBI/2014/10, FCCC/SBI/2014/16 and Add.1 and 2 and FCCC/SBI/2014/INF.23.

⁴ See document FCCC/SBI/2014/INF.23.

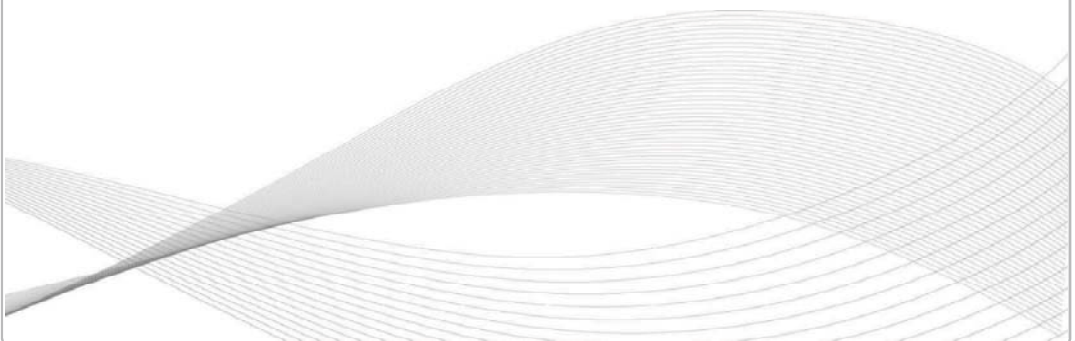
7. *Expresses its appreciation* for the contributions received from Parties to the Trust Fund for Participation in the UNFCCC Process and to the Trust Fund for Supplementary Activities;
8. *Urges* Parties to further contribute to the Trust Fund for Participation in the UNFCCC Process, in order to ensure the widest possible participation in the negotiations in 2015, and to the Trust Fund for Supplementary Activities;
9. *Reiterates* its appreciation to the Government of Germany for its annual voluntary contribution to the core budget of EUR 766,938 and its special contribution of EUR 1,789,522 as Host Government of the secretariat;

III. Programme budget for the biennium 2016–2017

10. *Requests* the Executive Secretary to submit, for consideration by the Subsidiary Body for Implementation at its forty-second session (June 2015), a proposed programme budget for the biennium 2016–2017;
11. *Also requests* the Executive Secretary, when preparing the programme budget for the biennium 2016–2017, to prepare a contingency for funding conference services,⁵ should this prove necessary in the light of decisions taken by the General Assembly at its seventieth session;
12. *Further requests* the Subsidiary Body for Implementation to recommend, at its forty-second session, a programme budget for adoption by the Conference of the Parties at its twenty-first session and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session (November–December 2015);
13. *Authorizes* the Executive Secretary to notify Parties of their indicative contributions for 2016 on the basis of the recommended budget.

⁵ See document FCCC/SBI/2013/6, paragraphs 59–62, for an overview.

VI. 기타 참고 자료





1. ENB



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LIMA CLIMATE CHANGE CONFERENCE: 1-12 DECEMBER 2014

The UN Climate Change Conference opens today in Lima, Peru, and will continue until 12 December. The Conference includes the 20th session of the Conference of the Parties (COP 20) to the UN Framework Convention on Climate Change (UNFCCC) and the 10th session of the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 10). Three subsidiary bodies will also convene: the Subsidiary Body for Implementation (SBI), the Subsidiary Body for Scientific and Technological Advice (SBSTA), and the *Ad Hoc* Working Group on the Durban Platform for Enhanced Action (ADP).

The conference will consider agenda items related, *inter alia*, to finance, mitigation, adaptation and technology. The COP will also hear a report from the ADP concerning progress made during the third year of its mandate to develop “a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties” by 2015 to enter into force no later than 2020.

A BRIEF HISTORY OF THE UNFCCC AND KYOTO PROTOCOL

The international political response to climate change began with the adoption of the UNFCCC in 1992, which sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases (GHGs) to avoid “dangerous anthropogenic interference with the climate system.” The Convention, which entered into force on 21 March 1994, now has 196 parties.

In December 1997, delegates to the third session of the COP in Kyoto, Japan, agreed to a protocol to the UNFCCC that committed industrialized countries, and countries in transition to a market economy, to achieve emission reduction targets. These countries, known as Annex I parties under the UNFCCC, agreed to reduce their overall emissions of six GHGs by an average of 5% below 1990 levels in 2008-2012 (first commitment period), with specific targets varying from country to country. The Kyoto Protocol entered into force on 16 February 2005, and now has 192 parties.

LONG-TERM NEGOTIATIONS IN 2005-2009:

Convening in Montreal, Canada, in 2005, the first session of the CMP (CMP1) decided to establish the *Ad Hoc* Working Group on Annex I Parties’ Further Commitments under the

Kyoto Protocol (AWG-KP) in accordance with Protocol Article 3.9, which mandated consideration of Annex I parties’ further commitments at least seven years before the end of the first commitment period.

In December 2007, COP 13 and CMP 3 in Bali, Indonesia, resulted in agreement on the Bali Roadmap on long-term issues. COP 13 adopted the Bali Action Plan (BAP) and established the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA), with a mandate to focus on mitigation, adaptation, finance, technology and a shared vision for long-term cooperative action. Negotiations on Annex I parties’ further commitments continued under the AWG-KP. The deadline for concluding the two-track negotiations was 2009 in Copenhagen.

COPENHAGEN: The UN Climate Change Conference in Copenhagen, Denmark, took place in December 2009. The high-profile event was marked by disputes over transparency and process. Late in the evening of 18 December, these talks resulted in a political agreement, the “Copenhagen Accord,” which was then presented to the COP plenary for adoption. After 13 hours of debate, delegates ultimately agreed to “take note” of the Copenhagen Accord and to extend the mandates of the negotiating groups until COP 16 and CMP 6 in 2010. In 2010, over 140 countries indicated support for the Accord. More than 80 countries also provided information on their national mitigation targets or actions.

CANCUN: The UN Climate Change Conference in Cancun, Mexico, took place in December 2010, where parties finalized the Cancun Agreements and extended the mandates of the two AWGs for another year. Under the Convention track, Decision 1/CP.16 recognized the need for deep cuts in global emissions in order to limit the global average temperature rise to 2°C above pre-industrial levels. Parties agreed to consider strengthening the global long-term goal during a review by 2015, including in relation to a proposed 1.5°C target. Decision 1/CP.16 also addressed other aspects of mitigation, such as: measuring, reporting and verification (MRV); and reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+).

The Cancun Agreements also established several new institutions and processes, including the Cancun Adaptation Framework, the Adaptation Committee and the Technology

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Mechanism, which includes the Technology Executive Committee and the Climate Technology Centre and Network. The Green Climate Fund (GCF) was created and designated as an operating entity of the Convention's financial mechanism.

Under the Protocol track, the CMP urged Annex I parties to raise the level of ambition towards achieving aggregate emission reductions, and adopted Decision 2/CMP.6 on land use, land-use change and forestry.

DURBAN: The UN Climate Change Conference in Durban, South Africa, took place from 28 November to 11 December 2011. The Durban outcomes covered a wide range of topics, notably the agreement to establish a second commitment period under the Kyoto Protocol, a decision on long-term cooperative action under the Convention and agreement on the operationalization of the GCF. Parties also agreed to launch the ADP with a mandate "to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties." The ADP is scheduled to complete these negotiations by 2015, with the new instrument entering into force no later than 2020. In addition, the ADP was mandated to explore actions to close the pre-2020 ambition gap in relation to the 2°C target.

DOHA: The UN Climate Change Conference in Doha, Qatar, took place in November and December 2012. The conference resulted in a package of decisions, referred to as the "Doha Climate Gateway." These include amendments to the Kyoto Protocol to establish its second commitment period and agreement to terminate the AWG-KP's work in Doha. The parties also agreed to terminate the AWG-LCA. A number of issues requiring further consideration were transferred to the SBI and SBSTA, such as: the 2013-2015 Review of the global goal; developed and developing country mitigation; the Kyoto Protocol's flexibility mechanisms; national adaptation plans; MRV; market and non-market mechanisms; and REDD+.

WARSAW: The Warsaw Climate Change Conference took place from 11-23 November 2013, in Warsaw, Poland. Negotiations focused on the implementation of agreements reached at previous meetings, including pursuing the work of the ADP. The meeting adopted an ADP decision that invites parties to initiate or intensify domestic preparations for their intended nationally determined contributions (INDCs), and resolves to accelerate the full implementation of the BAP and pre-2020 ambition. Parties also adopted a decision establishing the Warsaw International Mechanism on Loss and Damage, and the Warsaw REDD+ Framework - a series of seven decisions on REDD+ finance, institutional arrangements and methodological issues.

INTERSESSIONAL HIGHLIGHTS

ADP 2-4: The fourth meeting of ADP 2 (ADP 2-4) took place from 10-14 March 2014, in Bonn, Germany. Under workstream 1 (2015 agreement), the meeting convened in open-ended consultations on agenda item 3, which addressed: adaptation; INDCs; finance, technology and capacity building (means of implementation); ambition and equity; mitigation; transparency of action and support; and other issues related to elements. An in-session workshop addressed domestic preparations for INDCs. Under workstream 2 (pre-2020 ambition), technical expert meetings (TEMs) on renewable energy and energy efficiency convened.

BONN INTERSESSIONAL MEETINGS: The Bonn Climate Change Conference took place in Bonn, Germany, from 4-15 June 2014, and included the 40th sessions of the SBI and SBSTA, and the fifth meeting of the ADP 2 (ADP 2-5). During the meeting, parties advanced negotiations on the ADP and prepared draft decisions to be submitted to the COP and CMP in Lima. Ministers participated in two high-level events, a High-Level Ministerial Roundtable under the Kyoto Protocol, which aimed to assess implementation of the Protocol and provide ministers with an opportunity to increase their countries' quantified emission limitation and reduction commitments (QELRCs), and a High-Level Ministerial Dialogue on the Durban Platform for Enhanced Action aimed to raise pre-2020 ambition and provide momentum for negotiations on the 2015 agreement.

ADP 2-6: The sixth meeting of ADP 2 (ADP 2-6) took place in Bonn, Germany, from 20-25 October 2014. Under workstream 1, delegates continued to elaborate the elements of a draft negotiating text, which will serve as the foundation for the final construction of the 2015 agreement, and considered a "non-paper" on parties' views and proposals on the elements for a draft negotiating text. The ADP also worked on a draft decision that captures the types of information countries will provide when they communicate their INDCs and how these contributions will potentially be considered. Under workstream 2, TEMs focused on: opportunities for action on non-CO2 GHGs; carbon capture, use and storage; and follow-up to TEMs on unlocking mitigation opportunities through energy efficiency, renewable energy, urban environment and land use improvements in the pre-2020 period. Countries also addressed a draft decision on pre-2020 ambition.

IPCC-40: The 40th session of the Intergovernmental Panel on Climate Change (IPCC-40) met from 27 October to 1 November 2014, in Copenhagen, Denmark, to consider and finalize the Synthesis Report and Summary for Policymakers that complete the IPCC's Fifth Assessment Report (AR5). More than 800 authors and review editors from 85 countries participated in the preparation of AR5 over the past six years, and concluded that: climate change is unequivocal and unprecedented; substantial and sustained emission reductions are needed to avoid the most serious consequences; and the more we delay action, the more costly it will be and the more we will have to rely on untested technologies in the future.

MONTREAL PROTOCOL MOP26: The tenth meeting of the Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer (COP10) and the twenty-sixth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer (MOP26) met from 17-21 November 2014, in Paris, France. MOP26 and COP10 successfully addressed a number of issues, including the replenishment of the Multilateral Fund. However, parties were unable to come to an agreement on whether or not the Protocol should be amended to deal with hydrofluorocarbons, which were introduced by the Protocol as ozone-depleting substance alternatives, but later revealed to have a high global warming potential.



LIMA HIGHLIGHTS: MONDAY, 1 DECEMBER 2014

On Monday, 1 December, the opening ceremony of the UN Climate Change Conference was held in Lima, Peru, followed by the opening plenaries of COP 20, CMP 10 and the 41st sessions of the SBI and SBSTA. The COP and CMP adopted their agendas and organization of work, followed by opening statements.

The SBI and SBSTA adopted their agendas and organization of work, and opened all of their agenda items addressing, *inter alia*: adaptation; mitigation; response measures; loss and damage; means of implementation (MOI), including finance, technology transfer and capacity building; market- and non-market-based mechanisms; and reporting by parties. Contact groups and informal consultations convened in the afternoon under SBSTA on a number of issues.

OPENING CEREMONY

COP 19/CMP 9 President Marcin Korolec highlighted several significant outcomes of COP 19 and lauded early engagement by Peru and France allowing “the trio to make the road to Paris a smooth highway.”

Minister of Environment of Peru Manuel Pulgar-Vidal was elected as the COP 20/CMP 10 President by acclamation. Pulgar-Vidal said COP 20 should increase trust, create space for dialogue between state and non-state actors, and lay ground work for a new climate agreement through a draft text balancing climate action and sustainable development.

Stressing the key role of large cities in combating climate change, Susana Villarán de la Puente, Mayor of Lima, Peru, highlighted the commitment of mayors worldwide to push for a new mobility paradigm, change the energy matrix and invest in green infrastructure.

Pointing to the lines and geoglyphs of Nazca, Peru, UNFCCC Executive Secretary Christiana Figueres encouraged delegates to draw inspiration from these ancient and indelible mythological symbols to “carve crucial lines of action” towards, *inter alia*: drafting a new universal agreement; achieving progress on adaptation; and strengthening the financial capacity of the most vulnerable.

Via recorded video message, President of Peru Ollanta Humala lamented that humanity has “left behind the practice of sustainability” and said now is the time to return to the right path by taking action on climate change.

Presenting the key findings of the Synthesis Report (SYR) of the Fifth Assessment Report (AR5) of the Intergovernmental Panel on Climate Change (IPCC), Rajendra Pachauri, IPCC Chair, stressed that remaining below the 2°C target will require that GHG emissions decline by 40-70% by 2050, relative to 2010 levels, and reach zero or negative levels by 2100.

COP 20 PLENARY

ORGANIZATIONAL MATTERS: Parties agreed to apply the draft rules of procedure (FCCC/CP/1996/2) with the exception of draft rule 42 on voting.

The COP adopted the agenda as proposed, with the agenda item on the second review of the adequacy of Convention Articles 4.2(a) and (b) (developed countries’ mitigation) held in abeyance. The COP also agreed to the organization of work. The COP referred to the SBI the agenda item on non-Annex I parties’ membership to the Consultative Group of Experts on National Communications from non-Annex I Parties (CGE).

COP President Pulgar-Vidal indicated that consultations on the election of officers would be conducted. Parties agreed to the accreditation of observer organizations (FCCC/CP/2014/4).

Pulgar-Vidal announced that 11 December had been designated as Lima Climate Action Day and, emphasizing a party-driven and transparent approach, urged parties to ensure timely closure of the negotiations.

CMP 10 PLENARY

ORGANIZATIONAL MATTERS: Parties adopted the agenda (FCCC/KP/CMP/2014/1) with minor changes.

On the election of replacement officers, CMP 10 President Pulgar-Vidal reported that he would undertake consultations on nominations. Parties also agreed to the organization of work.

JOINT COP 20/CMP 10 PLENARY

Bolivia, for the G-77/CHINA, called for, *inter alia*: enhanced provision of MOI by developed countries; coordination between the technology and financial mechanisms; and equal treatment of mitigation, adaptation, MOI, and transparency of action and support in the 2015 agreement.

Australia, for the UMBRELLA GROUP, outlined tasks for Lima, including: progressing on the elements for a negotiating text; setting a clear direction for further work in 2015; and providing guidance that will help countries prepare clear and transparent contributions to post-2020 action.

The EU said it expects Lima to make progress toward the adoption of a new global climate agreement in Paris, noting the group’s proposed 40% reduction in GHG emissions by 2030

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relative to 1990 levels announced in October. He welcomed the IPCC AR5 SYR and the outcome of the initial capitalization of the Green Climate Fund (GCF), totaling US\$9.7 billion.

Mexico, for the ENVIRONMENTAL INTEGRITY GROUP (EIG), expressed support for achieving a draft of the agreement to be adopted in 2015 and further defining the tasks to be undertaken in 2015. He also emphasized the importance of implementing transparency schemes and assessing the mitigation regime in place, including commitments made under the Kyoto Protocol second commitment period.

Nauru, for the ALLIANCE OF SMALL ISLAND STATES (AOSIS), stressed financial issues as central to the success of COP 20, urging greater predictability and clarity on the mobilization by developed countries of US\$100 billion per year by 2020. She further called for: ratification of the Doha Amendment to the Kyoto Protocol; protection of the environmental integrity of existing commitments under the Protocol; and improvement of market-based mechanisms.

Sudan, for the AFRICAN GROUP, emphasized the need for: developed countries to “assure” leadership and ratify the Doha Amendment; a single decision under ADP workstream 1 (2015 agreement); and focused discussions on how to close the finance gap in the long term.

Nicaragua, for the LIKE-MINDED DEVELOPING COUNTRIES (LMDCs), emphasized textual negotiations under the ADP as crucial for narrowing differences and achieving consensus. He highlighted pre-2020 ambition, MOI and response measures as important issues.

Nepal, for the LEAST DEVELOPED COUNTRIES (LDCs), called for the international community to respond to the needs and priorities of LDCs. He described the recent pledges to the GCF as “encouraging, yet insufficient,” and called for further clarity on National Adaptation Plans (NAPs), including their form, and on the mandate and reporting of relevant support bodies.

South Africa, for BRAZIL, SOUTH AFRICA, INDIA and CHINA (BASIC), emphasized, *inter alia*, the need for: a global response to adaptation; a fully functional Warsaw International Mechanism for Loss and Damage; advancement on long-term finance and MOI; and developed countries to increase ambition, honoring their commitments under the Protocol.

Venezuela, for the BOLIVARIAN ALLIANCE FOR THE PEOPLES OF OUR AMERICA (ALBA), with EL SALVADOR, called for, *inter alia*: textual negotiations on the new agreement; an integrated approach to mitigation and adaptation; MOI; and closing the implementation gap.

Saudi Arabia, for the ARAB GROUP, noted the desire of developing countries to diversify their economies and emphasized developed countries’ historical responsibility.

Underscoring that the Kyoto Protocol continues to be the cornerstone of a rules-based climate change system based on common but differentiated responsibilities (CBDR) and respective capabilities, Pakistan, for the LMDCs, expressed concern over the slow pace of the Doha Amendment ratification. He called for revisiting developed countries’ ambition and closing Annex I parties’ ambition gap before June 2015.

Panama, for COALITION FOR RAINFOREST NATIONS (CfRN), highlighted REDD+ as a fundamental element of the 2015 agreement and called for a REDD+ window in the GCF.

Describing Lima as a decisive moment for the future of the multilateral regime on climate change, Chile, for AILAC, called for transparent, inclusive and productive negotiations, and urged countries to contribute to the GCF.

Belize, for CENTRAL AMERICAN INTEGRATION SYSTEM (SICA), stressed the need for: acting decisively on adaptation and treating mitigation and adaptation equally; addressing loss and damage separately from adaptation; operationalizing the Warsaw Framework for REDD+; and providing clarity on the delivery by developed countries of US\$100 billion per year by 2020.

WOMEN AND GENDER called for including women as a key part of real solutions. YOUTH NGOs (YOUNGOs) asked that leaders “exceed our expectations,” and build a healthy, safe and prosperous world with zero carbon emissions.

Calling for climate action to limit the global temperature rise to 1.5°C, ENVIRONMENTAL NGOs (ENGOs) encouraged discussions to focus on pre-2020 ambition.

INDIGENOUS PEOPLES called for ensuring a human rights-based approach respecting indigenous peoples’ rights in climate change agreements.

LOCAL GOVERNMENT AND MUNICIPAL AUTHORITIES emphasized the need to link the sustainable development goals and climate negotiation tracks to effectively combat climate change.

The TRADE UNION NGOs lamented a widespread lack of ambition from world leaders, and called for supporting workers in the transition process of economic transformation towards a sustainable future.

SBSTA PLENARY

ORGANIZATIONAL MATTERS: SBSTA Chair Emmanuel Dumisani Dlamini (Swaziland) opened the plenary. Parties adopted the agenda and agreed to the organization of work of the session (FCCC/SBSTA/2014/3).

Election of Officers Other Than the Chair: SBSTA Chair Dlamini indicated that consultations on the nominations of the SBSTA Vice-Chair and Rapporteur will be conducted by the COP/CMP Presidency.

NAIROBI WORK PROGRAMME (NWP): SBSTA Chair Dlamini introduced the item (FCCC/SBSTA/2014/4, INF.15 and MISC.8). Beth Lavender (Canada) and Juan Hoffmaister (Bolivia) will co-facilitate informal consultations on this issue.

The UN Environment Programme (UNEP) highlighted its Adaptation Knowledge Initiative, saying it: prioritizes and catalyzes responses to sub-regional and theme-specific adaptation knowledge needs; is consistent with the mandate of the NWP; and builds on the infrastructure and resources of UNEP’s Global Adaptation Network.

MATTERS RELATING TO SCIENCE AND REVIEW: AR5 of the IPCC: SBSTA Chair Dlamini will hold informal consultations on this issue. IPCC Secretary Renate Christ provided an update on AR5 and recalled some of its key statements.

Research and Systematic Observation: SBSTA Chair Dlamini introduced this item. The World Meteorological Organization provided an overview of the outcomes of the second meeting of the Intergovernmental Board on Climate Services of the Global Framework for Climate Services.

The Global Climate Observing System and the Committee on Earth Observation Satellites provided progress reports on their activities.

METHODOLOGICAL ISSUES UNDER THE CONVENTION: Emissions from Bunker Fuels: SBSTA Chair Dlamini introduced this item (FCCC/SBSTA/2014/MISC.9). The International Civil Aviation Organization (ICAO) reported on progress on its comprehensive strategy to address CO₂

emissions from international civil aviation, stressing agreement by governments to collectively improve fuel efficiency by 2% per year and to stabilize the sector's net CO₂ emissions from 2020 onwards.

The International Maritime Organization (IMO) said it has been effectively addressing emissions from ships, noting the approval of the Third IMO GHG Study, which demonstrates steady improvement in shipping efficiency.

SINGAPORE and JAPAN commended the progress made by ICAO and IMO. ARGENTINA, for a group of developing countries, and CHINA said measures taken on climate change under the IMO and ICAO should respect the principles and provisions of the Convention, in particular CBDR.

OTHER AGENDA ITEMS: The following agenda items and sub-items were briefly considered and forwarded to contact groups or informal consultations:

- report of the Adaptation Committee;
- joint annual report of the TEC and the CTCN;
- methodological guidance for activities relating to REDD+;
- Warsaw International Mechanism for Loss and Damage;
- all sub-items under response measures;
- methodological issues under the Convention, including the work programme on the revision of guidelines for the review of reporting by developed countries, methodologies for the reporting of financial information by Annex I parties, and common metrics to calculate CO₂ equivalence of GHGs;
- all sub-items under methodological issues under the Kyoto Protocol;
- all sub-items under market and non-market mechanisms under the Convention;
- work programme on clarification of quantified economy-wide emission reduction targets of developed countries; and
- all sub-items under reports on other activities.

OPENING STATEMENTS: Bolivia, for the G-77/CHINA, stressed the need to make the Warsaw International Mechanism for Loss and Damage functional and establish a mechanism to address the impacts of response measures. He said that market- and non-market-based approaches must be addressed in a balanced manner.

The EU called for focus on priority areas, including: finalization of methodological issues for timely reporting under the second commitment period of the Kyoto Protocol; elaboration of robust accounting for market- and non-market-based mechanisms; and conclusion of the work programme on clarification of quantified economy-wide emission reduction targets of developed countries.

Australia, for the UMBRELLA GROUP, welcomed consideration of the IPCC AR5 under the Structured Expert Dialogue (SED). He noted the need to continue work on adaptation and consider rules to enhance capabilities for mitigation, including in the land sector.

Sudan, for the AFRICAN GROUP, highlighted IPCC AR5, stressing the need for high mitigation ambition. He emphasized the importance of continuing the mandates of the TEC and CTCN, and called for consistent and adequate financial support.

Belize, for SICA, said the relevance of the NWP could be enhanced if brought under the Adaptation Committee.

Panama, for Cfrn, called for finance to start implementation of REDD+ on the ground.

Nepal, for the LDCs, stressed the need for deep cuts in GHG emissions to avoid irreversible impacts of climate change, mostly suffered by LDCs, and called for prioritization of MOI.

SBI PLENARY

SBI Chair Amena Yauvoli (Fiji) opened the session, urging parties to focus on finding consensus in an efficient manner.

ORGANIZATIONAL MATTERS: Parties adopted the agenda (FCCC/SBI/2014/9) with the item on information in non-Annex I national communications held in abeyance. The SBI also agreed to consider under other matters the item on non-Annex I parties' CGE membership as referred to it by the COP.

Parties agreed to the organization of work as presented.

Multilateral Assessment Working Group Session Under the International Assessment and Review Process: Describing SBI 41 as an historic session that will demonstrate that the SBI is at the heart of implementation of the Convention, Chair Yauvoli explained that several developed countries' quantified economy-wide emission limitation and reduction targets will be assessed during this session.

Election of Officers Other Than the Chair: Chair Yauvoli indicated that consultations on the nominations of the SBI Vice-Chair and Rapporteur will be conducted by the COP/CMP Presidency.

OTHER AGENDA ITEMS: The following agenda items and sub-items were briefly considered and forwarded to contact groups or informal consultations:

- matters related to the LDCs;
- Warsaw International Mechanism for Loss and Damage;
- NAPs;
- all sub-items under development and transfer of technologies;
- some sub-items under reporting from and review of Annex I parties to the Convention;
- some sub-items under reporting from non-Annex I parties;
- work programme to further understanding on the diversity of nationally appropriate mitigation actions (NAMAs);
- some sub-items under matters relating to the mechanisms under the Kyoto Protocol;
- report of the Adaptation Committee;
- all sub-items under matters related to finance;
- capacity building under the Convention and the Kyoto Protocol;
- all sub-items under response measures;
- 2013-2015 Review;
- gender and climate change;
- arrangements for intergovernmental meetings; and
- administrative, financial and institutional matters.

The SBI also took note of: the status of submission and review of sixth national communications and first biennial reports (FCCC/SBI/2014/INF.19); the report on national GHG inventory data from Annex I parties for the period 1990-2012 (FCCC/SBI/2014/20); the annual compilation and accounting report for Annex B parties under the Kyoto Protocol for 2014 (FCCC/KP/CMP/2014/7 and Add.1); the report of the administrator of the international transaction log under the Kyoto Protocol (FCCC/SBI/2014/INF.18); the report on the expert meeting on an information hub (FCCC/SBI/2014/INF.13); and the summary report on the second Dialogue on Convention Article 6 (FCCC/SBI/2014/15). The SBI also requested that the Secretariat establish an information hub on the results of developing countries' mitigation actions in the forest sector.

OPENING STATEMENTS: Many parties, including Bolivia, for the G-77/CHINA, Australia, for the UMBRELLA GROUP, Sudan, for the AFRICAN GROUP, and Nauru, for AOSIS, noted the need to finalize procedures of the Warsaw International Mechanism for Loss and Damage.

The G-77/CHINA highlighted, *inter alia*, that compliance with emission limitation or reduction commitments under the first commitment period of the Kyoto Protocol is paramount for building trust under the ADP negotiations. He emphasized the group's proposals to establish a capacity-building committee and a mechanism on response measures. With the AFRICAN GROUP, he lamented lack of concrete activities on MOI from developed countries.

The UMBRELLA GROUP underlined the need to deliver technical work and maintain broader awareness of implementation progress and make progress on institutional mechanisms for mitigation, adaptation and capacity building.

The AFRICAN GROUP called for the establishment of a framework, including a two-year work programme, on gender and climate change that goes beyond participation of women.

The EU stressed the need to improve MRV systems for all parties, taking into account national capacities, and emphasized the use of markets as a key element of the new agreement.

Nepal, for the LDCs, called for full implementation of the LDC work programme and integration of recommendations of the 2013-2015 Review in the ongoing ADP discussions.

The Republic of Korea, for the EIG: attached high priority to the multilateral assessment working group; urged the SED to start discussing detailed review methodologies; and called for discussions on the frequency of COP sessions, including the possibility of biennial COPs after 2015.

Nauru, for AOSIS, called for a permanent seat for AOSIS on the Executive Committee of the Warsaw International Mechanism for Loss and Damage, and cautioned against "negotiation by exhaustion."

Belize, for SICA, emphasized the importance of the CGE work programme and the need for updated training materials on non-Annex I parties' national communications, and called for progress on adaptation with a focus on implementation, noting that adequate and sustainable progress cannot be made without adequate and sustainable funding.

Panama, for Cfrn, highlighted coordination of support for REDD+ activities and REDD+ results-based payments.

Costa Rica, for AILAC, emphasized the need for: accelerating work on, and making funds available for, NAP implementation; ensuring sustainable funds for the Adaptation Fund; strengthening capacity-building institutions and networks; and undertaking a science-based review of the global long-term goal.

Speaking for AOSIS on matters relating to the mechanisms under the Kyoto Protocol, Jamaica stressed the need to generate greater confidence in the CDM, including identifying how net mitigation can be built into the mechanism.

Iran said it has been excluded from enjoying Global Environment Facility (GEF) and CTCN support, and informed it was unable to submit its first biennial update report under the Convention.

Paraguay underscored the importance of strengthening the CDM modalities and procedures, and cooperation activities and frameworks under the Warsaw International Mechanism for Loss and Damage.

Climate Action Network, for ENGOs, called on parties to ensure in Lima that adaptation becomes an integral element of the new agreement. Climate Justice Now!, for ENGOs, called for attention to the Warsaw International Mechanism for Loss and Damage, including related MOI.

INDIGENOUS PEOPLES called for the rights of indigenous peoples to be guaranteed in all mitigation actions.

WOMEN AND GENDER looked forward to strong outcomes on gender-related considerations, and said a new decision on gender and climate change would strengthen gender-responsive climate policy.

YOUNGOs said ambition is only effective if implemented and called for ensuring that countries' commitments under the 2015 agreement include the principle of non-regression.

Business and Industry NGOs said private sector expertise should inform the formulation of INDCs, and called for establishing recognized channels for business engagement and consultation under the Convention.

CONTACT GROUPS

SBSTA: Work Programme on the Revision of the Review Guidelines for Developed Country Parties: This contact group, co-chaired by Riitta Pipatti (Finland) and Samuel Adeoye Adejuwon (Nigeria), met in the afternoon. Parties began paragraph-by-paragraph consideration of the text on UNFCCC Annex I inventory review guidelines prepared by the Secretariat.

Implications of the Implementation of Decisions 2/CMP.7 to 4/CMP.7 and 1/CMP.8: Co-Chair Anke Herold (Germany) provided an update on the November 2014 technical workshop. Parties addressed issues including tables of conservativeness factors for adjustment.

AUSTRALIA proposed simplifying the conservativeness factor system to a single factor applicable to all adjustments regardless of the source of emissions. NEW ZEALAND noted the large number of technical issues that must still be resolved to provide parties with certainty heading into the second commitment period of the Kyoto Protocol.

Clarification of the Text in Section G (Article 3.7ter) of the Doha Amendment to the Kyoto Protocol: Co-Chair Herold introduced the contact group, which continued consideration of this issue from SBSTA 40, taking into account options for elements of a draft decision text (FCCC/SBSTA/2014/L.18), as well as an additional submission by Australia.

IN THE CORRIDORS

As negotiations opened on Monday morning, delegates immediately found themselves in the hot seat as IPCC Rajendra Pachauri challenged delegates to "come to terms" with the fact that staying below the 2°C target requires zero or negative emissions, relative to 2010 levels, by 2100. The literal heat of the venue prompted one delegate to exclaim "this is just like a greenhouse and this is exactly what's happening to our planet." "Last October, those of us who were at the Convention for Biological Diversity COP in Pyeongchang, South Korea, were subjected to cold temperature extremes; now we're being tried by fire," complained another.

Yet, while many took off their jackets following the COP President's exhortation, one observer lamented that "the generic opening statements did not signal that delegates were ready to roll up their sleeves." Some participants suggested that Lima's success will hinge on the "long overdue fulfillment of promised leadership roles," with others pointing to "positive signals" of emission reduction or limitation targets announced by the EU, the US and China, and the pledges of US\$9.7 billion for the GCF. "The heat is on," said a long-time observer, "we'll see if these signals will restore trust and facilitate progress toward an agreement in Paris over the next two weeks."



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LIMA HIGHLIGHTS: TUESDAY, 2 DECEMBER 2014

On Tuesday, 2 December, the opening plenary of the seventh meeting of the second session of the ADP (ADP 2-7) took place in the morning. In the afternoon, the ADP contact group on agenda item 3 also convened, addressing the draft decision for advancing the Durban Platform for Enhanced Action, and two parallel ADP meetings focusing on the elements of adaptation and finance were held.

Contact groups and informal consultations convened throughout the day under the SBSTA and SBI on a number of issues. The first meeting of the Fourth Structured Expert Dialogue (SED 4) under the 2013-2015 Review took place in the afternoon.

ADP PLENARY

ADP Co-Chair Kishan Kumarsingh (Trinidad and Tobago) welcomed delegates and stated that COP 20 is expected to provide a solid foundation for a new global climate agreement, noting that “this will signal to the world a successful outcome in Paris.” He introduced: the non-paper on elements for a draft negotiating text (ADP.2014.11.NonPaper); a single draft decision text on information related to INDCs and on enhanced pre-2020 climate action (ADP.2014.12.DraftText); updated technical papers compiling information on the mitigation benefits of actions, initiatives and options to enhance mitigation ambition (FCCC/TP/2014/13 and Add. 1-4); and the Co-Chairs’ scenario note for the session (ADP.2014.10.InformalNote). He informed delegates that consultations on the election of officers would be conducted.

Parties agreed to continue working under the ADP 2 agenda (ADP/2013/AGENDA) and the proposed organization of work, including focused negotiations on different elements in parallel meetings, each facilitated by one of the Co-Chairs, and textual negotiations on the draft decision on advancing the Durban Platform for Enhanced Action.

OPENING STATEMENTS: On CBDR and respective capabilities (CBDRRC), Bolivia, for the G-77/CHINA, underscored that the Paris agreement should be under the Convention and its principles, including equity and CBDRRC. Belize, for SICA, called for all parties to work constructively on a balanced text centered around CBDRRC. Switzerland, for the EIG, described differentiation as a tool to reflect distinct

realities and circumstances, saying that fair differentiation requires self-differentiation, complemented by guiding elements. South Africa, for BASIC, called for upfront understanding on differentiation.

On pre-2020 ambition, the G-77/CHINA stressed that work should continue until the ambition gap is closed. Australia, for the UMBRELLA GROUP, said shifting the focus from cooperative collaboration towards “an implementation review” would be unhelpful and duplicate existing processes under the Convention. Nauru, for AOSIS, called for a 2015 agreement that is legally binding and applicable to all, limits the temperature increase to below 1.5°C, and clearly quantifies mitigation efforts.

The G-77/CHINA also advocated securing progress on loss and damage, and response measures. Panama, for the CfrN, called for anchoring the Warsaw Framework for REDD+ into the 2015 agreement.

On MOI, AOSIS called for financial commitments by developed countries and provisions to ensure scaled-up, predictable, new and additional finance. Nepal, for the LDCs, called for effective MOI for the most vulnerable countries.

On INDCs, the LDCs said LDCs will reflect their national circumstances in their INDCs. Costa Rica, for AILAC, called for an ADP decision that includes, *inter alia*, a definition of *ex ante* information for the preparation and communication of INDCs by all parties. SICA emphasized including all elements of the ADP mandate in the INDCs. The EU stressed the need for a decision addressing INDCs, in particular upfront information to be included, and the pre-COP 21 process to consider and analyze them.

The UMBRELLA GROUP stressed the need to deliver a decision providing guidance for communicating INDCs. The EIGs underscored the decision on INDCs should define upfront information to be included in, and modalities of the process relating to, INDCs. BASIC called for clarity on the relationship between the 2015 agreement and INDCs. Sudan, for the AFRICAN GROUP, advocated a single decision on INDCs and the elements of a negotiating text.

On the organization of work, SICA proposed considering legal aspects of the 2015 agreement. Saudi Arabia, for the ARAB GROUP, called for direct negotiations between parties, and opposed “last-minute imposition of text by co-facilitators” and “imposition of commitments on Arab States.”

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Climate Action Network, for ENGOs, called for a long-term global goal on phasing out all fossil fuel-related emissions by 2050. Climate Justice Now!, for ENGOs, called for binding commitments reflecting the need for the poorest and most vulnerable to adapt.

FARMERS emphasized ensuring that agriculture is on a strong scientific footing in the future agreement. INDIGENOUS PEOPLES urged parties to operationalize elements of the Cancun Agreement recognizing the need to respect human rights and participation of indigenous peoples. LOCAL GOVERNMENT AND MUNICIPAL AUTHORITIES commended the recognition in the draft text of the key role of financial mechanisms in supporting subnational authorities in climate action.

TRADE UNION NGOs called for the negotiating text to express states' willingness to undertake a transformation of the economic and production model into one that complies with social justice. WOMEN AND GENDER called for including gender equality as a principle in the 2015 agreement.

YOUNGOs said INDCs should include consideration of the health co-benefits of climate action. BUSINESS AND INDUSTRY NGOs suggested COP 20 provides an opportunity to anchor the role of the private sector as a vehicle for complementary action.

CONTACT GROUPS

ADP ITEM 3: Discussions focused on a draft decision on Advancing the Durban Platform for Enhanced Action (ADP.2014.12.DraftText). ADP Co-Chair Runge-Metzger reminded parties that “positioning is not negotiating,” and urged them to make precise and concise proposals that can bridge differences. He also introduced an overview of the draft decision to help make the components more identifiable, and invited parties to address the first six operative paragraphs on capturing progress and reflecting assurances.

On recommending text of a protocol, another legal instrument or agreed outcome with legal force under the Convention, the RUSSIAN FEDERATION, with the EU and TUVALU, proposed including reference to Convention Article 17 (protocols) and applied rules of procedure, so that the six-month rule for introducing text can be adhered to.

ALGERIA, CHINA, Saudi Arabia, for the LMDCs, Sudan, for the AFRICAN GROUP, IRAN, NICARAGUA, JORDAN, GABON and VENEZUELA called for direct negotiations with parties' texts on the screen. PAKISTAN called for transparency and clarity. CHINA noted there had been no objections to this proposal, and cautioned against the Co-Chairs coming forward with their interpretation of the common ground in the form of a revised co-chairs' text.

Runge-Metzger proposed going “swiftly” through the text while allowing all parties time to give their views in order to identify “sticking points.” The EU suggested going over the draft decision to identify problems and then move to more detailed negotiations.

The EU supported TUVALU and Costa Rica, for AILAC, on recognizing the draft negotiating text more formally. The RUSSIAN FEDERATION, TUVALU, BELIZE, CHILE and JAPAN made proposals relating to the first six operational paragraphs of the Co-Chairs' draft decision text.

VENEZUELA suggested addressing “the elephant in the room,” namely that one set of parties seeks a mitigation-based outcome and another feels it should be based on elements of the BAP.

Finance: ADP Co-Chair Runge-Metzger outlined sections of text on finance in document ADP.2014.11.NonPaper, suggesting focus on general aspects first.

Sudan, for the AFRICAN GROUP, with Ecuador, for the LMDCs, and Bolivia, for the G-77/CHINA, opposed text suggesting “all” parties mobilize climate finance through a diversity of actions. The AFRICAN GROUP recalled differentiation between developed and developing countries under the Convention, and the responsibility of developed countries to provide finance.

The LMDCs called for deleting references to provision of finance by “parties in a position to do so” and results-based adaptation finance. MEXICO clarified “results-based” is not a precondition for access to finance, and stressed prioritizing both mitigation and adaptation finance.

SWITZERLAND suggested including in the 2015 agreement: reference to “each party” rather than “all parties” mobilizing climate finance; some text on the purpose of financial resources; and applicable principles, such as being results-based, recognizing developing countries' investment, and reflecting evolving capabilities and responsibilities. He opposed basing parties' mobilization and provision of financial resources on an *ex ante* process to commit quantified support commensurate with the effort reflected in the adaptation and mitigation goals.

The US called for including text: encouraging parties to build effective enabling environments; calling for elimination of public incentives for high-carbon investment; and recognizing that climate finance flows in all directions. He suggested deleting reference to mobilization of climate finance “as a means to stay below the long-term temperature limit,” and, opposed by the AFRICAN GROUP, to “adequate and predictable” funding for adaptation. Discussions will continue.

Adaptation: In the afternoon session on adaptation, ADP Co-Chair Kumarsingh invited parties' views on the updated non-paper on elements for a draft negotiating text (ADP.2014.11.NonPaper). The US, MEXICO, the REPUBLIC OF KOREA, NORWAY, CANADA, SWITZERLAND, the EU, ZAMBIA, JAPAN and others provided comments on, *inter alia*: long-term and global aspects of adaptation; commitments and contributions; monitoring and evaluation; sharing information, knowledge and lessons learned; and institutional arrangements.

SAUDI ARABIA stressed the need to address differentiation before advancing on elements. SWITZERLAND said there is no need for differentiation on adaptation, noting that commitments are intended to facilitate preparation for adaptation actions without being burdensome. ZAMBIA said differentiation needs to be reflected.

TUVALU cautioned against referring to “contributions” or “commitments.” The US proposed referring to “actions.” BRAZIL said work that has been done under the Cancun Adaptation Framework and NWP should be recognized.

MEXICO said interlinkages between adaptation and mitigation, renewed and reinforced collective commitments, national commitments, and adaptation finance should be reflected in the “protocol.” She said monitoring and evaluation,

and, with NORWAY, institutional arrangements should be addressed in COP decisions. Emphasizing that adaptation cannot be measured and quantified, CANADA did not support linkages between the long-term temperature limit, the need for support and adaptation.

The REPUBLIC OF KOREA supported a global goal that is general enough to be applicable to all and specific enough to inspire action on the ground. NORWAY requested that an option for no global adaptation goal be reflected. JAPAN expressed doubt over a quantitative goal on adaptation.

The US, NORWAY, CANADA and the EU supported broadening the scope of national adaptation planning processes.

The US, CANADA, JAPAN and others saw no need for new institutional arrangements for adaptation. SWITZERLAND opposed singling out loss and damage in the new agreement.

Informal consultations coordinated by Peru will be held.

SBSTA: Methodologies for Reporting on Finance by Annex I Parties: In a morning contact group co-facilitated by Seyni Nafu (Mali) and Roger Dungan (New Zealand), delegates discussed the need to clarify “who is doing work on reporting methods and based on what timeline.” They addressed, *inter alia*: the need for comparability; linkages to transparency; difficulties “translating” UNFCCC language for the finance sector; and the definition, range and scope of climate finance. CHINA and BRAZIL underscored the importance of fulfilling the mandate from COP 17 to develop methodologies for reporting financial information with a view to recommending a decision to COP 20.

Methodological Guidance on REDD+: An afternoon contact group, chaired by Stephen Cornelius (UK) and Robert Bamfo (Ghana), focused on consideration of the need for further guidance on safeguards. Many, including Ghana, for the AFRICAN GROUP, GUYANA, Panama, for the CfRN, INDIA, FIJI, INDONESIA, BRAZIL and CHINA, stressed that additional guidance on safeguards is premature. The EU, with the US and NORWAY, proposed that the Co-Chairs work on specific decision language for consideration by the group.

On methodological guidance for non-market-based approaches, BOLIVIA presented a revised proposal on a joint mitigation and adaptation approach for sustainable management of forests (FCCC/SBSTA/2014/CRP.1).

SBI/SBSTA: The 2013-2015 Review: In the morning, a joint contact group, co-chaired by Leon Charles (Grenada) and Gertraude Wollansky (Austria), discussed: additional inputs to the SED, including the need for balanced consideration of IPCC and non-IPCC information; how to conclude the SED, including when to close it, the format and content of its outcome, and who will synthesize it; conclusion of the Review, and how to integrate the SED and Review outcomes into the ADP outcomes; and final reporting of the SBSTA and SBI to COP 21.

Implementation of Response Measures: In the morning, a joint contact group, co-chaired by SBI Chair Amena Yauvoli (Fiji) and SBSTA Chair Emmanuel Dumisani Dlamini (Swaziland), considered text forwarded by SBI and SBSTA 40 (FCCC/SB/2014/L.2) and a technical paper (FCCC/TP/2014/12) identifying areas of convergence. Delegates discussed expected outcomes of the session, in particular a decision on the way forward, including continuation of the forum on response measures. The G-77/CHINA reiterated their support for creation of a mechanism on response measures.

Discussions will continue in informal consultations facilitated by Eduardo Calvo Buendía (Ecuador) and Delano Ruben Verwey (Netherlands).

SBI: Arrangements for Intergovernmental Meetings: An afternoon contact group, chaired by SBI Chair Yauvoli, considered documents prepared by the Secretariat on the frequency and organization of future sessions of the COP and CMP, and their subsidiary bodies and high-level segments (FCCC/SBI/2014/11), including implications of biennial sessions, or annual sessions at venues alternating between a host country and the seat of the Secretariat, and on adjusting the timing of the election of the COP and CMP President (FCCC/SBI/2014/12).

SED

In his opening remarks, COP 20/CMP 10 President Manuel Pulgar-Vidal highlighted the SED as a very important component of COP 20, and a forum where science and decision-making are reconciled, given that COP 21 will need to take appropriate action based on the outcome of the 2013-2015 Review. Co-facilitator Andreas Fischlin (Switzerland) indicated that the goal of SED 4 is to “finish complementing and start summarizing” information. IPCC Secretary Renate Christ provided an introductory presentation on the AR5 SYR on behalf of IPCC Chair Rajendra Pachauri.

Presentations were made by IPCC experts on the adequacy of the long-term global goal in terms of: preventing unacceptable consequences for the adaptation of ecosystems and food production, and for economic development in a sustainable manner; risk management within planetary boundaries and progress towards the long-term global goal; and ethical and financial aspects of adaptation and mitigation. The ensuing question and answer session focused on how AR5 contributes to operationalizing Convention Article 2 (objectives).

IN THE CORRIDORS

The second day of COP 20 kicked off with a smooth ADP opening – so much so that the plenary was adjourned half an hour early. Delegates attending informal consultations and contact groups under the Subsidiary Bodies were also repeatedly reminded by the facilitators that efficient time management is a priority at this COP. The Peruvian Presidency’s attention to time management seemed to fit well with the military surroundings of the venue, and the focused and concise mode of work was welcomed by many, even though some were taken aback by the “if you’re not on board when the train starts to roll, you’ll have to catch up” attitude.

As the ADP began negotiations on draft decision text and consideration of elements of the future agreement in parallel contact groups in the afternoon, this shift in gears was welcomed by a large number of parties. Yet, some began to worry that too much time had been wasted earlier in the year, and parties would now be left scrambling to address all issues on the ADP agenda for Lima. However, as one delegate noted, “there is no other option.” “Parties will need to agree on how to make up for the lost time, and one can only hope this won’t come at the expense of the efficient time management that we’ve now had a taste of.”



LIMA HIGHLIGHTS:

WEDNESDAY, 3 DECEMBER 2014

On Wednesday, 3 December, the COP 20 and CMP 10 plenaries reconvened in the morning to open agenda items. The ADP contact group on item 3 considered the elements of adaptation and finance in parallel sessions, and mitigation once adaptation had concluded.

In the afternoon, the ADP contact group considered the draft text on advancing the Durban Platform for Enhanced Action. A joint COP/CMP contact group also convened on issues related to the Clean Development Mechanism (CDM). Informal consultations took place throughout the day on items under the SBI and SBSTA.

COP PLENARY

ORGANIZATION OF WORK: Dates and Venues of

Future Sessions: Victor Muñoz (Peru) will consult with parties on the dates and venues of COP 22/CMP 12, to be held in Africa, and COP 23/CMP 13, to be held in the Asia-Pacific region.

DEVELOPMENT AND TRANSFER OF

TECHNOLOGIES AND IMPLEMENTATION OF THE TECHNOLOGY MECHANISM: Linkages between the Technology Mechanism and the Financial Mechanism of the Convention: Informal consultations will be facilitated by Carlos Fuller (Belize) and Elfriede More (Austria).

MATTERS RELATING TO FINANCE: COP 20 President Pulgar-Vidal introduced this item, inviting parties to address sub-items on long-term climate finance, reports of the Standing Committee on Finance (SCF), the GCF and the GEF, and the fifth review of the financial mechanism.

A contact group on long-term climate finance and the report of the SCF will be co-chaired by Tosi Mpanu Mpanu (Democratic Republic of the Congo) and Dany Drouin (Canada).

A contact group on the reports of the GCF and GEF, and the fifth review of the financial mechanism will be co-chaired by Ayman Shasly (Saudi Arabia) and Stefan Schwager (Switzerland).

On the GCF, ZAMBIA called for speeding up direct access modalities for disbursement of funds and accreditation and support to national entities.

Climate Justice Now! (CJN!), for ENGOs, called for addressing developing countries' needs if the change from "brown to green" economies is to be achieved.

BUSINESS AND INDUSTRY NGOs (BINGOs) stressed the importance of establishing credible and transparent MRV and avoiding double counting.

URUGUAY said the Inter-American Institute for Global Change Research is ready to cooperate with the UNFCCC.

Egypt, for the AFRICAN GROUP, said long-term climate finance should not be confined to US\$100 billion annually and called for discussing a strategic approach to finance, including addressing sources, predictability, adequacy and stability, and ways to deliver the necessary scale of finance needed to stay below 2°C.

PANAMA suggested taking advantage of the Adaptation Fund.

Long-Term Climate Finance: COP 20 President Pulgar-Vidal invited parties to consider the summary of the in-session workshop on long-term climate finance in 2014 (FCCC/CP/2014/3) and provide guidance on organization of future workshops.

Report of the SCF: SCF Co-Chairs Stefan Schwager (Switzerland) and Diann Black-Layne (Antigua and Barbuda) introduced the report (FCCC/CP/2014/5 and Add.1).

Report of the GCF to the COP and Guidance to the GCF: GCF Board Co-Chair Ayman Shasly (Saudi Arabia) introduced the report (FCCC/CP/2014/8).

Report of the GEF to the COP and Guidance to the GEF: Chizuru Aoki, the GEF, introduced the report (FCCC/CP/2014/2 and Add.1).

Fifth Review of the Financial Mechanism: COP 20 President Pulgar-Vidal introduced this item (FCCC/CP/2014/5 and FCCC/CP/2013/INF.1).

CONSIDERATION OF PROPOSALS BY PARTIES UNDER ARTICLE 17 OF THE CONVENTION: This item (FCCC/CP/2009/3-7 and FCCC/CP/2010/3) will be taken up during the closing plenary.

CONSIDERATION OF PROPOSALS BY PARTIES FOR AMENDMENTS TO THE CONVENTION UNDER ARTICLE 15: Proposal from the Russian Federation:

Informal consultations will be facilitated by Antonio García (Peru) and Augusto Cabrera Rebaza (Peru).

Proposal from Papua New Guinea and Mexico: Informal consultations will be conducted by Antonio García (Peru) and Augusto Cabrera Rebaza (Peru).

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Decision-Making in the UNFCCC Process: COP 20 Tomasz Chruszczow (Poland)

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reported on consultations on this issue during SB 40, saying the consultations were important to build trust. He said there was no common view on the need for a formal outcome.

COP 20 President Pulgar-Vidal proposed establishing a contact group. SAUDI ARABIA, the EU, INDIA, IRAQ and CHINA, opposed by the RUSSIAN FEDERATION, preferred informal consultations. The RUSSIAN FEDERATION introduced a draft decision (FCCC/CP/2014/CRP.1), noting the critical juncture of the negotiations in the lead-up to Paris. Interested parties will consult informally on how to move forward.

OTHER MATTERS: Education and Awareness Raising: POLAND outlined the joint Polish and Peruvian initiative for a Ministerial Declaration on Education and Awareness Raising at COP 20. She requested inclusion of the issue on the agenda under other matters.

MEXICO, the EU and the DOMINICAN REPUBLIC welcomed the initiative. COP 20 President Pulgar-Vidal will consult on this issue.

CMP PLENARY

ISSUES RELATING TO THE CLEAN DEVELOPMENT MECHANISM (CDM): CMP 10 President Pulgar-Vidal introduced this item (FCCC/KP/CMP/2014/5). Chair of the CDM Executive Board (EB) Hugh Sealy (Barbados) called on parties to renew their commitment to the CDM by recognizing its strengths for results-based finance.

ZAMBIA proposed continued reform of the operations of the CDM to achieve desired outcomes by addressing transparency, accountability and simplified project approval processes. The WORLD BANK said the CDM is effectively channeling results-based climate finance and called on parties to use the CDM in the near term to help maintain the mechanism. SENEGAL said that CDM reform is critical for developing countries, particularly in Africa, noting that so far they have benefited very little from the mechanism.

Jeffery Spooner (Jamaica) and Marko Berglund (Finland) will co-chair a contact group.

ISSUES RELATING TO JOINT IMPLEMENTATION (JI): CMP 10 President Pulgar-Vidal introduced this item (FCCC/KP/CMP/2014/4).

JI Supervisory Committee Chair Piotr Dombrowicki (Poland) reported that activities under JI have been in severe decline, noting that mechanisms like JI will be critical to achieving more ambitious mitigation. He urged parties to take decisions in Lima to safeguard JI.

Yaw Osafo (Ghana) and Dimitar Nikov (France) will co-chair a contact group.

REPORT OF THE COMPLIANCE COMMITTEE: Compliance Committee Chair Rueanna Haynes (Trinidad and Tobago) provided an update on the intersessional activities of the Committee, and the CMP took note of the report (FCCC/KP/CMP/2014/2).

ADAPTATION FUND: Report of the Adaptation Fund Board (AFB): CMP 10 President Pulgar-Vidal introduced this item (FCCC/KP/CMP/2014/6).

AFB Chair Mamadou Honadia (Burkina Faso) outlined the activities of the Adaptation Fund, requesting that parties provide guidance on options for mobilizing adequate, sustainable and predictable finance for the Fund.

ZAMBIA noted that many countries are in the process of accrediting national entities and called for a review of the requirements to make them simpler, yet robust. URUGUAY stressed this is the only effective fund for adaptation finance and should not be overshadowed by new mechanisms.

Suzanty Sitorus (Indonesia) and Ana Fornells de Frutos (Spain) will co-chair a contact group.

ORGANIZATIONAL MATTERS: Status of Ratification of the Doha Amendment to the Kyoto Protocol: UNFCCC Secretary Christiana Figueres noted that the Doha Amendment has only received 19 instruments of acceptance, saying it requires 125 more ratifications in order to enter into force. She called on those responsible for ratification of the amendment to speed up the process so that the only legally binding instrument under the UNFCCC can continue.

GUYANA and PALAU announced they have ratified the Doha Amendment and will submit their instruments of acceptance shortly.

Bolivia, for the G-77/CHINA, said the group expects Annex B parties to reconsider their commitments, making every effort to increase them with a view to eliminating the pre-2020 mitigation gap.

CMP 10 President Pulgar-Vidal will conduct informal consultations.

REPORT ON THE HIGH-LEVEL MINISTERIAL ROUNDTABLE ON INCREASED AMBITION OF THE KYOTO PROTOCOL COMMITMENTS: CMP 10 President Pulgar-Vidal introduced this item (FCCC/KP/CMP/2014/3).

Bolivia, for the G-77/CHINA, with CHINA, CUBA, SOUTH AFRICA, EGYPT, INDIA, IRAQ and SAUDI ARABIA, proposed that a contact group consider how to follow up on the high-level roundtable that took place at the 40th sessions of the Subsidiary Bodies.

CHINA recalled that no commitments to increase ambition were made at the roundtable, stressing that increased ambition is critical for building trust.

AUSTRALIA, NEW ZEALAND and the EU said they are not ready to agree to a contact group at this time.

The EU said it will complete the ratification of the Doha Amendment as early in 2015 as possible.

Climate Action Network, for ENGOs, emphasized the importance of the Kyoto Protocol as a rules-based instrument, stressing that there should be no backsliding on commitments. CJN!, for ENGOs, lamented that the EU has yet to ratify the Doha Amendment.

CMP 10 President Pulgar-Vidal will consult informally on how to proceed.

CONTACT GROUPS

COP/CMP: Issues Relating to CDM: During the contact group co-chaired by Marko Berglund (Finland) and Jeffery Spooner (Jamaica), delegates highlighted, *inter alia*: broader encouragement for parties and stakeholders to use the CDM; an analysis of the CDM as a useful mitigation tool; continuation of the CDM beyond 2020; standardized registration criteria; and enhancing the CDM to allow for voluntary cancellation.

ENGOs urged parties to address the fact that CDM projects still fail to fully respect human rights. BINGOs called for, *inter alia*, progress on the review of modalities and procedures,

continued development of standardized baselines, and a simplified accreditation process. The Co-Chairs will prepare draft decision text.

ADP ITEM 3: Finance: Delegates continued seeking clarification and exchanging views on the finance section of the non-paper (ADP.2014.11.NonPaper), which NICARAGUA, with many developing countries, opposed as “a far cry from the Convention and previous decisions.” INDONESIA highlighted the need to ensure adherence to Convention principles in the entire agreement, including the two sections on finance, and cooperation and support for implementation.

Malawi, for the LDCs, lamented that text on “encouraging policy signals by governments” does not address provision of climate finance. NEW ZEALAND described “right” policies and enabling environments as a prerequisite for more effective flows of climate finance. NORWAY, SWITZERLAND, CANADA and the US suggested highlighting a variety of sources.

Views diverged on differentiation, with JAPAN advocating encouraging “all parties in a position to do so” to provide finance. INDIA and CHINA opposed, calling instead for a reference only to developed countries and those listed in Annex II of the Convention.

Bolivia, for the G-77/CHINA, highlighted gaps in the implementation of obligations under the Convention and also called for enhancement of support. COLOMBIA stressed referencing leadership of developed countries under the Convention, with BRAZIL noting confusion in the text between mobilization of finance and support for developing countries.

CHINA and INDIA called for deleting text suggesting that “parties mobilize and provide financial resources in a manner which is capable of adapting dynamically to changing realities and future developments and needs.”

The EU clarified that “evolving responsibilities and capabilities” captures the growth in the levels of prosperity and GHG emissions of developing countries, noting that some are currently more prosperous than some EU member states.

The REPUBLIC OF KOREA stressed the importance of operational guidelines, including: a balanced approach to finance, with equal footing for adaptation and mitigation; a practical approach for mobilizing finance from the public and private sectors; and creating synergies among different financial institutions.

EGYPT, with PARAGUAY, emphasized that adequate and predictable finance should come mainly from public sources. ALGERIA suggested that “adequate and predictable funding for adaptation” also be “additional.” The EU and JAPAN, opposed by ECUADOR, considered specifying finance as “adequate and predictable” problematic.

EGYPT sought clarity on the scale of finance and supported quantified targets for finance to ensure predictability. NORWAY, the EU and JAPAN opposed an *ex ante* process to commit to quantified support commensurate with the ambition reflected in the adaptation and mitigation goals, with the EU signaling this as “a red line.” COLOMBIA emphasized the need to capture predictability in the new agreement.

JAPAN proposed deleting text suggesting mobilization of finance be “regularly scaled up.” The EU preferred regular “updating” rather than “upscaling.”

SOUTH AFRICA proposed to identify: how to anchor the existing finance mechanism and MRV system into the new agreement; the scale of resources required to keep temperature rise below “our goal”; who contributes and how; and sources of finance.

CHINA called for acknowledging that South-South cooperation is not a commitment of parties and, with INDIA and ALGERIA, suggested mobilization and provision of finance be enhanced not “in coordination with,” but rather as “additional to,” official development assistance.

Panama, for the Cfrn, called for including a reference to forestry and the Warsaw Framework for REDD+.

Adaptation: During the morning session on adaptation, parties continued exchanging views on the updated non-paper on elements (ADP.2014.11.NonPaper).

On long-term and global aspects of adaptation, AUSTRALIA and NEW ZEALAND did not support linkages between mitigation ambition, adaptation needs, the global temperature goal and finance, with NEW ZEALAND opposing a global goal on adaptation. Tuvalu, for the LDCs, supported a long-term goal, noting that action on adaptation is dependent on mitigation and the global temperature limit.

Saudi Arabia, for the LMDCs, and ARGENTINA stressed the need to link adaptation to MOI. Ghana, for the AFRICAN GROUP, said dimensions of the adaptation goal should be both quantitative and qualitative. IRAN requested a reference to technology transfer. The US clarified that “universal individual commitments” imply that each party will undertake enhanced adaptation actions to be included in national planning processes.

On commitments and contributions, the LDCs expressed uncertainty over “commitments” or “contributions.” The LMDCs favored the terms “commitments” and “actions” and, with SOUTH AFRICA and others, stressed the need for differentiation. AUSTRALIA and NEW ZEALAND opposed a “bifurcated” approach.

INDIA emphasized that determination of contributions should be country-driven. Nauru, for AOSIS, supported reference to national communications and biennial update reports for communicating commitments, stressing the need to build on existing reporting modalities. Chile, for AILAC, preferred existing reporting vehicles that would not burden any countries and facilitate North-South and South-South cooperation.

On monitoring and evaluation, the LDCs favored an MRV mechanism to ensure a level of support commensurate with adaptation needs. The LMDCs and SOUTH AFRICA cautioned against placing additional burden on developing countries.

On sharing information, knowledge and lessons learned, CHINA and IRAN emphasized the knowledge gap on the implementation of adaptation.

On institutional arrangements, the LDCs proposed establishing: a clearinghouse to help those lacking capacity access the best adaptation technologies; a roster of international adaptation experts; and, with TIMOR LESTE, regional adaptation centers.

On loss and damage, AOSIS, the LDCs, AILAC, the AFRICAN GROUP and others, opposed by AUSTRALIA, emphasized that it should become a stand-alone element in the new agreement. NEW ZEALAND opposed any reinterpretation of the Warsaw decision on loss and damage.

The LDCs proposed a climate change displacement coordination unit, and a mechanism to deal with slow-onset events, including a compensation regime. The LMDCs said discussions on loss and damage are premature pending outcomes on the Executive Committee.

Informal consultations were held in the afternoon.

Mitigation: In a morning ADP contact group, chaired by ADP Co-Chair Kishan Kumarsingh, parties shared views and proposals, and sought clarifications relating to the mitigation section of the non-paper on elements (ADP.2014.11.NonPaper).

Kenya, for the AFRICAN GROUP, lamented the overall lack of reference to equity, CBDR, mitigation obligations of developed countries, and specific national and regional development priorities.

On long-term and global aspects, Nauru, for AOSIS, suggested a regular review of the elements under the section on the basis of science and, with CHINA, referencing the 1.5°C and 2°C goals. SAUDI ARABIA suggested using agreed language, for example from Cancun, and including references to, *inter alia*, sustainable development and developing countries' vulnerabilities. CHINA called for reflecting the linkages between the collective aspects of mitigation, adaptation and MOI.

On mitigation contributions or commitments, SAUDI ARABIA said the subsection title should include "actions." CHINA suggested structuring the subsection so as to differentiate enhanced mitigation action by developed and developing countries. Chile, for AILAC, among others, supported the principle of "no backsliding."

NORWAY said elements on accounting and periodicity should be part of the mitigation section. Parties also discussed, *inter alia*: references to "major economies" and "countries in a position to do so"; concentric differentiation; whether the text seeks to expand the scope of commitments and/or contributions by developing countries; and modalities for response measures.

Advancing the Durban Platform for Enhanced Action:

In the afternoon, the ADP contact group continued exchanging views and suggestions on the draft decision text (ADP.2014.12. DraftText), and debated whether or not to begin negotiations with text on the screen.

On the completion of work of the ADP, INDIA suggested removing "as early as possible." BRAZIL proposed adding a reference to accompanying draft decisions after COP 21. KENYA opposed any text on accompanying decisions at this stage.

AUSTRALIA proposed deletion of text relating to achieving political parity between mitigation and adaptation. INDIA suggested referring to "full legal parity" instead. BRAZIL suggested "parity between the operational provisions regarding mitigation, adaptation and MOI."

While stressing that adaptation and mitigation should receive equal treatment and resources, INDONESIA called for a shared understanding on "political parity." Saying "parity" is vague, the US proposed "underscoring the importance of adaptation."

On text on demonstrating implementation of existing actions and commitments, AUSTRALIA suggested this should be addressed in preambular text. BRAZIL proposed adding references to the Doha Amendment and the annual US\$100 billion goal.

NORWAY said that paragraphs referring to political parity between mitigation and adaptation, and implementation of existing actions and commitments are not necessary in the decision.

CHINA suggested text on, *inter alia*, deciding to achieve the balanced and comprehensive treatment among the elements of mitigation, adaptation, MOI, and transparency of action and support in the negotiating text of the 2015 agreement. He called for underlining that the full and effective implementation of existing commitments and actions under the Convention, its Kyoto Protocol and the agreed outcome pursuant to the BAP, in particular for developed country Parties, is essential for adoption of the 2015 agreement.

Referring to a suggestion by Sudan, for the African Group, SWITZERLAND expressed reluctance to determine the precise structure of the new agreement at this point.

The US indicated openness to listing thematic areas identified in Decision 1/CP.17 (establishing the ADP), referring to these as "aspects of work," if this helps provide assurances that these will be addressed in the 2015 agreement.

Responding to a request by the Russian Federation to add a reference to Convention Article 17 (protocols), the US noted this only applies to a protocol, while the Durban Platform allows for several possibilities regarding the instrument under preparation.

On a point of order, several parties, including SOUTH AFRICA, EGYPT, NIGERIA, CUBA and CHINA, called for showing the text on the screen, and reflecting in it specific proposals by parties in order to, *inter alia*, enable understanding of parties' proposals and allow developing countries to participate as equals. The US preferred to continue with a more general reading of the text to identify "the major issues in the negotiations." TUVVALU suggested, and parties agreed to, establishing a Friends of the Chair group to reach agreement on the way forward. The group convened in the evening.

IN THE CORRIDORS

On Wednesday, delegates engaged in a "hands-on" mode of work both in ADP contact group sessions on the various elements of the future agreement, and in numerous meetings under the SBI and SBSTA. Many delegates continued to note the "new" pattern of contact group and informal consultation management, with chairs finishing on time and then sending parties off to consult among themselves.

This optimism was, however, overshadowed by a perceived lack of mutual confidence among parties. With positions and remaining points of contention clear on many issues, a sense of frustration grew in the corridors as many delegates raised concerns over the slow progress under the ADP.

In the group on finance, parties that viewed the adjectives "adequate" and "predictable" as problematic were challenged to explain "how inadequate and unpredictable finance could enhance climate action." One seasoned delegate voiced a view shared by many: "we know where we stand; it's high time we moved beyond the justify-your-position negotiating mode and built bridges."

In the ADP afternoon session, some parties' resistance to working with draft decision text on the screen was countered with a proposal to continue informal negotiations in Spanish. One delegate complained, "parties need to build confidence and trust, not only to reach the mandated decision on INDCs in Lima, but also to make progress towards Paris."



LIMA HIGHLIGHTS: THURSDAY, 4 DECEMBER 2014

On Thursday, 4 December, the ADP contact group on item 3 continued its deliberations. In the morning, negotiations on elements took place in two parallel sessions, addressing finance, mitigation, and cooperation and support. In the afternoon and evening, the contact group addressed the draft decision on advancing the Durban Platform for Enhanced Action.

In the morning, a COP contact group addressed climate finance, and a joint SBI/SBSTA contact group discussed the impact of the implementation of response measures. Informal consultations took place under the SBSTA and SBI on a number of issues.

CONTACT GROUPS

COP: Matters Relating to Climate Finance: In the contact group on *long-term climate finance* and the *report of the SCF*, Co-Chairs Tosi Mpanu Mpanu (Democratic Republic of the Congo) and Dany Drouin (Canada) introduced the report of the SCF (FCCC/CP/2014/5).

Bolivia, for the G-77/CHINA, said MRV of support is also being discussed in the ADP and called for: coherence and coordination; clarity on the level of financial support to developing countries; guidance on the third forum of the SCF; and finance for forests.

The US suggested addressing deliverables and, with the EU, highlighted the GCF's initial capitalization of US\$9.7 billion prior to Lima.

In the contact group on *reports of and guidance to the GCF and GEF*, and *fifth review of the financial mechanism*, Co-Chairs Ayman Shasly (Saudi Arabia) and Stefan Schwager (Switzerland) introduced the items (FCCC/CP/2014/2 and Add.1, 5 and 8).

Bolivia, for the G-77/CHINA, noted the important work of the Adaptation Fund. The EU noted other agenda items have financial dimensions, including adaptation, and suggested discussing those in the contact group on climate finance.

ADP ITEM 3: Finance: Egypt, for the AFRICAN GROUP, supported by Bolivia, for the G-77/CHINA, SAUDI ARABIA, MALDIVES, INDIA, SOUTH AFRICA, ECUADOR, ZAMBIA, PAKISTAN, ARGENTINA and others, introduced a conference room paper (CRP) containing draft elements on climate finance under the ADP, requesting that it replace the Co-Chairs' non-paper (ADP.2014.11.NonPaper) as the basis for discussion.

NEW ZEALAND, with SWITZERLAND, called for concluding consideration of the Co-Chairs' non-paper, noting it covers most of the elements of the CRP. The US emphasized work undertaken over the past two days on the Co-Chairs' non-paper and progress already achieved.

The G-77/CHINA stressed the legal standing of the CRP as opposed to the Co-Chairs' non-paper. ADP Co-Chair Runge-Metzger invited parties to consult informally on the way forward.

Mitigation: In the morning session on mitigation, on the sub-section on long-term and global aspects, SOUTH AFRICA stressed a long-term goal should be consistent with what is required by science, and Tuvalu, for the LDCs, said the goal should be to keep the temperature increase below 1.5°C. NEW ZEALAND suggested "net zero CO2 emissions by 2100" in line with the latest science. The EU called for explicit reference to the 2°C goal.

On differentiation, INDIA, ARGENTINA, VENEZUELA, JORDAN, CUBA and BOLIVIA called for reference to CBDR, principles and provisions of the Convention, or its Article 4 (commitments). JAPAN, NEW ZEALAND, the US, AUSTRALIA, SWITZERLAND and CANADA opposed creating binary divisions on commitments, based on annexes or the distinction between developed and developing countries.

The EU said text should reflect that all parties will eventually take quantified economy-wide emission reduction targets. The US called for an option in the text to update the Convention's annexes to reflect parties' changing economic and emissions trends.

BRAZIL informed parties that it would provide clarification on its dynamic "concentric differentiation" concept in an informal setting. The UNITED ARAB EMIRATES (UAE) proposed recognizing actions by "early movers."

On the form of commitments or contributions, the EU said all parties should submit unconditional commitments, with the possibility for the most vulnerable to also submit actions conditional on support. The US, with AUSTRALIA, said each country should maintain a schedule of actions they intend to take to meet their commitments, with periodic reporting on implementation and revisions to enhance commitments.

BOLIVIA, opposed by AUSTRALIA and NEW ZEALAND, called for commitments based on an "indexed" global carbon budget divided among all parties according to historical responsibility, ecological footprint, state of development and capabilities. BRAZIL said agreement on criteria for carbon budgeting was difficult to foresee.

The LDCs called for two annexes, one for parties taking quantified economy-wide emission reduction targets and the other for parties that take other forms of commitments.

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On review, the EU called for a commitment cycle of 10 years and, supported by the US, for a five-year cycle of review and revision. The EU said this should be elaborated further in the text. The RUSSIAN FEDERATION cautioned that a review process in the middle of the commitment period could make ratification challenging, as legislators require a clear understanding of what they are agreeing to.

On response measures, the LDCs, VENEZUELA, ARGENTINA and the UAE, opposed by NEW ZEALAND, JAPAN and CANADA, variously supported a mechanism, institution or permanent forum.

Cooperation and Support: In the morning, parties exchanged views on the relevant paragraphs in the updated non-paper on elements (ADP.2014.11.NonPaper). CHINA and SAUDI ARABIA said discussion on cooperation and support for implementation was not mandated by Decision 1/CP.17 (establishing the ADP). ADP Co-Chair Runge-Metzger explained that headings were only included for the parties' convenience.

Many parties supported consolidating the section on cooperation and support with sections on other elements. Algeria, for the ARAB GROUP, and CHINA said sections on market and non-market approaches, and new market-based mechanisms could prejudice discussions under the Subsidiary Bodies.

On commitments for support, AUSTRALIA, NEW ZEALAND, the US, CANADA and others said all parties in a position to do so should provide support for the implementation of the new agreement.

SINGAPORE expressed concern over "evolving responsibilities" and "parties in a position to do so," and cautioned against rewriting the Convention. The ARAB GROUP opposed reference to "evolving" CBDRRC. CHINA said only developed countries have the responsibility to provide support to developing countries, and cautioned against introducing new principles.

The EU and SWITZERLAND supported describing the purpose of MOI. JAPAN said parties who provide and receive support should work together to mobilize private finance.

On institutional arrangements, the ARAB GROUP, with CHINA, called for deletion of reference to sub-national, national and regional emissions trading schemes. AUSTRALIA, the EU, NEW ZEALAND, SWITZERLAND, the US, CANADA, JAPAN and others expressed reservations about the sub-section on institutional arrangements. PANAMA stressed the importance of referring to the accounting and conformity functions of cooperative arrangements.

Advancing the Durban Platform for Enhanced Action: ADP Co-Chair Runge-Metzger reported on the mode of work recommended by the Friends of the Chair group: to conduct a first reading of the Co-Chairs' draft text (ADP.2014.12.DraftText), allowing parties to introduce their proposals comprehensively by displaying them on the screen; to hold dedicated meetings of the contact group on specific sections and paragraphs; and for the Co-Chairs to prepare a synthesis integrating parties' proposals into revised draft decision text. He encouraged parties to send their textual proposals to the Secretariat in advance of the dedicated meetings.

Parties continued consideration of the text, focusing on paragraphs 1-12 (elements and INDCs), with a view to completing the first full reading on Friday.

On paragraphs 1-6 (elements), CANADA suggested that the ADP address "various topics" instead of "all elements," and that "achieving political parity" between mitigation and adaptation be replaced with "elevating their critical importance."

NEW ZEALAND advocated text signaling that the work of the ADP will result in "a package of different components." JAPAN stressed the need to clarify that mitigation is the ultimate goal of the Convention.

PAKISTAN and SOUTH AFRICA called for treating all elements of Decision 1/CP.17 "in a balanced manner." MEXICO and SAUDI ARABIA stressed the equal importance

of adaptation and mitigation. PAKISTAN and EGYPT preferred "legal parity" between mitigation and adaptation. ECUADOR called for deleting qualifiers when referring to parity between mitigation and adaptation.

SOUTH AFRICA called for strengthening paragraphs dealing with "assurances" in relation to the link between INDCs and the elements of the agreement, and the balance of support for mitigation and adaptation.

On the importance of transparency, ECUADOR called for adopting an MRV mechanism as part of the 2015 agreement.

On paragraphs 7-12 (INDCs), JAPAN said the text still did not provide clarity on the upfront information to be presented in INDCs.

SOUTH AFRICA said that, while INDCs are nationally determined, their scope should be determined internationally, and, with BRAZIL and others, that they should include mitigation, adaptation and MOI. CANADA and the US stressed that INDCs relate to mitigation. BRAZIL and TUVALU, for the LDCs, noted that the scope should not be limited to Convention Article 2 (objective).

AUSTRALIA underscored that INDCs should reflect efforts parties are making unilaterally. The LDCs recommended inserting a caveat for LDCs and small island developing states on the inclusion of mitigation in INDCs.

BOLIVIA emphasized the importance of enhancing the provision of MOI for developing countries. The LDCs suggested the addition of text requiring Annex 1 parties to provide information on the level of support to developing countries for the achievement of their INDCs. The contact group continued into the evening.

SBI/SBSTA: Response Measures: During the morning contact group, Co-Facilitator Delano Ruben Verwey (the Netherlands) introduced draft conclusions, revised following parties' comments, and a draft decision, which, he explained, was based on areas of convergence, drawing on, among others, the technical paper on the same issue (FCCC/TP/2014/12).

Ghana, for the AFRICAN GROUP, Argentina, for the G-77/CHINA, and Saudi Arabia, for the ARAB GROUP and the LMDCs, supported starting work on the draft decision. The US suggested considering the technical paper first. AUSTRALIA said moving to textual discussions was preemptive. The EU expressed concern that the Co-Chairs' text contained no alternatives.

Parties consulted informally throughout the day, and the contact group met again in the evening.

IN THE CORRIDORS

The theme of intergenerational equity marked day four of COP 20. Youth actions, such as "The Planet Cannot Wait," sought to remind delegates they are expected to "show the world" that "something good can work." As the meeting agenda grew increasingly busy, those who found time between contact groups and informal consultations to read the news from the world outside the "Pentagonito" complex received stark reminders of the urgency of action, with newspaper headlines warning that in 30 years from now Kiribati will disappear underwater and describing 2014 as the hottest year on record globally.

Despite a full day of negotiations under the ADP, delegates were left with mixed feelings on progress. One participant observed "this COP seems so relaxed I am not sure what – if anything – will come out of it." Many others were visibly pleased with finally having "textual suggestions" on the screen in the ADP contact group on the draft decision on advancing the ADP, and finishing a first reading of twelve paragraphs. Others wondered if delegates would be able to stick to their ambitious plan to conduct a first full reading of the 12-page Co-Chairs' draft text by Friday evening. "This is an unmitigated disaster in the making – much like the one for my island," one delegate intimated.



LIMA HIGHLIGHTS: FRIDAY, 5 DECEMBER 2014

On Friday, 5 December, the first part of the closing plenary of the SBI took place in the afternoon and evening. Throughout the day and late into the evening, the ADP contact group on item 3 addressed elements, including, mitigation, transparency of action and support, technology transfer and capacity building, and the draft decision on advancing the Durban Platform for Enhanced Action.

Many contact groups and informal consultations took place throughout the day on a number of issues under the COP, CMP, SBSTA and SBI as parties wrapped up work before the closing of the subsidiary bodies.

FIRST PART OF THE SBI CLOSING PLENARY

Election of Officers Other than the Chair: SBI Chair Amena Yauvoli (Fiji) informed that consultations on the SBI Vice Chair and Rapporteur had not been completed, and the SBI agreed to invite the COP to elect the Vice Chair and Rapporteur of the SBI.

REPORTING FROM AND REVIEW OF ANNEX I

PARTIES: Compilations and Synthesis of 6th National Communications and 1st Biennial Reports from Annex I

Parties to the Convention: SBI Chair Yauvoli reported that parties were unable to reach agreement on the issue and that the sub-item will be placed on the provisional agenda of SBI 42.

Compilation and Synthesis of Supplementary Information Incorporated in 6th National Communications from Annex I Parties that are also Parties to the Kyoto Protocol: The SBI adopted conclusions (FCCC/SBI/2014/L.30).

Revision of the 'Guidelines for the Preparation of National Communications by Annex I Parties, Part II: UNFCCC Reporting Guidelines on National Communications': Chair Yauvoli reported that parties were unable to reach agreement and that the sub-item will be placed on the provisional agenda of SBI 42.

REPORTING FROM NON-ANNEX I PARTIES: Work of the CGE: The SBI adopted conclusions (FCCC/SBI/2014/L.26).

Provision of Financial and Technical Support: The SBI adopted conclusions (FCCC/SBI/2014/L.29).

WORK PROGRAMME TO FURTHER

UNDERSTANDING OF THE DIVERSITY OF NAMAS: The SBI adopted conclusions (FCCC/SBI/2014/L.36).

MATTERS RELATING TO THE MECHANISMS

UNDER THE KYOTO PROTOCOL: Review of the Modalities and Procedures for the CDM: The SBI adopted conclusions (FCCC/SBI/2014/L.35). Expressing disappointment with progress made in SBI 41, Nauru, for AOSIS, said Lima should have identified how net mitigation can be built into the CDM, including through conservative baselines, shortened crediting periods and cancellations, and looked forward to continuing work on net mitigation in SBI 42.

Review of the JI Guidelines: The SBI adopted conclusions (FCCC/SBI/2014/L.34). Nauru, for AOSIS, said there is room for improving the environmental integrity of JI and looked forward to discussing, at SBI 42, how to ensure that JI delivers a net atmospheric benefit.

Modalities for Expediting the Continued Issuance, Transfer and Acquisition of JI ERUs: The SBI adopted conclusions (FCCC/SBI/2014/L.33).

Procedures, Mechanisms and Institutional Arrangements for Appeals Against Decisions of the CDM EB: The SBI adopted conclusions (FCCC/SBI/2014/L.31).

MATTERS RELATING TO THE LDCS: The SBI adopted conclusions (FCCC/SBI/2014/L.24).

NATIONAL ADAPTATION PLANS: The SBI adopted conclusions (FCCC/SBI/2014/L.42) and forwarded a draft decision (FCCC/SBI/2014/L.42/Add.1) for consideration and adoption by COP 20.

WARSAW INTERNATIONAL MECHANISM FOR LOSS AND DAMAGE ASSOCIATED WITH CLIMATE CHANGE IMPACTS: SBI Chair Yauvoli reported that parties were unable to reach agreement and that the sub-item will be placed on the provisional agenda of SBI 42.

MATTERS RELATED TO FINANCE: Second Review of the Adaptation Fund: The SBI adopted conclusions (FCCC/SBI/2014/L.39).

Further Guidance to the LDCF: The SBI adopted conclusions (FCCC/SBI/2014/L.38).

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES AND IMPLEMENTATION OF THE TM: Joint Annual Report of the TEC and CTCN: The SBI adopted conclusions and forwarded a draft decision for consideration by COP 20 (FCCC/SB/2014/L.5).

Poznan Strategic Programme on Technology Transfer: The SBI adopted conclusions (FCCC/SBI/2014/L.32).

CAPACITY-BUILDING: Capacity-Building Under the Convention: The SBI adopted conclusions (FCCC/SBI/2014/L.40).

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Capacity-Building Under the Kyoto Protocol: The SBI adopted conclusions (FCCC/SBI/2014/L.41).

IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES: Forum and Work Programme: SBI Chair Yauvoli reported that parties were unable to reach agreement and that the sub-item will be placed on the provisional agenda of SBI 42.

Matters Relating to Protocol Article 3.14 (adverse impacts): SBI Chair Yauvoli informed parties that agreement could not be reached on this issue and that the sub-item will be placed on the provisional agenda of SBI 42.

Progress on the Implementation of Decision 1/CP.10 (Buenos Aires programme of work on adaptation and response measures): SBI Chair Yauvoli reported that agreement had not been reached on this issue and that the sub-item will be placed on the provisional agenda of SBI 42.

2013-2015 REVIEW: The SBI adopted conclusions (FCCC/SB/2014/L.9).

GENDER AND CLIMATE CHANGE: After informal consultations in plenary, resulting in two amendments in the text, the SBI adopted conclusions and forwarded a draft decision to COP 20 (FCCC/SBI/2014/L.43). Malawi, for the LDCs, supported by JAMAICA, proposed referring to the decision as the “Lima Work Programme on Gender.” JAMAICA stated that the proposed actions should be guided by gender equality, not merely gender balance. Welcoming the decision, MEXICO noted it attaches utmost importance to the issue.

ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS: The SBI adopted conclusions (FCCC/SBI/2014/L.37).

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Audited Financial Statements for the Biennium 2012-2013 and Budget Performance for the Biennium 2014-2015: The SBI adopted conclusions (FCCC/SBI/2014/L.27 and L.28).

CLOSING STATEMENTS: The EU highlighted the outcomes on financial architecture, including on the Adaptation Fund and LDCF, and underscored lack of progress on market mechanisms, including the CDM.

Australia, for the UMBRELLA GROUP, welcomed moving forward into the implementation phase of the new MRV framework. He noted progress on adaptation plans and on finance, such as on the LDCF and Adaptation Fund.

The Republic of Korea, for the EIG, welcomed timely progress on the Poznan strategic programme on technology transfer, noting important work ahead.

Nauru, for AOSIS, said national communications are important and called for continued flexibility by the GEF in approving funds for SIDS. She said SIDS require specific consideration in the funding of NAMA preparation.

Nepal, for the LDCs, called for strong representation of LDCs and SIDS on the Executive Committee of the Warsaw International Mechanism for Loss and Damage.

COLOMBIA proposed the information hub of the Warsaw Framework for REDD+ be named the “Lima Information Hub.”

CJN!, for ENGOs, expressed deep disappointment with the amount of funds provided for adaptation finance, noting there are ample funds for wars and fossil fuels. CAN, for ENGOs, called for agreement on the composition of the Executive Board of the Warsaw International Mechanism for Loss and Damage.

WOMEN AND GENDER said the new work programme to achieve gender equality should be advanced. YOUNGOs called on parties to ratify the Doha Amendment to the Kyoto Protocol.

UNFCCC Executive Secretary Christiana Figueres briefed the SBI of the administrative and financial implications of the decisions taken by SBI 41.

Noting the SBI had adopted all substantive conclusions and items, SBI Chair Yauvoli closed the first part of the SBI closing plenary at 10:26pm. The SBI will hold two multilateral assessment working group sessions, on Saturday 6 December and Monday 8 December, and reconvene for the second part of the SBI closing plenary on Monday evening.

CONTACT GROUPS

ADP: Mitigation: On long-term and global aspects of mitigation, Algeria, for the ARAB GROUP, reminded parties that Decision 1/CP.16 (Cancun Agreements) recognizes the need for a longer time frame for the peaking of GHG emissions in developing countries.

Panama, for the CfRN, said that the global carbon budget should be informed by national estimates. UKRAINE opposed considering a global carbon budget, preferring a bottom-up approach to long-term emission reductions.

Saudi Arabia, for the LMDCs, described other parties’ comments on the evolution of CBDR, updated annexes or elimination of differentiation as “illegal,” emphasizing that the future agreement cannot be built on that basis. Supporting Brazil, CHINA opposed the introduction of new concepts, saying diverting from the principles and provisions of the Convention makes progress difficult.

On commitments/contributions on mitigation, the REPUBLIC OF KOREA supported reference to market mechanisms. MEXICO preferred “commitments” according to CBD/RR and supported schedules as an anchoring mechanism for contributions. ETHIOPIA emphasized MOI for developing countries.

On response measures, SAUDI ARABIA said his country will not support the new agreement if it does not adequately address the issue. UKRAINE preferred the option of no new arrangements, or a permanent forum as an alternative. EGYPT preferred a permanent forum as the “least common denominator.”

Transparency of Action and Support: On the scope of MRV, ARGENTINA, with Tuvalu, for the LDCs, cautioned against bias towards mitigation. The LDCs called for greater parity between mitigation and support. NEW ZEALAND and JAPAN urged referring to transparency of support provided and received. SWITZERLAND highlighted the need for adaptation reporting.

On the MRV framework, the AFRICAN GROUP warned against backsliding from the current framework. The AFRICAN GROUP, SOUTH AFRICA, Chile, for AILAC, Panama, for CfRN, AOSIS and MEXICO called for building on the existing MRV framework, with some suggesting it could evolve over time. Nauru, for AOSIS, said the framework should measure progress toward a global goal of 1.5 or 2°C and promote participation of all countries. The AFRICAN GROUP cautioned against placing additional burdens on developing countries.

ARGENTINA, the LDCs, the AFRICAN GROUP, SAUDI ARABIA and China, for the LMDCs, emphasized differentiation, with many calling for maintaining the existing “two-track” approach to MRV.

NORWAY emphasized universality and, with SWITZERLAND, flexibility to accommodate parties’ different capabilities. AUSTRALIA, JAPAN and the US called for a

single transparency system applicable to all. The US said the system should enable verification of efforts, which could include tiers and opt-out provisions based on parties' circumstances.

On rules and modalities, the EU, with NEW ZEALAND, suggested that the new agreement contain high-level MRV and accounting principles, with guidelines and modalities elaborated in COP decisions.

ARGENTINA cautioned against prejudging SBSTA discussions on LULUCF and requested that various approaches be referenced in addition to markets. JORDAN objected to references to market mechanisms. The AFRICAN GROUP emphasized gaps in developed countries' MRV frameworks on markets and LULUCF.

SOUTH AFRICA highlighted the importance of LULUCF accounting, calling for consolidating detailed rules under the Convention. AILAC called for stronger language on developing rules for markets, land-use and forestry sectors. CFRN called for references to REDD+ and coastal ecosystems.

AOSIS and AILAC called for a clear definition of climate finance, with AILAC stressing this will help avoid double counting.

The LMDCs called for text on, *inter alia*: a common methodology for MRV of support by developed countries; a strengthened review of MOI support; and a financial channel under the GCF for MRV-related capacity building in developing countries.

SOUTH AFRICA, supported by MEXICO, proposed launching a process for discussing transparency rules during 2015, with SOUTH AFRICA saying this should be reflected in the ADP conclusions from Lima.

Technology: On commitments, Swaziland, for the AFRICAN GROUP, ARGENTINA and CHINA called for differentiated obligations for developed and developing countries. Swaziland, for the AFRICAN GROUP, said that commitments should not shift responsibility from developed to developing countries, nor encourage private over public support. CHINA emphasized the need for developed countries to provide financial and intellectual support to implement technology needs assessments in developing countries.

On institutional arrangements, Swaziland, for the AFRICAN GROUP, SAUDI ARABIA, SOUTH AFRICA, ALGERIA and ARGENTINA preferred anchoring institutional arrangements in the TEC and CTCN. CHINA urged further guidance to strengthen the Technology Mechanism, noting such guidance is complementary to anchoring the mechanism in the TEC and CTCN.

IRAN, ARGENTINA and ALGERIA said that technology transfer should proceed under the principles and provisions of the Convention. The US said cooperative action to promote and enhance technology development and transfer should include both the Technology Mechanism and financial mechanism. UKRAINE requested inclusion of economies in transition in the development and transfer of technologies.

Capacity Building: CANADA and JAPAN said capacity building must be "country-driven," and not "demand-driven." TANZANIA, with Tuvalu, for the LDCs, urged enhancing capacities of national governments to absorb financial and technological resources, and opposed reference to "clear and predictable targets and outcomes."

On commitments, SOUTH AFRICA and INDIA emphasized developed countries' obligation to provide capacity-building support to developing countries. ETHIOPIA emphasized "glaring" differences in needs for capacity building in developing countries and, opposed by the US, called for commitments on capacity building.

Algeria, for the ARAB GROUP, stressed that developing countries that are able to provide capacity can do so voluntarily. ARGENTINA said parties should identify their own capacity gaps. The US said all parties in a position to do so should be invited to support others with lower capabilities.

On institutional arrangements, SOUTH AFRICA, CHINA, INDIA, IRAN, TANZANIA, Tuvalu, for the LDCs, and others, opposed by CANADA, JAPAN, the EU, the US and others, supported the establishment of an international capacity-building mechanism. INDIA noted that mobilization of private capital cannot be one of its essential elements.

ARGENTINA said private funding should be complementary to public funding. CHINA cautioned against "board-shifting behaviors" in reference to the potential role of the private sector in supporting capacity building.

Stating that capacity development should apply to all parties, not only developing countries, the EU called for improving and strengthening existing mechanisms and arrangements under the Convention and the Kyoto Protocol that address capacity building.

Advancing the Durban Platform for Enhanced Action:

In the afternoon and evening, the contact group continued consideration of draft decision text on this item.

On paragraphs 7-12 (context for preparation of INDCs), NEW ZEALAND said that, when reporting on INDCs, parties should quantify expected emission outcomes, levels of effort and accounting methodologies in the land sector. The EU urged transparency, quantifiability and comparability of INDC reporting.

BOLIVIA stressed the importance of enhancing the provision of MOI to developing countries. Cautioning against bias towards mitigation actions, Tuvalu, for the LDCs, suggested adding text on MRV of Annex I parties' support to developing countries for the achievement of their INDCs. THAILAND underscored equal treatment of mitigation and adaptation. The US said reporting requirements should apply equally to developed and developing countries.

On paragraphs 13-16 (INDCs communication), ARGENTINA, Chile, for AILAC, CHINA, INDIA, Algeria, for the ARAB GROUP, SOUTH AFRICA, TANZANIA and many others emphasized the relevance of the principles and provisions of the Convention. SWITZERLAND opposed division between Annex I and non-Annex I countries. CHINA said information on INDCs should enhance clarity of developed countries' ambition and reflect the diversity of, barriers to and needs for, developing countries' INDCs.

BRAZIL said INDCs: should not be interpreted as "an expectation of legal terms"; opposed self-differentiation; and, with Sudan, for the AFRICAN GROUP, requested that reference to equity be made.

SWITZERLAND called for references to underlying assumptions and efforts, and fairness considerations. The MARSHALL ISLANDS proposed that the ADP develop rules relating to accounting assumptions and approaches, land use, and use of international markets and credits, with a view to their adoption by COP 21. BOLIVIA opposed reference to market tools and instruments.

TANZANIA opposed prescriptive INDCs and any additional reporting requirements for developing countries. SINGAPORE emphasized clarity of information provided.

SAUDI ARABIA suggested the INDCs' adaptation component enhance efforts to achieve best-value outcomes through early and integrated planning, and action at all levels. SOUTH AFRICA urged communication in a tabular format of: the type of contribution for 2021-2025 and 2026-2030; information

on adaptation plans, actions, costs and investments; and MOI support. Chile, for AILAC, proposed that parties provide information on mitigation for 2020-2025 and an indicative contribution for 2030, including information on ambition, equity and fairness.

On paragraphs 17-22 (post-communication and support for INDCs), many parties, including CHINA, INDIA, VENEZUELA, MALAYSIA, SAUDI ARABIA and BRAZIL, opposed consideration of post-communication and support for INDCs at this stage.

The EU proposed establishing an international process for the consideration of INDCs from the first quarter of 2015, which would be related to mitigation INDCs only. The US emphasized a consultative period and upfront information as important for promoting ambition and clarity.

SOUTH AFRICA called for *ex ante* assessment of INDCs by the Secretariat through, *inter alia*, a technical paper on the aggregate effect of parties' contributions. The MARSHALL ISLANDS called for a technical paper summarizing and synthesizing INDCs and including an aggregation of the level of mitigation effort.

JAPAN and CHINA called for a simple process through the publication of the INDCs on the UNFCCC website, with CHINA objecting to compilation of INDCs by the Secretariat. The RUSSIAN FEDERATION cautioned against the use of electronic means.

JORDAN, with CHINA and INDIA, opposed any *ex ante* review processes. Tuvalu, for the LDCs, proposed that Annex I parties report on their provision of MOI.

On the annex (INDC information), Sudan, for the AFRICAN GROUP, suggested consideration of mitigation, adaptation and MOI options with and without differentiation. Colombia, for AILAC, called for inclusion of information on why parties perceive their contributions as equitable.

BRAZIL stressed that INDCs consideration is not a legally binding process but a means to enhance the understanding of each other's intentions.

In the evening, parties continued sharing positions and proposals relating to paragraphs of the draft text on assessing pre-2020 implementation.

SBI/SBSTA: Response Measures: During the morning joint contact group, SBSTA Chair Emmanuel Dumisani Dlamini (Swaziland) and SBI Chair Yauvoli informed delegates that they will consult on how to move forward given the lack of consensus on this item.

2013-2015 Review: In the morning contact group, chaired by Leon Charles (Grenada), SAUDI ARABIA, opposed by Switzerland, for the EIG, preferred removing reference to the ADP using the information from the 2013-2015 Review. The US, supported by BRAZIL, CANADA and JAPAN, proposed compromise text replacing "the ADP" with "the broader UNFCCC." The EU, supported by NORWAY, TRINIDAD AND TOBAGO, and ANTINGUA AND BARBUDA, and opposed by SAUDI ARABIA, suggested adding to the US proposal "including in the ADP." CHINA and SAUDI ARABIA preferred to "take note of" rather than "use" information. Informal consultations will continue.

SBSTA: Articles 5, 7 and 8 of the Kyoto Protocol: During the morning contact group, chaired by Anke Herold (Germany), UKRAINE preferred one decision with five annexes. Co-Chair Herold clarified that the current format of two decisions was agreed at SBSTA 40. The EU called for recognizing that the

deadline for the reporting of Assigned Amount Units may be delayed if the Common Reporting Format 3 Reporter software is not available in a timely manner or properly functioning.

On the draft conclusions, the RUSSIAN FEDERATION lamented the firewall between methodological issues under SBSTA agenda items 11(a) and (b) on Protocol Articles 5, 7 and 8, and clarification of Section G (Article 3.7*ter*) of the Doha Amendment to the Kyoto Protocol.

During the afternoon, parties worked on the language of the draft conclusions, debating whether to "recommend" or "agree" that if an Annex I party applies provisions on the expert review team (ERT), that the ERT shall review that information. SBSTA Chair Dlamini admonished parties to agree on conclusions, saying no more extensions of the negotiations would be granted on this issue. Following revisions, parties agreed to forward draft conclusions to the SBSTA plenary for consideration.

Clarification of Section G (Article 3.7*ter*) of the Doha Amendment to the Kyoto Protocol: The afternoon contact group chaired by Maesela Kekana (South Africa) addressed options for a draft decision. Parties could not agree on how or whether Article 3.7*ter*, *inter alia*, applies to parties that did not take commitments under the first commitment period to the Kyoto Protocol but are taking commitments under the second commitment period.

Parties agreed to forward draft conclusions as presented by the Co-Chairs to the SBSTA plenary for consideration, recommending the issue be considered at SBSTA 42.

IN THE CORRIDORS

As day five opened, a "Ghost of ADP Past" settled into the packed contact group room. Those stepping in and out of the different ADP contact group sessions could easily be led to believe the topic under discussion had not changed, with familiar and similar themes voiced by different parties and groups independent of the issue – be it mitigation, transparency or technology. This, and the approaching holiday season, prompted one observer to wonder if parties were repeating themselves "to make sure Santa Claus hears their wish list and makes it come true."

The fact that other familiar scenes played out around the venue was not lost on participants either: "it's the same issues holding up the Subsidiary Bodies every year," sighed one. Many were acutely aware of President Pulgar-Vidal's promise that the SBI would close on Friday and SBSTA on Saturday, and several delegates reported being "dressed down" by their contact group co-chairs for taking too much time.

Any items without agreement would be "punted," in one delegate's words, to the June meeting of the Subsidiary Bodies. For some, this stringency was welcomed as something that "will hopefully create space for the ADP and COP/CMP issues," and as "a much-needed wake up call to negotiators." Yet, another delegate worried that some issues in the Subsidiary Bodies are "inherently political and just take more time, so they shouldn't be cut short."

While some SBI and SBSTA items may not end up in a "package" under the "COP 20 tree," some noted that an "intra-ADP" package could be in the making. "We're always a little naughty and a bit nice," grinned a delegate. Whether naughty, nice or both, the work here may signal what parties will bring to Paris and how they will package the deal.



LIMA HIGHLIGHTS: SATURDAY, 6 DECEMBER 2014

On Saturday, 6 December, the SBSTA closing plenary took place in the afternoon, and the CMP plenary convened in the evening. Throughout the day, the ADP contact group on item 3 addressed elements, including transparency and times frames and process related to commitments/contributions, and the draft decision on advancing the Durban Platform for Enhanced Action. An informal stocktaking meeting assessed progress under the ADP. The first working group session of the multilateral assessment under the international assessment and review (IAR) process took place throughout the day.

CMP PLENARY

REPORT ON THE HIGH-LEVEL MINISTERIAL ROUND TABLE ON INCREASED AMBITION OF KYOTO PROTOCOL COMMITMENTS: CMP 10 President Manuel Pulgar-Vidal reported that no agreement had been reached during informal consultations on whether to form a contact group on this issue.

A contact group was supported by Bolivia, for the G-77/CHINA, and opposed by AUSTRALIA, SWITZERLAND, the EU and NORWAY. Informal consultations will continue.

SBSTA CLOSING PLENARY

SBSTA Chair Emmanuel Dumisani Dlamini opened the session.

Election of Officers Other Than the Chair: SBSTA Chair Dlamini informed that consultations on the nominations of the SBSTA Vice-Chair and Rapporteur had not been completed, and the SBSTA agreed to invite the COP to elect the Vice-Chair and Rapporteur of the SBSTA.

NAIROBI WORK PROGRAMME: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.23).

REPORT OF THE ADAPTATION COMMITTEE: The SBSTA adopted conclusions (FCCC/SB/2014/L.7).

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES AND IMPLEMENTATION OF THE TM: Joint Annual Report of the TEC and CTCN: The SBSTA adopted conclusions and forwarded a draft decision (FCCC/SB/2014/L.5).

METHODOLOGICAL GUIDANCE FOR REDD+: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SB 42.

WARSAW INTERNATIONAL MECHANISM FOR LOSS AND DAMAGE ASSOCIATED WITH CLIMATE CHANGE IMPACTS: The SBSTA adopted conclusions and forwarded a draft decision (FCCC/SB/2014/L.8).

MATTERS RELATING TO SCIENCE AND REVIEW: AR5 of the IPCC: The SBSTA adopted conclusions and forwarded a draft decision (FCCC/SBSTA/2014/L.27 and Add.1).

Research and Systematic Observation: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.19).

2013-2015 Review: The SBSTA adopted conclusions (FCCC/SB/2014/L.9). SED Co-Facilitator Andreas Fischlin (Switzerland) reported on the fourth and fifth meetings of the SED, and highlighted that its meetings demonstrate that limiting global warming to below 2°C requires a long-term science-based approach.

IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES: Forum and Work Programme: The SBSTA adopted conclusions (FCCC/SB/2014/L.6/Rev.1).

Matters Relating to Article 2.3 of the Kyoto Protocol (Impact of Response Measures): This issue was considered under the sub-item on the Forum and work programme.

METHODOLOGICAL ISSUES UNDER THE CONVENTION: Work Programme on the Revision of Guidelines for the Review of Biennial Reports and National Communications, Including National Inventory Reviews, for Developed Countries: The SBSTA adopted conclusions and forwarded three draft decisions (FCCC/SBSTA/2014/L.28).

Methodologies for Reporting of Financial Information by Annex I Parties: The SBSTA adopted conclusions and forwarded a draft decision (FCCC/SBSTA/2014/L.26).

Common Metrics to Calculate the CO2 Equivalence of GHGs: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SB 42.

Emissions from Bunker Fuels: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.21)

METHODOLOGICAL ISSUES UNDER THE KYOTO PROTOCOL: Implications of the Implementation of Decisions 2/CMP.7 to 4/CMP.7 and 1/CMP.8: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.29).

Clarification of Section G (Article 3.7ter) of the Doha Amendment to the Kyoto Protocol: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.25).

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<http://enb.iisd.mobi/>

LULUCF Under Article 3.3 and 3.4 of the Kyoto Protocol and Under the CDM: The SBSTA adopted conclusions and forwarded a draft decision (FCCC/SBSTA/2014/L.24 and Add.1).

Implications of the Inclusion of Reforestation of Lands with Forest in Exhaustion as Afforestation and Reforestation CDM Project Activities: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SBSTA 42.

MARKET AND NON-MARKET MECHANISMS UNDER THE CONVENTION: Framework for Various Approaches: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SBSTA 42.

Non-Market-Based Approaches: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SBSTA 42.

New Market-Based Mechanism: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SBSTA 42.

WORK PROGRAMME ON CLARIFICATION OF QUANTIFIED ECONOMY-WIDE REDUCTION TARGETS BY DEVELOPED COUNTRY PARTIES: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.22).

CLOSURE OF THE SESSION: UNFCCC Deputy Executive Secretary Richard Kinley informed parties of the administrative and budgetary implications of the conclusions adopted by the SBSTA.

Rapporteur Jurga Rabauskaite-Survile (Lithuania) presented, and the SBSTA adopted, the report of the session (FCCC/SBSTA/2014/L.20).

Closing Statements: BINGOs appreciated progress made, highlighting that the TM provides a long-term platform for private sector engagement and calling for markets to be at the heart of the new agreement.

CJN!, for ENGOs, called for recognizing that there is no space for markets in the current emission reduction system. Climate Action Network, for ENGOs, said economic, social and environmental assessment of technologies is missing from the TM, warning against the inclusion of technologies that might have catastrophic impacts.

FARMERS said the risks posed by climate change have a direct impact on food security.

YOUNGOs noted that markets have not delivered what they promised and, with CJN!, called for a moratorium on markets.

Research and Independent NGOs pointed to scientific certainty over climate change, noting the remaining uncertainty over how the international policy community will respond.

WOMEN AND GENDER proposed a workshop on gender and technology under the TM.

Bolivia, for the G-77/CHINA, called for stronger linkages between the TM and the financial mechanism. On REDD+, with Panama, for the C&RN, Nepal, for the LDCs, Belize, for SICA, and BANGLADESH, he expressed frustration over the lack of progress on the methodological guidance for REDD+, stressing that there is no need for further guidance on safeguards. On response measures, he noted the need to respond to the specific needs of developing countries and called for COP 20 to resolve this issue.

The EU, with Monaco, for the EIG, indicated readiness to move forward on REDD+, markets and clarification of methodologies applicable to the Doha Amendment to the Kyoto Protocol, regretting lack of agreement on these issues.

Australia, for the UMBRELLA GROUP, expressed disappointment that some issues could not be resolved at this session. He welcomed progress on the NWP and urged

agreement on the composition of the Executive Committee of the Warsaw International Mechanism for Loss and Damage at COP 20.

Nauru, for AOSIS, called on the CTCN to urgently address technologies to tackle the emission gap and commended the TEC for recognizing the importance of technology for adaptation. She called for agreement on a permanent representative for the SIDS on the Executive Committee of the Warsaw International Mechanism for Loss and Damage in Lima.

The LDCs called for balanced consideration of information sources in the SED. SICA said the decision on NWP does not sufficiently ensure effective work of the programme.

UKRAINE and the RUSSIAN FEDERATION registered disappointment with the lack of adequate time to discuss sub-items 11 (a) and (b) on Protocol Articles 5, 7 and 8, and clarification of Section G (Article 3.7ter) of the Doha Amendment to the Kyoto Protocol.

UNFCCC Executive Secretary Christiana Figueres thanked SBSTA Chair Dlamini for his service as Chair, congratulating the SBSTA on its outcomes.

SBSTA 41 was gavelled to a close at 5:03 pm.

CONTACT GROUPS

ADP: Draft Decision on Advancing the Durban Platform

for Enhanced Action: On Saturday, parties concluded the first reading of the draft decision on advancing the ADP. In the morning and afternoon, parties addressed paragraphs on guiding enhanced action on, and future work of, workstream 2 (pre-2020 ambition) and basis for dynamic high-level engagement.

The EU, supported by the US and SWITZERLAND, stressed that the focus of workstream 2 should remain on mitigation. Many developing countries emphasized the need to also address adaptation and MOI. CHINA, with JORDAN, suggested focus on how to increase international support to enhance action. AUSTRALIA called for recognizing support to developing countries from various sources.

Many parties described the technical expert meetings (TEMs) as useful and supported their continuation. Nauru, for AOSIS, emphasized improving and extending TEMs until the mitigation ambition gap is closed, and indicated their outputs should include: updated technical papers; a dynamic online "menu" of policy options; focus on co-benefits of actions, barriers to implementation and strategies to overcome them; and a synthesis for policy makers.

With JORDAN, EL SALVADOR and CHINA, he said TEMs should focus on mitigation and adaption opportunities. NORWAY, with SWITZERLAND, supported TEMs' focus on mitigation, including fossil fuel subsidy reform, and, with COLOMBIA, called for recognizing the work of the Global Commission on the Economy and Climate.

JAPAN, supported by NEW ZEALAND, suggested strengthening linkages with existing institutions, including the technology transfer information clearinghouse TT:CLEAR and the CTCN. NORWAY emphasized the role of the TEC and CTCN in organizing TEMs. EL SALVADOR suggested closer links with the Adaptation Committee and Adaption Fund.

INDIA, SAUDI ARABIA and ARGENTINA called for technical papers. Mali, for the AFRICAN GROUP, suggested work leading to a technical synthesis and a summary for policy makers to inform ministerials.

AOSIS called for the TEMs' review no sooner than 2017, with a view to their improvement. CANADA supported review "at some point." SWITZERLAND favored a review in 2016 or 2017.

BOLIVIA, INDIA and others proposed increasing the scope of TEM topics, with BOLIVIA suggesting a focus on technology knowledge systems and practices of indigenous peoples and local communities. Colombia, for AILAC, called for engagement of indigenous peoples and academic institutions.

Many parties welcomed high-level engagement on the ADP. AOSIS, with CHINA, Bangladesh, for the LDCs, and AILAC, called for annual high-level engagement. BRAZIL said ministerials should be held sparingly, when concrete policies can be proposed to them, and, with AOSIS and the EU, agreed to work on improving TEMs' output. The US called for annual ministerials on pre-2020 ambition in conjunction with the COP. BRAZIL, BOLIVIA, PAKISTAN and INDIA opposed contributions from sub-national authorities to high-level events.

On engagement of a broad range of actors for effective implementation of enhanced action, SWITZERLAND said engagement with non-state actors should take place at the national level. TANZANIA, supported by MEXICO, suggested that subnational entities and local authorities act through their national governments.

Opposed by the EU and the US, MEXICO, with BANGLADESH, supported conducting, and offered to host, regional and sub-regional TEMs, with BRAZIL willing to explore this idea. Citing financial implications, SWITZERLAND said such TEMs should be held back-to-back with other meetings.

The LDCs called for support to enable technical experts from developing countries to participate in TEMs.

BRAZIL, supported by AUSTRALIA, the US and SWITZERLAND, suggested noting health co-benefits of mitigation policies. The US proposed adding also economic co-benefits. EGYPT proposed co-benefits "in the context of sustainable development and poverty eradication."

On the annex (complementary information on INDCs), PANAMA requested that the role of forests be recognized and called for reference to considerations on bioenergy. ARGENTINA, with EGYPT, expressed concern over the inclusion of land sector emissions, noting that agriculture is not the main contributor to climate change.

Tuvalu, for the LDCs, proposed differentiated reporting for countries with economy-wide emission reduction targets and developing countries, emphasizing means of support.

On preambular paragraphs, the LDCs, opposed by the EU, requested deletion of reference to the global average temperature increase of 2°C.

Many developing countries, opposed by the US, supported references to the principles and provisions of the Convention. The US did not see annex-based differentiation as a path to the new agreement and, with JAPAN, opposed "bifurcated language."

CHINA, with PAKISTAN and ARGENTINA, requested references to the BAP and, with Algeria, for the ARAB GROUP, and others, to previous COP decisions. CHILE called for reference to intergenerational equity.

The US, with JAPAN, favored recognizing that contributions are nationally determined and reflect national circumstances. The MARSHALL ISLANDS, with the EU and CHILE, preferred "pledges" to "contributions."

JORDAN, INDIA, CHINA and VENEZUELA opposed reference to the catalyzing role of sub-national authorities in enhancing the impact of implementation of policies on reducing emissions and vulnerability, and building resilience.

SAUDI ARABIA proposed acknowledging, in line with the IPCC SYR, that effective adaptation and mitigation responses will depend on policies and measures across multiple scales.

Transparency of Action and Support: BRAZIL said transparency cannot substitute accountability, and is linked not only to mitigation, but also adaptation and MOI. He called for a transparency framework that reflects differentiation and is built on existing MRV arrangements under the Convention.

TURKEY opposed, calling for a common framework with common MRV provisions applicable to all parties, with flexibility for developing countries on the level and depth of the application of the common MRV provisions. ECUADOR requested a reference to CBDR.

On commitments, TURKEY said the scope of contributions should remain at parties' discretion.

Time Frames and Process Related to Commitments/Contributions: CHINA stressed the importance of the timing of the agreement, including precise dates for the starting and ending of its implementation, and a timeframe related to commitments.

On commitments/contributions, TURKEY preferred "contributions." SOUTH AFRICA favored commitments with a legal character. Chile, for AILAC, said that "contributions" should be communicated every five years, with an indication of contributions for the subsequent five-year period, as well as the five-year period following that.

Indicating flexibility on period length, SWITZERLAND, with NORWAY, emphasized that all parties should communicate their commitments at the same time. TURKEY preferred a 10-year period with a mid-term review.

On *ex ante* consideration, AILAC called for a robust process. SWITZERLAND urged *ex ante* consideration of aggregate commitments. TURKEY said the process should not be prescriptive. NORWAY said commitments should become legally binding obligations once they are put forward through an annex or schedule.

On formalization/finalization, AILAC said contributions should be inscribed in a document and cautioned against backsliding. TURKEY and Tuvalu, for the LDCs, said contributions could be revised on a voluntary basis. The LDCs called for two annexes for: quantified emission reduction commitments; and emission limitation commitments and strategies. AUSTRALIA said parties should be allowed to adjust their commitment/contribution on an exceptional basis.

On strategic review of implementation, AILAC supported a five-year cycle and, with SWITZERLAND, TURKEY and the REPUBLIC OF KOREA, and opposed by CHINA, said it should be applicable to all parties. NORWAY said review should harness unrealized opportunities.

Informal Stocktaking Meeting: COP 20/CMP 10 President Manuel Pulgar-Vidal described the first week as one of "proposals, explanations and clarifications," and called for the second week to be one of "dialogue, flexibility and construction" in order to deliver, by Thursday evening, "the outcome the world is expecting from us."

ADP Co-Chair Kumarsingh proposed, and parties agreed, that the Co-Chairs make available, by Monday morning, improved versions of the non-paper on elements and of the draft decision on advancing the ADP, based on input received from parties during the first week.

Parties queried whether the revised versions of the documents would entail a compilation of inputs or not, with Co-Chair Kumarsingh assuring parties that they would. Several delegates

called for prioritizing discussion on substance “to speed up progress towards agreement and enhance clarity” on the scope of, and information required for, INDCs.

Suggestions by parties on the way forward included holding separate discussions on CBDR and equity, and “taking ownership” by moving on from the “Co-Chairs’ non-paper” to a more formal text.

FIRST WORKING GROUP SESSION OF THE MULTILATERAL ASSESSMENT UNDER THE IAR PROCESS

Opening the first part of the multilateral assessment working group session, SBI Chair Amena Yauvoli (Fiji) noted two new MRV processes established in Cancun – the IAR for developed countries, and international consultation and analysis (ICA) for developing countries. He indicated that 17 Annex I parties will be multilaterally assessed during this session. Parties delivered presentations on their progress towards the achievement of their quantified economy-wide emission reduction targets, followed by question and answer sessions.

The EU presented on its success decoupling emissions from economic growth. Calling for raising mitigation ambition for 2020, CHINA asked why the EU has made its 30% emission reduction contribution conditional on comparable commitments by other developed countries and on “adequate” contributions by advanced developing countries. Responding to SOUTH AFRICA, the EU indicated an additional 2% emission reduction achievement, if LULUCF were to be considered in its 2020 pledge under the Convention.

In its presentation, AUSTRIA noted an individual target outside the EU emissions trading system (ETS) for a 16% emission reduction between 2005-2020. On a question by CHINA on measures being undertaken by Austria in the transport sector, Austria noted its legislation on vehicle fuel consumption and ongoing discussions on policies at the EU level.

Emphasizing the large contribution of the energy sector to her country’s emissions, CROATIA explained it has set a renewable energy target of 20% of gross final energy consumption in 2020, and an energy efficiency target of 9% by 2020, compared to average consumption in 2001-2005. Responding to a question by BRAZIL on a projected increase in Croatia’s emissions, she explained that the EU “effort sharing” enables an increase of 11% of non-ETS emissions by 2020, from 2005, but Croatia is taking measures to remain below this target.

Recalling it had only become an Annex I party in 2013, CYPRUS, *inter alia*: said it has a 5% non-ETS reduction target by 2020, compared to 2005; presented on sectoral mitigation policies and measures; and noted that Cyprus is “on its way” to meet its 2020 target.

DENMARK highlighted her government’s 100% renewable energy target for electricity generation and heat supply by 2035, and a complete fossil fuel phase-out by 2050. She emphasized investments in renewable energy and energy efficiency, and said that, by 2020, half of national electricity consumption is expected to come from wind power.

FINLAND noted his country has Europe’s highest percentage forest cover, at over 70% of the land area, and that LULUCF remains an emissions sink despite growth in bioenergy production. Upon BRAZIL’s request, he provided further information on the National Forest Programme 2015, based on, *inter alia*, sustainable forest management and a holistic approach capturing the diverse benefits of forests to society. Responding to

CHINA on the remaining effort to achieve Finland’s renewable energy target of 38% by 2020, he explained that, in 2012, the share of renewables was 35%.

Highlighting a peak in national emissions in 1978 and a long-term downward trend since then, FRANCE explained this was due to decarbonization of the electricity sector, primarily through deployment of nuclear energy. He said transport and buildings are key areas targeted by policies and measures. Answering BRAZIL’s question on the role of certified emission reduction units supporting France in achievement of its target under the Kyoto Protocol’s first commitment period, he noted they amounted to 2% of France’s assigned amount unit budget.

Responding to a question by AUSTRALIA on drivers of the increase in Italy’s photovoltaic power generation capacity to 18 gigawatts, ITALY mentioned the use of quota and feed-in tariff systems, saying the latter is being adjusted to ensure excessive incentives are not given to mature technologies. Reacting to a question by the US on the challenges and opportunities of having the world’s highest per capita car ownership, he listed key sectoral policy approaches: infrastructure and vehicle fleet modernization; acceleration of modal shifts; and promotion of low-carbon fuels.

LATVIA highlighted her country’s overachievement of its emission reduction target of 8% under the Kyoto Protocol’s first commitment period. Responding to BRAZIL’s request to elaborate on Latvia’s Climate Change Financial Instrument, she said the national programme has resulted in the implementation of more than 2,200 projects in the areas of energy efficiency, technology conversion, development of GHG-reducing technologies and awareness raising.

SBI Chair Yauvoli suspended the session, noting it will resume on Monday, 8 December.

IN THE CORRIDORS

As Typhoon Hagupit hit the shores of the Philippines in what seemed to be turning into an annual reminder of urgency of climate action, COP 20 participants’ attention was fixed on the rising temperatures at the venue. Anticipating “heated discussions,” COP President Pulgar-Vidal declared a casual dress code for the second week of the conference, which was met with applause by delegates exhausted after a week of “sweating and fanning.”

Half-way through the COP, delegates felt the “heat” of efficient time management as the SBSTA was gavelled to a close at a record early hour. “SBSTA 41 goes down in the annals of history as one that concluded in sunlight rather than moonlight,” said Executive Secretary Christiana Figueres.

The first session of the first multilateral assessment of Annex I parties in the UNFCCC’s history was also marked by a timely conclusion. Despite some initial nervousness seen on the faces of delegates whose countries’ mitigation efforts were assessed, many felt the Saturday session was helpful for building trust among parties.

With scorching daytime temperatures easing as a cool evening breeze picked up, many delegates found time for reflection. In the ADP evening stocktaking meeting, many felt nostalgic when reminded that next week would be the two ADP Co-Chairs’ “swan song.” Many felt deep gratitude for their guidance, at times “even at a punishing pace,” anticipating, with some degree of apprehension, who the new ADP Co-Chairs might be.

LIMA HIGHLIGHTS: MONDAY, 8 DECEMBER 2014

The UN Climate Conference in Lima, Peru, continued on Monday, 8 December. In the morning and afternoon, the ADP contact group on item 3 commented on the new iterations of the elements for a draft negotiating text and the draft decision on advancing the Durban Platform for Enhanced Action, now called the 'Draft COP decision proposed by the Co-Chairs,' as revised by the Co-Chairs.

Under the SBI, the resumed first working group session of the multilateral assessment under the IAR process met throughout the day, followed by the second part of the SBI closing plenary. In the evening, a joint COP/CMP stocktaking plenary convened and the ADP contact group finished the first reading of the non-paper on elements in parallel sessions. Contact groups and informal consultations under the COP and CMP convened throughout the day.

COP/CMP STOCKTAKING PLENARY

Welcoming ministers to Lima, COP 20/CMP 10 President Manuel Pulgar-Vidal reported on the successful launch of work under the COP and CMP, noting constructive engagement on the issue of climate finance, work underway on the CDM and consultations on the report of the June 2014 high-level ministerial round table under the Kyoto Protocol. He said he expected results on most issues under the COP and CMP by Wednesday, 10 December.

SBSTA Chair Emmanuel Dumisani Dlamini (Swaziland) updated parties on consultations under items referred by the Subsidiary Bodies to the COP and CMP. He noted that, on the work programme on the revision of the review guidelines for developed country parties, a considerable amount of technical work remained.

On implications of the implementation of Decisions 2/CMP.7 to 4/CMP.7 and 1/CMP.8, he expressed hope for conclusion by Tuesday, 9 December. On the Warsaw International Mechanism for Loss and Damage, he noted parties would seek to conclude outstanding issues. On the Forum and work programme on response measures, he underscored the complexity of the issue.

SBI Chair Amana Yauvoli (Fiji) reported on the successful completion of the first session of the multilateral assessment, which, he said, demonstrated that "low-carbon economy is the way of the future for all of us."

ADP Co-Chair Kishan Kumarsingh reported on work under the ADP, and urged parties to use the remaining time effectively in order to agree on the draft decision and the elements paper by Thursday evening.

Closing the stocktaking plenary, Pulgar-Vidal called on parties to strengthen the "spirit of Lima" by working with determination to deliver the expected outcome by Friday, 12 December.

SECOND PART OF THE SBI CLOSING PLENARY

SBI Chair Yauvoli opened the second part of the SBI closing plenary to take up closure and report of the session. The SBI adopted the report of the session (FCCC/SBI/2014/L.25).

Bolivia, for the G-77/CHINA, expressed concern over the lack of substantive conclusions adopted during the session and urged working towards the adoption of substantive conclusions at SBI 42. He called on developed countries to discuss the negative impacts of developed countries' mitigation measures on developing countries.

SBI Chair Yauvoli closed SBI 41 at 5:55 pm.

CONTACT GROUPS AND INFORMAL CONSULTATIONS

CMP: Issues Relating to the CDM: CMP informal consultations on issues relating to the Clean Development Mechanism (CDM), co-facilitated by Jeffery Spooner (Jamaica) and Marko Berglund (Finland), were held throughout the day.

In the afternoon, parties continued consideration of draft decision text paragraph by paragraph. Discussions focused on, *inter alia*, interaction of the Executive Board (EB) with Designated Operational Entities (DOEs) and DOEs' participation in the CDM, and requests to the EB to revise methodologies, prioritize work on simplifying methodologies and adjust crediting periods.

Informal consultations will continue.

Issues Relating to JI: A CMP contact group, co-chaired by Dimitar Nikov (France) and Yaw Osafo (Ghana), on issues relating to JI met in the afternoon. Co-Chair Nikov introduced draft decision text revised based on parties' submissions and inputs, which parties considered paragraph by paragraph.

Discussions focused on, *inter alia*: the need to ensure continued success of the mechanism in order to assist parties in meeting their commitments under the Kyoto Protocol second commitment period; whether to request the Secretariat to prepare a technical paper on possible synergies between JI and the CDM; and options for incorporating mitigation beyond offsetting and considering transparent criteria for the application and quantification of such mitigation.



The contact group will meet again on Tuesday, 9 December.

ADP: ADP Agenda Item 3: ADP Co-Chair Artur Runge-Metzger opened the morning session introducing the revised versions of ‘Elements for a draft negotiating text’ and the draft decision on advancing the Durban Platform for Enhanced Action, now called the ‘Draft COP decision proposed by the Co-Chairs.’ He explained that the new elements text: builds on parties’ constructive engagement during the first week; captures proposals made by parties; and does not indicate convergence or preclude new proposals from being presented.

On the new draft decision text, he noted it: is based on inputs provided by parties, explaining that all parties’ views were captured in a compilation published on the ADP website; presents a synthesis of the “core areas” introduced by parties; and addresses all aspects of “our mandate.”

He further noted parties’ interest in holding cross-cutting political discussions on the issue of differentiation, and suggested ministers use the high-level dialogue on the ADP for exchange on this “highly sensitive political issue.”

Bolivia, for the G-77/CHINA, VENEZUELA, INDIA, Algeria, for the ARAB GROUP, SAUDI ARABIA, EGYPT, NICARAGUA, IRAN and Sudan, for the AFRICAN GROUP, raised concerns over the legal status of the revised draft decision and revised elements for a draft negotiating text. MALAYSIA, NICARAGUA and IRAN queried the change in the title of the elements document, emphasizing it remained a “non-paper.” NORWAY said parties will need to decide what status to give to the “improved non-paper” on elements.

Many developing countries said their concerns had not been captured in either document. INDIA, ECUADOR and others expressed concern that the draft decision contained “clean text.”

NORWAY and JAPAN expressed readiness to work on the basis of the revised draft decision. Sudan, for the AFRICAN GROUP, wished to consult with the Co-Chairs bilaterally on substantive issues.

Co-Chair Runge-Metzger assured parties that the two documents have no legal status, noting that parties would have to give them legal status. He suggested dedicating time to the decision, which parties had agreed should be taken in Lima.

On the draft decision, Runge-Metzger emphasized that, when agreed, it will not prejudge negotiating text, stressing it was not a “pre-decision” of the new agreement.

On the document containing elements for the draft negotiating text, following requests for confirmation from several parties, Runge-Metzger stated that the “non-paper” on elements will be further revised once its first reading has been completed and said its title would need to be agreed to by parties.

Runge-Metzger urged parties to proceed “as we agreed last week” and consider the draft decision paragraph by paragraph to find compromise and consensus.

In the afternoon, ADP Co-Chair Kumarsingh suggested addressing paragraphs 7-23 (information on INDCs) paragraph by paragraph. CHINA proposed, and parties agreed, to start with preambular paragraphs. “In the spirit of compromise,” several groups and delegates, including Malaysia, for the G-77/CHINA, Iran, for the LMDCs, and Nauru, for AOSIS, expressed concern over: the lack of balance in the text; lack of adequate time for consideration of the text; and the danger of prejudging the outcome of the Paris agreement.

The entire text was bracketed, following a proposal by TUVALU. While several textual inputs were provided, BRAZIL, the US and others cautioned against extensive additions of text in the preambular paragraphs and called for focusing on substance.

Parties views diverged on referencing: principles and provisions of the Convention; previous decisions; temperature goals; guidance by science; principles of equity, CBDRRC and sustainable development; mitigation, adaptation, MOI, and transparency of action and support; loss and damage; differentiation of the “undertakings” by different parties under the Convention; and a global emissions budget.

Noting parties’ inability to move beyond “some bracketed preambular paragraphs” over a three-hour contact group session, ADP Co-Chair Kumarsingh emphasized that the remaining three days of negotiations “are counting down.”

FIRST WORKING GROUP SESSION OF THE MULTILATERAL ASSESSMENT UNDER THE IAR PROCESS

During the resumed first working group session of the multilateral assessment under the IAR process, responding to Bolivia, for the G-77/CHINA, and BRAZIL on whether substantive conclusions of the multilateral assessment will be considered by the SBI, SBI Chair Yauvoli said the conclusions will be procedural.

Noting his country’s decrease in emissions of 10% below the base year under the Kyoto Protocol’s first commitment period, LUXEMBOURG said his country’s emissions were decoupled from population growth and carbon intensity. To bridge the gap in emission reductions for the pre-2020 period, he identified policies in building and transport sectors, the two largest ones in terms of emissions.

Responding to questions by various parties, he noted ongoing work on estimating the mitigation potential of policies, the use of only 14.2 million tons of CO₂ credits through the flexibility mechanisms, rather than the 24 million expected, and efforts to minimize the adverse effects of mitigation policies.

The NETHERLANDS highlighted that his country is on track to meet its commitments under both commitment periods of the Kyoto Protocol, noting its non-EU ETS target of a 16% emission reduction by 2020, compared to 2005 levels. Welcomed by several parties, he outlined policies and measures taken to reduce vulnerability and adapt to the water-related impacts of climate change, noting that the Netherlands is ready to apply its 500 years of experience in water management to assist other countries in addressing water-related adaptation issues.

Responding to questions on carbon capture and storage (CCS), the NETHERLANDS reported that all of its new power plants will be CCS-ready, but planned pilot projects have been delayed and CCS does not currently contribute to emission reductions.

NEW ZEALAND noted her country’s unconditional target of a 5% reduction below 1990 levels by 2020 and identified as measures supporting the goal: domestic emission reductions; removal of CO₂ by forests; international carbon markets; and surplus units from the Kyoto Protocol first commitment period.

On questions concerning the impact of individual policies, she pointed to the difficulty of generating such estimates from top-down models and described the process used to review New Zealand’s domestic ETS to understand policy impacts. Responding to SOUTH AFRICA and FIJI on the level of ambition and consistency of the target with IPCC AR5 conclusions on limiting global warming to 2°C, she stressed that New Zealand’s goal is in accordance with national circumstances.

BRAZIL highlighted the lack of comparability across countries in the multilateral assessment due to the use of different metrics.

Noting that his country's emissions peaked in 2005 due to a "vigorous" renewable energy support policy, PORTUGAL presented provisional results under the Kyoto Protocol's compliance assessment during the first commitment period, which indicates a 17% overachievement of Portugal's emission target of 27% compared to 1990 levels.

Responding to AUSTRALIA on harnessing solar energy potential, he noted Portugal's EU-defined and national renewable energy targets of 31% by 2020 and 40% by 2030 of final energy consumption, respectively; and said Portugal has a national plan to promote renewables, with future capacity increases expected to come from solar energy and biomass.

SPAIN described two periods of his country's emissions: pre-2005 with parallel growth in emissions, economy and population; and post-2005, with emissions declining due to the economic recession, and policies and measures to support renewable electricity generation.

In response to CHINA's query on the drivers of a projected increase in Spain's non-EU ETS emissions by 2020, he explained that a new strategy, titled 'Roadmap 2020,' is expected to place Spain "on track" towards its non-EU ETS emission reduction target of 10% compared to 2005 levels. Responding to BRAZIL's question on Spain's decision to implement a tax on fluorinated gases of €20 per tCO₂e, he explained it came in response to a projected doubling of related emissions and the insufficiency of existing legislation in curbing their use.

SWEDEN described policies driving the decline in her country's GHG emissions since 1990, including: a general CO₂ tax introduced in 1991, currently levied at approximately US\$150 per tonne of CO₂; bans on landfill disposal of combustible and organic materials; electricity certificates to promote renewable energy; and tax rebates for low-emission vehicles.

Noting Sweden's emissions in 2012 stood at 22% below 1990 levels, she said the country is on track to achieve its 40% reduction target by 2020 compared to 1990 levels, noting the Swedish example demonstrates that it is possible to cut emissions while maintaining economic growth.

Responding to a question by PAKISTAN on the definition and achievement of Sweden's "no net emissions by 2050" target, she explained a government commission appointed in 2013 will propose a definition and additional measures to reach the goal.

SWITZERLAND highlighted achievement of his country's target of an 8% reduction below 1990 levels under the Kyoto Protocol's first commitment period through a combination of domestic measures, net sinks and international offsets. Emphasizing measures taken in the transport and building sectors, he noted the role of domestic measures and international offsets in achieving the target under the second commitment period.

Responding to questions by BRAZIL and CHINA on the possibility of implementing a 30% emission reduction by 2020, he noted Switzerland's willingness to increase ambition, but called for contributions by all parties. He identified transport as a sector requiring more work and noted ongoing work on implementing vehicle standards and a CO₂ levy.

The US identified drivers of emission reductions since their peak in 2005, including: energy efficiency measures; local- and state-level leadership; switching from coal to natural gas; and renewable energy deployment. He presented policies and actions

taken under President Obama's Climate Action Plan to reach his country's economy-wide emission reduction target of 17% by 2020 compared to 2007, such as: power plant CO₂ standards; a goal to double power generation from renewable sources by 2020; appliance energy efficiency standards; fuel standards for vehicles; and executive actions and private sector commitments to reduce emissions from hydrofluorocarbons.

In relation to a question by SOUTH AFRICA on the consistency of the US target for 2020 with science, he noted the recent announcement of a target to reduce emissions by 26-28% by 2025 compared to 2005 levels, which, he explained, will double the pace of the decarbonization of the economy and is consistent with emission reductions of 80% by 2050. Responding to questions by FIJI and NORWAY on uncertainties related to LULUCF accounting and their impact on achieving the US's 2020 target, he highlighted improvements in data and accounting methods, and harmonization of approaches across agencies since the publication of the country's first biennial report as sources of increased confidence.

IN THE CORRIDORS

While day seven of COP 20 started promptly with a "ready, set, go" signal by the ADP Co-Chairs as they released a revised draft decision and revised elements for a draft negotiating text at 6:30 am, delegates ran into a "traffic jam" almost immediately, with protracted debates on the status of the newly-presented texts and non-substantive preambular paragraphs.

Under the COP, parties remained far apart on climate finance, yet many hoped the high-level segment on climate finance, scheduled for Tuesday, would yield some traction. Some parties anticipated that discussions would take place in late night sessions, "if the COP presidency gives the green light."

However, in textual negotiations during the day, a traffic light approach (consisting of coloring text green, yellow or red, depending on the level of agreement) that had "worked well" for some SBI and SBSTA informal negotiations, did not "fly" in informal climate finance consultations where debates centered around transparency processes in the GEF and GCF, and co-financing under the GEF. One developing country delegate said "our ability to come up with co-financing amounts to a barrier to accessing finance." While delegates reacted to "on the spot questions" posed by the co-facilitator hoping for a "green light" on some of the issues under discussion, not much progress was achieved. "I love colors, but a traffic light system doesn't work in the UNFCCC," one delegate warned, "regardless of the color, the text is still bracketed."

Disagreements intensified as developing countries raised concerns over reductions in GEF funds available for climate change under the GEF's sixth replenishment. "I am surprised," one developed country delegate confessed, "since some of the decrease can be explained by the prioritization of funds for poorer countries." Viewing these concerns as a "distraction," another one pointed to the US\$9.95 billion recently pledged for the GCF capitalization.

As the day closed with three days of negotiations left, shifting into higher gear became necessary if Lima is to deliver a strong foundation for the agreement in Paris.



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LIMA HIGHLIGHTS: TUESDAY, 9 DECEMBER 2014

In the morning, the opening ceremony of the joint COP/CMP high-level segment took place, and high-level statements were delivered throughout the day. In the afternoon, a ministerial roundtable on climate finance convened. Throughout the day, the ADP contact group on item 3 focused on a draft COP decision on advancing the Durban Platform for Enhanced Action. Informal consultations under the COP and CMP took place throughout the day.

COP/CMP JOINT HIGH-LEVEL SEGMENT

On behalf of President of Peru Ollanta Humala, COP 20/CMP 10 President Manuel Pulgar-Vidal, Minister of Environment, Peru, opened the high-level segment, noting the generation of a positive “Lima spirit” and stressing the need to “raise this spirit to achieve the outcome the world is expecting from us.”

UNFCCC Executive Secretary Christiana Figueres highlighted that “the Inca calendar says this is the season for planting and the science calendar warns us we are running out of time,” stressing “it is for us to plant here in Lima the seeds of a more secure, just and prosperous world for all.”

President of the 69th session of the UN General Assembly Sam Kutesa said “business as usual” is not an option and pointed to “a glimmer of hope” provided by the knowledge that taking action now and transforming to carbon-neutral, climate-resilient economies can reduce adaptation costs tomorrow.

Noting “this is not the time for tinkering but for transformation,” UN Secretary-General Ban Ki-moon emphasized that in order to keep the global temperature rise under 2°C, “all parties must be part of the solution, and all societies must be engaged.” He called on parties to, *inter alia*: deliver a balanced and well-structured draft text as a solid foundation for negotiations in 2015; reach a common understanding on the scope of INDCs; and address climate finance.

The high-level segment then continued with statements from other heads and deputy heads of state and government, ministers, and other heads of delegations. A webcast of the statements is available at: <http://unfccc6.meta-fusion.com/cop20/events>

MINISTERIAL ROUNDTABLE ON CLIMATE FINANCE

COP 20/CMP 10 President Pulgar-Vidal opened the session, encouraging parties to consider, *inter alia*: whether current institutions are working adequately; the level of transparency

and predictability of climate finance; and responsiveness to the needs of developing countries. He urged ministers to launch a concrete roadmap to build a robust climate finance architecture and achieve coherence across institutions.

Alonso Segura, Minister of Finance, Peru, identified factors for consideration, including: improved operational measures to increase access to finance; coherence of reporting to allow comparability; financial management based on the principles of transparency and predictability; participation of the private sector; and scaling up the capacity of existing financial institutions.

Hussein Alfa Nafo, SCF Member, presented key findings and recommendations from the first biennial assessment by the SCF.

Noting that the GCF is “ready to disburse,” Hela Cheikhrouhou, GCF Executive Director, identified recent milestones, such as pledges reaching US\$10 billion.

Naoko Ishii, Chief Executive Officer and Chairperson, GEF, identified climate finance as critical for the global climate agreement and catalyzing actions on the ground. Highlighting the potential to leverage funds, she noted the need to use public resources as effectively as possible.

Co-Facilitators Edna Molewa (South Africa) and Ed Davey (UK) called on parties to discuss how to move towards an articulated vision for climate finance.

Many countries welcomed the initial GCF resource mobilization, with some, including the EU, GERMANY, SPAIN and FINLAND, describing their contributions to various climate-related funds. AUSTRALIA announced her country’s pledge of AU\$200 million to the GCF over four years.

BELGIUM announced it will contribute €51.6 million to the GCF and called for the GCF to fund transformative activities in LDCs and vulnerable countries.

The EU emphasized that the Convention’s reporting framework provides an important basis for harmonizing reporting regulations.

Saint Lucia, for CARICOM, stressed the needs to clearly define climate finance as funds aimed entirely at addressing climate change and as being new and additional to official development assistance.

Belize, for AOSIS, emphasized the need for common reporting formats and an agreement on a simple set of definitions to assess climate finance trends.

GERMANY noted the Adaptation Fund’s successful on-the-ground impacts. SPAIN emphasized monitoring as an important measure of project outcomes on the ground.

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<http://enb.iisd.mobi/>

NORWAY called for further clarity on information and reporting systems and the results achieved by climate finance. Noting that all financial actors have to work together, FRANCE called for thinking about how climate and development finance can be combined.

CHINA said it was “imperative” to define in Lima a roadmap to mobilize US\$100 billion per year by 2020. MEXICO suggested finding ways to utilize the GCF for promoting technology transfer.

DENMARK highlighted the role of transparency in aiding learning. INDIA called for greater creativity from developed countries to mobilize innovative sources of finance, such as pension funds.

The NETHERLANDS called for carbon pricing, redirecting investments from “brown to green,” and highlighted activities of the Global Innovation Lab for Climate Finance.

The REPUBLIC OF KOREA urged collaboration between the GCF and SCF, and noted the role of the private sector in mobilizing finance.

The US noted, *inter alia*, activities of the donor coordination group on climate finance and ongoing work to improve access to existing financial flows. Highlighting the adaptation finance gap, MALI called for greater transparency and common methodologies.

FINLAND identified the revenue from the EU-ETS as its source of financial support. EGYPT said climate finance should be related to the global temperature goal, and called for identification of needs, priorities and necessary enabling environments.

GRENADA called for simplified access to climate finance, strong standards and safeguards, and milestones to reach the US\$100 billion goal. ETHIOPIA called for clear communication by developed countries on the amount and sources of their finance commitments.

INDIGENOUS PEOPLES called for, *inter alia*, ensuring direct access to financing for indigenous peoples.

BINGOs and LOCAL GOVERNMENT AND MUNICIPAL AUTHORITIES underlined that improving MRV of financial flows is necessary to reach the level of finance required to address climate change.

LUXEMBOURG emphasized that public finance at the national and local levels has a vital role to play in mobilizing private investment.

BOLIVIA supported introducing a “compound index of country participation,” based on historical responsibilities, ecological footprint, capabilities and state of development.

INDONESIA outlined her country’s “small” contributions to the GCF in the context of South-South cooperation and encouraged other developing countries to make pledges as well.

COLOMBIA emphasized that ensuring linkages between financial institutions under the Convention will be crucial in the new climate agreement. ZAMBIA called not only for pledges but also that they be “honored, timely, transparent and predictable.”

CANADA supported innovative climate finance, and that transparency apply both to donors and recipients.

EL SALVADOR noted the need for greater coordination among all players in the financial architecture of the Paris agreement.

ARGENTINA called for greater predictability of the provision of MOI for developing countries to allow them to adopt a low-carbon pathway.

MONACO supported better identification of developing countries’ needs, as well as evaluation and verification of developing countries’ use of funds.

JAPAN noted the need for developing countries to improve their investment environments.

On institutional linkages, the PHILIPPINES called for harmonization and for integrating a monitoring system with monitoring indicators and feedback mechanisms.

YOUNGOs, also for ENGOs, WOMEN AND GENDER and TUNGOs, called for political assurance that money “will actually flow,” including for loss and damage, but cautioned against funding “dirty and harmful” energy sectors.

CONTACT GROUPS

ADP Item 3: Draft Decision on Advancing the Durban Platform for Enhanced Action: In the morning and afternoon contact group sessions, parties continued discussions on the ‘Draft COP decision proposed by the Co-Chairs.’

On a preambular paragraph on strengthening and scaling up adaptation action, Sudan, for the AFRICAN GROUP, supported by EGYPT, suggested adding references to the elements of Decision 1/CP.17 (establishing the ADP) and vulnerability of developing countries. The PHILIPPINES called for referencing the ability to recover from extreme weather events and to biodiversity conservation. PAKISTAN called for a reference to water security.

SINGAPORE, opposed by Tuvalu, for the LDCs, suggested deleting “scaling-up,” and the EU suggested replacing it with “enhancing.” Many preferred the original formulation. The US, with the REPUBLIC OF KOREA, JAPAN and NEW ZEALAND, suggested a shortened formulation making reference only to the 2015 agreement.

BRAZIL, supported by SINGAPORE and the US, said a reference to sustainable development should remain in the paragraph. BRAZIL and INDIA also said that food security and poverty eradication are important elements that should remain, and, with CHINA, called for specifying that poverty eradication relates to developing countries.

On a preambular paragraph regarding the ultimate objective of the Convention requiring “strengthening the multilateral, rules-based regime” and implementation of existing commitments, the AFRICAN GROUP, supported by PAKISTAN and opposed by the EU, preferred “multilateral, rules-based regime under the Convention.”

CHINA, opposed by AUSTRALIA, proposed a new preambular paragraph noting “the agreed outcome pursuant to the BAP and the Doha Amendment.”

On an operative paragraph welcoming the progress by the ADP on the implementation of all elements of Decision 1/CP.17, SAUDI ARABIA, with others, supported the Co-Chairs’ text. AUSTRALIA, supported by the US, NEW ZEALAND, JAPAN and others, proposed deletion of the reference to the implementation of all elements of Decision 1/CP.17, preferring progress by the ADP “to advance its work.” The US, with AUSTRALIA, the PHILIPPINES, CANADA, the EU and others, opposed by the LDCs, proposed progress made “pursuant to Decision 1/CP.17.”

The AFRICAN GROUP, supported by the LDCs and opposed by CHINA, suggested replacing “elements” with “components.” The LDCs, with TURKEY, preferred “provisions.” The AFRICAN GROUP agreed.

On a paragraph on welcoming the further elaboration of elements for a draft negotiating text in response to previous COP decisions, the LDCs, opposed by the US, AUSTRALIA and the EU, requested referencing Decision 2/CP.19 (Warsaw International Mechanism for Loss and Damage) and, opposed by SAUDI ARABIA and INDIA, further elaboration of elements “as included in annex I” to the decision.

On a paragraph on preparing a negotiating text on the basis of annex I of the draft decision text, CUBA, supported by Malaysia, for the LMDCs, proposed “acknowledging” the work of the ADP and “deciding that the ADP continue its work in 2015 to finish the elaboration of the draft negotiating text.”

AUSTRALIA, supported by SWITZERLAND, JAPAN, NORWAY and NEW ZEALAND, and opposed by the LDCs, suggested replacing “on the basis of” with “by furthering the consideration of” annex I, and, supported by the LDCs and opposed by the LMDCs and BRAZIL, including reference to the ADP preparing “any related decisions.” SWITZERLAND and NORWAY proposed adding “without prejudice to” the “structure” or “content” of the final outcome. The AFRICAN GROUP suggested “drawing on” annex I and “submissions received from parties.”

On a paragraph on preparation of a negotiating text by May 2015, the EU, supported by SWITZERLAND and the MARSHALL ISLANDS, and opposed by the LMDCs and CANADA, supported maintaining a reference to Article 17 of the Convention (protocols). The LDCs, proposed “noting, as appropriate, the requirements of Article 17.” The LMDCs suggested that focusing on Article 17 could “align us with a position we should not take at this stage,” and, with the US, proposed “noting any relevant timing requirements.”

CANADA, supported by the US, preferred deciding that the ADP “should aim to” prepare a negotiating text instead of “shall.” This was opposed by the LDCs who cautioned against “slippage in timing.”

The RUSSIAN FEDERATION, supported by BELARUS, called for adding a reference to translation of the text into all official UNFCCC languages.

Relating to a paragraph on the scope of the 2015 agreement, the LDCs, supported by Nauru, for AOSIS, stressed loss and damage as a fundamental element of the 2015 agreement. The US, supported by JAPAN, called for excluding reference to loss and damage, saying this was not an aspect referred to in Decision 1/CP.17. The LMDCs called for adding references to addressing “in a balanced manner, with full legal parity” all elements of paragraph 5 of Decision 1/CP.17.

On a paragraph on the ADP producing the text of the 2015 agreement, and elaborating any related decisions, for adoption by COP 21 and identifying the need for additional decisions at subsequent COP sessions, the EU welcomed the Co-Chairs’ text. The LMDCs opposed reference to any COP decisions. SOUTH AFRICA emphasized the need for the ADP to complete its mandate “as early as possible” and opposed elaborating decisions for adoption by COP 21.

On INDCs, the US, supported by the MARSHALL ISLANDS and opposed by the LDCs, proposed a new paragraph inviting parties to communicate their INDCs well in advance of COP 21, and those willing to do so by the first quarter of 2015. BRAZIL, with SOUTH AFRICA, said the addition of this paragraph was contingent on deletion of a paragraph inviting parties that are not ready to communicate their INDCs by the first quarter of 2015 to do so by 31 May 2015 or as soon as possible thereafter.

On that paragraph, parties engaged in a lengthy debate on the timeframe for communicating INDCs.

SINGAPORE, with BRAZIL, CHINA, EGYPT and many others, opposed by SWITZERLAND, the LDCs, CANADA, the US and others, requested deletion of “by 31 May 2015.” SWITZERLAND preferred “well before COP 21,” with TURKEY agreeing to “before” COP 21. The AFRICAN GROUP, with China, for the LMDCs, and others, opposed by the EU and others, favored “by the first quarter of 2015 and endeavor to do so as soon as possible thereafter.”

On a paragraph acknowledging the support being provided to developing countries for the preparation of INDCs, and the need for such support to be further enhanced, the AFRICAN GROUP, opposed by the US, preferred “some developing countries.” The US proposed “continuing need.” The LDCs noted that some developing countries have not received any support and requested deleting “to be further enhanced.”

The LMDCs, supported by MALAYSIA, proposed stressing the need for developed countries, the operating entities of the financial mechanism and any other organizations in a position to do so, to provide enhanced support.

On a paragraph on communication of the mitigation component of INDCs, NORWAY suggested: adding reference to unconditionality of efforts by all, while maintaining a reference to enhanced efforts by developing countries made possible with provision of support; and recognizing the special circumstances of LDCs and SIDS, with the latter proposal supported by the LDCs, with some amendments. SAUDI ARABIA suggested bracketing “a quantifiable mitigation component” and, with TURKEY, opposed reference to “evolving” national circumstances. The RUSSIAN FEDERATION requested clarification of the meaning of “actions” and “commitments.” The EU insisted on “commitments” only.

No agreement could be reached, with parties suggesting numerous alternative options. The contact group continued into the evening.

IN THE CORRIDORS

The arrival of ministers for the high-level segment, marking the beginning of the shift to a more “political” negotiating mode, characterized the eighth day of COP 20. As is often the case, the high-level engagement was met with both perceptible excitement and apathy. While some made bold, emotionally-charged statements, others retreated to familiar red lines and oft-heard positions. Still, some hoped that the presence of ministers could help finally bridge the “substantial gaps” remaining in several areas, and build badly needed “trust and reassurances,” under the ADP.

Many delegates felt the need for greater and sustained political engagement was becoming palpable. A veteran negotiator declared a meeting to be convened by the President of the UN General Assembly on 29 June 2015 “a great idea” and seemed unperturbed about adding yet another meeting to the dense climate agenda for 2015. Concerns over “overloading” negotiators were mirrored in the ADP contact group where a procedural decision to work on the basis of “alternative” paragraphs instead of brackets made one delegate exclaim: “my eyes are hurting already from keeping up with all this new text, and I am not sure we have agreed on a single paragraph yet.”

As nominations for bodies under the Convention and the Kyoto Protocol started to filter in, some delegates remarked that it was good to have a breath of “fresh air.” Others welcomed the arrival of process veterans, hoping they can provide time-trusted guidance and a change of pace. In the last week of the Lima COP, it is all hands on deck, with input needed from ministers and from current and new co-chairs alike.



LIMA HIGHLIGHTS: WEDNESDAY, 10 DECEMBER 2014

Throughout the day, the joint COP/CMP high-level segment continued. In the afternoon, a ministerial dialogue on the Durban Platform for Enhanced Action took place. During the morning and evening, the ADP contact group on item 3 focused on a draft COP decision on advancing the Durban Platform for Enhanced Action in two parallel sessions. Informal consultations and contact groups under the COP and CMP took place throughout the day. An informal stocktaking plenary convened by the COP/CMP President met in the evening.

MINISTERIAL DIALOGUE ON THE DURBAN PLATFORM FOR ENHANCED ACTION

COP 20/CMP 10 President Manuel Pulgar-Vidal urged ministers to provide strategic direction to set the foundations for the 2015 agreement and accelerate action now.

SWEDEN noted the need for: a decision on the information requirements for INDCs; an international consultation process, informed by experts and climate science, to be undertaken in 2015; and economy-wide mitigation commitments by all parties in a position to do so.

The EU stressed the need to apply the Convention's principles in a dynamic manner in order to "reflect reality," indicating that the way forward is through nationally-determined, self-differentiated commitments.

ITALY said the 2015 agreement should: show the way to a global low-emissions economy; contain ambitious and legally-binding mitigation commitments; and include clear MRV rules to ensure the achievement of commitments.

PANAMA, for the CfrN, noted REDD+ is a central element of the 2015 agreement, and called for bridging the Warsaw Framework for REDD+ and the GCF logic framework.

NORWAY called for: a clear focus on mitigation in INDCs; a process to consider the overall effect of contributions; and gender equality in climate action.

The Seychelles, for AOSIS, called for identifying barriers and scaling up resources for pre-2020 action, particularly through the GCF.

Underscoring CBDR is the political basis of negotiations, CHINA called for balance across elements and clarity on the scope of INDCs and their alignment with national commitments.

SWITZERLAND encouraged all parties to engage in the INDCs process, and called for an equitable approach that builds on evolving circumstances and responsibilities.

AUSTRALIA called for credible emission reductions by major economies, global cooperation based on economic realities, and multilateral rules for transparent action.

FRANCE highlighted the growing sense of "hope" for an agreement in Paris but noted the need to meet conditions for success in Lima.

MEXICO underscored political parity of mitigation and adaptation, and identified short-lived climate pollutants as key for increasing ambition.

For the post-2020 agreement, JAPAN identified: quantifiable obligations on mitigation; domestic measures to support INDCs; and review of contributions and implementation.

Colombia, for AILAC, called for adoption of a draft negotiating text for the 2015 agreement, an ADP decision on INDCs that is balanced across elements, and an agreement on a pre-2020 workplan to close the mitigation gap.

The US outlined a three-part approach on the way forward: reflecting each party's choice in the INDC structure; including a principle committing everyone to move forward; and addressing CBDRR in an "appropriate way."

Identifying INDCs as the "vehicle" for mitigation, the UK called for other approaches to address adaptation and finance, and urged agreement on an assessment phase.

The MARSHALL ISLANDS called for an agreement consistent with science and a long-term decarbonization goal, and achieving carbon neutrality by mid-century.

Highlighting mitigation as the core of the "INDCs mandate," POLAND urged participation by all parties in putting forward contributions.

INDIA, with Panama, for the CfrN, called for the new agreement to be anchored in the Convention and to include all its principles.

ENGOs, TUNGOs, WOMEN AND GENDER and YOUNGOs emphasized, *inter alia*, the need for the inclusion of "all voices and hands" to avoid the climate catastrophe, and called for INDCs on adaptation and MOI that are gender-sensitive, and include social and environmental safeguards.

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NEW ZEALAND cautioned against “excessive” attention to differentiation, saying that each country will differentiate based on national circumstances and that there will be no agreement on “highly prescriptive” definitions of it.

ALGERIA, with Grenada, for the CARIBBEAN COMMUNITY, said the new agreement should be based on all the elements identified in Durban, calling for loss and damage as a separate element of the agreement.

The REPUBLIC OF KOREA urged increased mitigation efforts and parity of mitigation with adaptation.

CANADA said the new agreement should offer flexibility for countries to take actions “best suited” to their domestic circumstances.

The PHILIPPINES said any redefinition of CBDR must be treated carefully and be morally grounded.

DENMARK lamented the lack of a sense of urgency over the last nine days, and called for ambitious action from all and for clarity of efforts.

HUNGARY urged setting differences aside and working constructively.

Calling for compensation for loss and damage, BOLIVIA stressed non-market approaches, and proposed a holistic and comprehensive approach to forests.

ARGENTINA urged for legal parity of adaptation with mitigation and called for discussions on differentiation to take into account persistent poverty.

PARAGUAY called for a global agreement based on IPCC findings, with all elements being binding, and for any reference to special vulnerability to include landlocked countries.

IRAN announced its leadership of a regional center for early-warning systems in collaboration with regional institutions.

Underscoring the interdependence of adaptation and mitigation ambition, SOUTH AFRICA highlighted gaps between commitments and the demands of science.

FARMERS called for a framework to support agriculture-related mitigation and adaptation in the 2015 agreement.

BINGOs and LOCAL GOVERNMENT AND MUNICIPAL AUTHORITIES called for engagement of all actors in planning mitigation and adaptation actions, and noted the role of non-state actors in increasing pre-2020 ambition.

Highlighting a green tax reform on non-EU ETS sources, PORTUGAL called for a consultation and analysis phase to ensure actions are in line with ambition.

SINGAPORE urged parties to agree on information requirements for INDCs and on elements of a draft negotiating text in Lima, while resolving issues of differentiation in, and scope and comprehensiveness of, the new agreement in Paris.

INDONESIA called for mainstreaming maritime issues into mitigation and adaptation, and cautioned against backsliding by developed countries.

The NETHERLANDS urged strengthening adaptation action for a climate-resilient world.

COP 20/CMP 10 President Pulgar-Vidal thanked ministers for their views and assured them that Lima “will put us on track” for success in Paris.

CONTACT GROUPS

ADP Item 3: Draft Decision on Advancing the Durban Platform for Enhanced Action: In the morning and evening, parallel sessions of the ADP contact group took place on issues relating to workstream 2 (pre-2020 ambition) and INDCs in the ‘Draft COP decision proposed by the Co-Chairs.’

In the contact group focusing on *INDCs*, paragraphs 13-23 and annex II of the draft decision (Complementary information on INDCs of Parties), discussions centered on their scope.

Parties discussed the conditionality of INDCs in a paragraph on parties reflecting, in their INDCs, efforts that they are able to make unilaterally. NORWAY, opposed by MEXICO, suggested its deletion, saying the issue was captured elsewhere.

SWITZERLAND, supported by the US, preferred replacing “unilateral” with “unconditional.” SWITZERLAND suggested specifying that parties with less capability may also communicate enhanced efforts contingent on provision of support.

The EU, supported by JAPAN, preferred referring to efforts that parties are able to “undertake,” instead of “make unilaterally.”

Noting potential use of quantitative or qualitative methodologies, BRAZIL preferred “developing countries may also clarify the extent to which enhanced efforts are dependent upon the provision of support.”

Sudan, for the AFRICAN GROUP, supported by CHINA and CHILE, and opposed by the US, preferred restating the extent to which developing countries’ implementation depends on the level of support. CHILE suggested adding reference to “countries most vulnerable to climate change impacts.”

The US emphasized the need for a component of unconditionality in parties’ mitigation contributions. He recognized that the LDCs have specific constraints, but opposed referencing any other group.

Tuvalu, for the LDCs, supported by the EU, suggested reference to Paragraph 11(a) of the draft text (communication of INDCs’ mitigation component).

Delegates engaged in a lengthy discussion on a paragraph on developed countries, starting in 2019, considering annual quantitative contributions of MOI to support ambitious mitigation and adaptation action, particularly in those most vulnerable to climate change. JAPAN proposed deleting the paragraph, opposed by the AFRICAN GROUP and MEXICO, who underscored lack of agreement on the scope of INDCs.

India, for the LMDCs, with Saudi Arabia, for the ARAB GROUP, suggested: replacing “starting in 2019, should consider quantitative considerations of MOI” with “shall provide, by the first quarter of 2015, information under annex II,” and referencing the provision of MOI to developing countries for a timely preparation of their INDCs. The LDCs preferred “shall communicate their INDCs on support.”

The LMDCs proposed adding a paragraph specifying that developed countries shall also provide information on their annual quantitative provision of public financial resources for the post-2020 period to developing countries for the implementation of their post-2020 enhanced actions.

JAPAN, with AUSTRALIA, NEW ZEALAND and CANADA, opposed including specific quantitative financial commitments, with AUSTRALIA suggesting enabling environments, and not quantitative targets, motivate private

sector engagement. BRAZIL noted that including private sector involvement in the new agreement does not ensure climate finance.

The LDCs, with BRAZIL, CHINA, the ARAB GROUP, the AFRICAN GROUP and the LMDCs, emphasized that presentation of INDCs by developing countries is contingent on support.

BRAZIL, supported by Chile, for AILAC, suggested that developed countries “shall,” in their INDCs, communicate their financial support targets, and policies and measures for technology development and transfer and capacity building, taking into account national circumstances.

He also suggested that developing countries be encouraged to communicate “South-South cooperation initiatives related to MOI” in their INDCs on the basis of solidarity, common sustainable development goals and national circumstances.

The EU identified the elements text, rather than the decision on INDCs, as “the right place” to address climate finance.

Emphasizing the need to address a variety of actions by all parties in the 2015 agreement, the EU, SWITZERLAND and the US, opposed language applying only to developed countries.

Noting that the GCF capitalization resulted from the Cancun Agreements, the LDCs, with MALAYSIA, emphasized the need for a process on financial contributions beyond 2020.

On a paragraph regarding communication of INDCs, BOLIVIA called for a framework to define fairness and equity in parties’ efforts that are in line with the global emissions budget.

In the absence of these amendments, BOLIVIA, opposed by the EU and the PHILIPPINES, urged deletion of paragraphs 15-23. The EU noted that INDCs are nationally determined and called for a rules-based approach that is multilaterally determined. Noting the focus on mitigation, TURKEY, supported by BRAZIL, asked for all components, including adaptation and MOI to be included under INDCs.

In the contact group on *issues relating to workstream 2 (pre-2020 ambition)*, paragraphs 24-36 of the revised draft decision text, BRAZIL proposed inserting a new paragraph “recognizing the social and economic value of voluntary emission reduction activities and the need to consider them as units of convertible financial value,” in the context of paragraph 4 of Decision 1/CP.19 (enhancing pre-2020 ambition).

He explained this was intended: to create positive incentives for voluntary and collaborative action; to promote a “new standard of discussion”; to provide the political recognition necessary to develop related financial instruments; and not to relate to work under workstream 1 (the 2015 agreement).

The EU and Colombia, for AILAC, said the suggestion was useful and but should be analyzed later. NEW ZEALAND queried what this recognition would entail. CHINA, for the LMDCs, and the EU noted that the paragraph’s placement could suggest that the focus of workstream 2 is only on voluntary activities.

On a paragraph urging all parties to the Kyoto Protocol to ratify and implement the Doha Amendment, BELARUS suggested “calling upon” parties to consider the “possibility” of ratifying the Amendment and to “clarify all existing ambiguities that might hamper its implementation.” The EU said issues around Protocol Articles 5, 7 and 8 (methodological issues under the Protocol) should first be resolved.

NEW ZEALAND, the US, AUSTRALIA and the EU proposed deleting paragraphs on a “Forum on Accelerated Implementation of Enhanced pre-2020 Climate Action.”

On a paragraph on convening such a forum, to review progress made in the implementation of paragraphs 3 and 4 of Decision 1/CP.19 (implementation of BAP and enhancing pre-2020 ambition), in conjunction with SB 42, SB 44 and SB 46, SOUTH AFRICA preferred SB 43, SB 45 and SB 47. Bangladesh, for the LDCs, opposed holding it in conjunction with the COP. The LMDCs, favored “in conjunction with each session of the ADP in 2015.” BRAZIL said there may not be enough time to deliver “increased” results on pre-2020 ambition.

The LMDCs proposed launching an accelerated implementation “mechanism” and that it provide recommendations to COP 21 on how to further enhance pre-2020 ambition through the ADP.

On enhancing the understanding of the status of implementation of mitigation commitments to accelerate pre-2020 mitigation ambition, the LMDCs suggested text on facilitating: the increase in developed countries’ quantified economy-wide emission reduction targets under the Convention and the Kyoto Protocol to 40% below 1990 by 2020; and the removal of conditionalities associated with such targets.

On a paragraph on accelerating activities under the ADP workplan on enhancing mitigation ambition by undertaking an in-depth technical examination process from 2015-2020, CANADA preferred technical examination from 2015-2017. The LMDCs requested referencing the “workplan on adaptation with the leadership of developed countries.”

The EU proposed adding a reference to limiting the global temperature increase to below 2 or 1.5°C, consistent with IPCC AR5. Nauru, for AOSIS, opposed 2°C.

The AFRICAN GROUP, supported by the LMDCs, proposed that the technical examination process be facilitated by co-facilitators representing Annex I and non-Annex I parties, appointed by the ADP Co-Chairs for 2015-2017. Nauru, for AOSIS, opposed a review of the ADP workplan that would allow for its curtailment in 2017.

The LMDCs and the AFRICAN GROUP, opposed by AOSIS, called for identifying opportunities for actions with high adaptation potential, in addition to mitigation, and, opposed by AUSTRALIA, for text differentiating between mitigation opportunities in developed and developing countries.

BOLIVIA, opposed by AUSTRALIA, proposed adding reference to information sharing on the global emissions budget. SOUTH AFRICA, opposed by AUSTRALIA, suggested developing reporting guidelines for initiatives and actors outside the Convention.

On a paragraph requesting the Secretariat to organize a series of in-session TEMs in 2015-2017, AOSIS, supported by many parties, called for the process to be organized “at least twice a year during the period 2015-2020 in areas with high mitigation potential.” BRAZIL suggested adding “options and instruments” to “areas.”

The LMDCs, opposed by the EU, suggested that a paragraph on identifying policy options differentiate between implementation in developed countries and support to overcome barriers to implementation in developing countries.

On engagement of experts, the AFRICAN GROUP called for reference to observer organizations. The US, supported by NORWAY and CANADA and opposed by Panama, for the CfRN, requested removing a reference to the Warsaw Framework for REDD+, saying it is not a body under the Convention.

SAUDI ARABIA, opposed by the EU, proposed that the TEMs also identify the negative impacts of response measures.

The LMDCs called for emphasizing that TEMs should stay under the ADP. The EU said it did not “imagine” the ADP continuing beyond Paris.

AOSIS proposed an additional paragraph on assessing the implementation of the TEMs and making recommendations on increasing their effectiveness at COP 23. The US called for the TEMs’ review in 2016. The LMDCs preferred 2015.

On a paragraph requesting the Secretariat to update a technical paper on mitigation benefits of actions and develop a synthesis on thematic areas relating to mitigation opportunities, and options for cooperation and accelerated action, BRAZIL suggested referring to “mitigation potential, opportunities, options and instruments.” Colombia, for AILAC, requested that a synthesis be “compiled into a summary and presented at the annual high-level forum.” AOSIS proposed disseminating the summary through a “web-based manual on policy options.”

CMP: Issues Relating to JI: In the morning contact group, parties considered draft decision text paragraph-by-paragraph and exchanged views on, *inter alia*: the synthesis of voluntary technical approaches that could inform discussions under the SBI on review of JI guidelines; evaluation of national regulatory projects and related financial implications for JISC; and collaboration between the CDM Executive Board and the JISC on joint accreditation. Parties agreed to forward the draft decision, as amended, to the CMP for adoption.

Report of the Adaptation Fund Board: A CMP contact group, co-chaired by Suzanty Sitorus (Indonesia) and Ana Fornells de Frutos (Spain), met in the afternoon. Parties considered text consolidated by the Co-Chairs based on parties’ proposals.

Discussions focused on, *inter alia*: urging developed countries that have not completed the process of responding to the initial fundraising target to do so at the earliest opportunity; encouraging Annex I parties to provide funding to reach the target of US\$80 million per year in 2014-2015, and scale up funding from resources additional to the share of proceeds from CDM project activities, first international transfers of assigned amount units and the issuance of emission reduction units; the bidding process for the selection of a permanent trustee for the Adaptation Fund; and who to direct the request for further support for the readiness programme to.

The draft decision has been forwarded to the CMP for adoption.

COP/CMP JOINT STOCKTAKING PLENARY

In the evening, COP 20/CMP 10 President Pulgar-Vidal opened the informal stocktaking plenary.

ADP Co-Chair Runge-Metzger outlined a newly updated version of the text on elements for a draft negotiating text. He said that parties were deeply engaged in line-by-line negotiations on the text, and that the ADP would continue this exercise throughout the evening. He expressed optimism that closing the ADP on Thursday afternoon would be possible.

President Pulgar-Vidal encouraged the ADP to continue and intensify its work ahead of its closing. He also noted progress on unresolved SBI and SBSTA agenda items under his authority.

SBSTA Chair Dlamini noted that parties have reached agreement on unresolved aspects of the Warsaw International Mechanism for Loss and Damage, including the composition of its Executive Committee. He reported that, on Protocol Articles 5, 7 and 8, technical consultations had concluded with provisional agreement on text, and said that consultations continue on national inventory reviews.

SBI Chair Yauvoli reported on response measures, noting good progress on all issues except institutional arrangements and that consultations continue.

Pulgar-Vidal reported on progress under all COP and CMP items, highlighting as the most challenging guidance to the GCF and long-term finance.

The RUSSIAN FEDERATION, BELARUS and UKRAINE objected to the characterization of technical consultations under Protocol Articles 5, 7 and 8 as “practically ready,” stressing that the interests of economies in transition have not been addressed. Pulgar-Vidal said consultations would continue, as appropriate.

TUVALU called for clarification on the work of the ADP, asking for further consideration of the elements text to ensure it is “mature” for negotiations next year. ADP Co-Chair Runge-Metzger clarified that consideration of the elements text would continue.

IN THE CORRIDORS

With the People’s Climate March flooding the streets of Lima on Wednesday, negotiators inside the UN perimeter experienced a different kind of “deluge” as the draft negotiating text kept ballooning to incorporate what one delegate described as “everyone’s pet issues.” Many suggested that INDCs had become the “crunch issue,” with one participant describing them as “an opportunity to take hostages on the train.”

Reflecting lack of trust, which many felt underpinned the differences on the issue of INDCs, one negotiator suggested that “if discussions on climate finance can be moved to a later date, so can discussions on mitigation.” Another high-level delegate saw a solution looming on the horizon. “In Lima,” he said, “we have the task of separating out issues that need to be resolved here from those that can be discussed in 2015.”

The day did not end early for negotiators under pressure to make tangible progress on “slimming down” the draft decision text which, by the evening COP stocktaking plenary, with all alternatives proposed by parties, had swelled to 58 pages. Delegates heading into what was expected to be a late night ADP session remarked: “we have become too used to negotiating at the last minute. Let’s hope we can get enough from the remaining hours to work with ahead of Paris.”

LIMA HIGHLIGHTS:

THURSDAY, 11 DECEMBER 2014

In the morning, the Lima Climate Action High-Level Meeting took place. The ADP contact group on item 3 briefly convened in the morning and was then suspended pending consultations among negotiating groups on the way forward. The contact group reconvened late in the afternoon but agreement could not be reached on how to move forward. Informal consultations took place throughout the day under the COP and CMP. An informal stocktaking plenary took place in the evening. Later in the evening the ADP contact group convened shortly for the ADP Co-Chairs to present a revised draft decision text, which parties agreed to discuss on Friday morning.

LIMA CLIMATE ACTION HIGH-LEVEL MEETING

COP 20/CMP 10 President Pulgar-Vidal noted that the conference hall was illuminated with the Nazca Lines accompanied by text inviting participants to “create,” “connect,” “act” and “transform.” He highlighted that non-state actors are already finding solutions, and asked how their initiatives could be scaled up and how collaboration with them could be improved.

UN Secretary-General Ban Ki-moon highlighted the ambitious initiatives and actors that came together at the September UN Climate Summit. Noting that action begets ambition, he said actions now will set a strong foundation for Paris.

IPCC Chair Rajendra Pachauri highlighted key messages from AR5, saying the pursuit of efficiency and equity will drive the most cost-effective solutions.

Felipe Calderón, former President of Mexico and Chair of the Global Commission on the Economy and Climate, reviewed the Commission’s achievements, highlighting the need for action to address emissions from energy, cities and land use, including by: phasing out fossil fuel subsidies; introducing predictable carbon pricing; and stopping the production of coal energy.

Ollanta Humala, President of Peru, noted that the objective of the high-level dialogue was to build bridges of collaboration among all levels of society and bring together state and non-state actors, while recognizing that climate change requires comprehensive, ambitious and transformative action at all levels.

Laurent Fabius, Minister of Foreign Affairs, France, called on “not only governments,” but society at large, including the private sector, indigenous peoples and civil society, to find “cross-cutting solutions” for a decarbonized world. He said that, in addition to commitments, an agenda of action is needed.

Edna Molewa, Minister of Environmental Affairs of South Africa, emphasized the need to scale up action beyond business as usual, noting that less mitigation achieved means that more adaptation will be required.

Délio Malheiros, Vice-Mayor of Belo Horizonte, Brazil, presented examples of climate actions undertaken by his city.

Noting that climate change is an ethical issue, and that combatting it is a moral obligation for all, Gian Luca Galletti, Minister of Environment and Protection of Land and Sea, Italy, stressed the major role non-state actors at all levels must play to ensure the successful transformation of global economies.

Mats Andersson, CEO, Fourth Swedish National Pension Fund, stressed the need to put a price on carbon, to send the right signal to markets, investors and polluters, and to make it mandatory for pension funds to publish their carbon footprint.

Tony de Brum, Minister of Foreign Affairs, the Marshall Islands, urged immediate mobilization of action by a range of non-state actors “in and out of negotiation rooms” towards global decarbonization.

Alberto Pizango, Co-Chair of the Indigenous Caucus for Latin America, called for climate action through: land titles; respect for indigenous peoples’ right to self-determination; direct access to climate funds; adapting REDD+ to indigenous peoples’ rights; and control of drivers of deforestation. He called for a COP decision to establish a permanent forum for indigenous peoples to participate and forge alliances in the climate process.

Wael Hmaidan, Director, Climate Action Network, said non-state actors’ initiatives need to be considered as additional to government targets and cautioned against using them to help governments meet their targets.

Peter Bakker, President, World Business Council for Sustainable Development, said business wants a clear long-term target for carbon emissions and a global, predictable and robust price on carbon. He highlighted an initiative through which businesses are collaborating to develop 10 technological solutions and said related plans will be presented at COP 21 in Paris.

Mathew Rodriguez, Secretary for Environmental Protection, California, supported recognizing the work of sub-national and regional entities, and noted California’s partnerships with national-level actors and other countries.

Grace Balawag, Indigenous Caucus, called for commitments toward equity, justice and a sustainable future for all.

Jennifer Morgan, Climate and Energy Director, World Resources Institute, encouraged civil society, cities and other actors to engage in decision making on the national contributions process to ensure that the frameworks they need will be established. She called for continuing high-level dialogues and for allowing observers to pose questions to countries about their contributions.

David Cadman, President, ICLEI – Local Governments for Sustainability, said cities’ contributions should be acknowledged and collaborative action should begin in 2015, not 2020.

Enrique García, President of Corporación Andina de Fomento, described his network’s catalytic role in addressing climate change.

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Beate Antonich, Rishikesh Bhandry, Elena Kosolapova, Ph.D., Mari Luomi, Ph.D., Anna Schulz, and Mihaela Secieru. The Digital Editor is Kiara Worth. The Editor is Pamela Chasek, Ph.D. <pam@iisd.org>. The Director of IISD Reporting Services is Langston James “Kimo” Goree VI <kimo@iisd.org>. The Sustaining Donors of the *Bulletin* are the European Commission (DG-ENV and DG-CLIMATE), the Government of Switzerland (the Swiss Federal Office for the Environment (FOEN) and the Swiss Agency for Development Cooperation (SDC)), and the Kingdom of Saudi Arabia. General Support for the *Bulletin* during 2014 is provided by the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB), the New Zealand Ministry of Foreign Affairs and Trade, SWAN International, the Finnish Ministry for Foreign Affairs, the Japanese Ministry of Environment (through the Institute for Global Environmental Strategies - IGES), the United Nations Environment Programme (UNEP), and the International Development Research Centre (IDRC). Specific funding for coverage of this session has been provided by the Kingdom of Saudi Arabia and the EC (DG-CLIMA). Funding for translation of the *Bulletin* into French has been provided by the Government of France, the Wallonia, Québec, and the International Organization of La Francophonie/Institute for Sustainable Development of La Francophonie (IOF/IFDD). The opinions expressed in the *Bulletin* are those of the authors and do not necessarily reflect the views of IISD or other donors. Excerpts from the *Bulletin* may be used in non-commercial publications with appropriate academic citation. For information on the *Bulletin*, including requests to provide reporting services, contact the Director of IISD Reporting Services at <kimo@iisd.org>, +1-646-536-7556 or 300 East 56th St., 11D, New York, NY 10022 USA. The ENB team at the Lima Climate Change Conference - December 2014 can be contacted by e-mail at <anna@iisd.org>.



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Stressing that climate action is not an issue for national governments only, UNFCCC Executive Secretary Christiana Figueres urged parties to establish ambitious regulatory frameworks at the international and national levels that will provide clarity and predictability, and allow non-state actors to contribute actions to combat climate change.

Mary Robinson, former President of Ireland and UN Secretary-General's Special Envoy for Climate Change, called for action towards a future of equity and dignity for all.

Underlining that there is general agreement that the solution to climate change lies in economic transformation, Rachel Kyte, World Bank Group, Vice President and Special Envoy for Climate Change, noted that while "the economics are compelling, the politics remain challenging."

Al Gore, former US Vice President, said that in Lima and Paris "we are designing the future of human kind."

COP 20/CMP 10 President Manuel Pulgar-Vidal launched NAZCA, a portal showing actions that cities, companies, regions and investors are taking to address climate change. He said this initiative aims to provide strong momentum to the UN climate talks and to help to give governments the confidence to sign an ambitious agreement in Paris.

CONTACT GROUPS

ADP Item 3: ADP Co-Chair Runge-Metzger opened the morning session of the contact group addressing the draft decision on advancing the Durban Platform for Enhanced Action, noting that the draft elements text would continue to "be with" the negotiators. He urged parties to seek common ground on the draft decision text and asked for suggestions on ways forward before the ADP closing plenary.

He identified five issues that needed to be resolved: the scope of INDCs; upfront information for INDCs; actions following INDCs' submission; implementation of existing commitments to build confidence; and how to reflect elements in the decision.

Responding to the Co-Chairs' question on the next steps, Bolivia, for the G-77/CHINA, noted the group's ongoing work on a proposal on the way forward and asked for time to consult within the group. The Co-Chairs then suspended the meeting.

In the afternoon, ADP Co-Chair Kumarsingh opened the resumed session. Underlining the fact that the Co-Chairs were at the disposal of the parties on how to move forward, he urged avoiding the modality of "huddles."

Bolivia, for the G-77/CHINA, with GUATEMALA, BRAZIL, SINGAPORE and EGYPT, highlighted the group's effort to find common ground on various options around the areas identified by the ADP Co-Chairs in the morning session and noted they have proposals to put forward. He also proposed switching into an open-ended Friends of the Chair format.

Responding to SWITZERLAND and the EU, Bolivia, for the G-77/CHINA, clarified that they had been working to "slim down" the options contained in the Co-Chairs' text, underlining that it was not new text. On the format of an open-ended Friends of the Chair, he said parties can identify representatives, and any interested party will be able to participate.

AUSTRALIA urged moving forward on the basis of the Co-Chairs' text and expressed hesitation over working on the basis of text proposals being considered by the G-77/China.

SWITZERLAND proposed moving forward with the current format.

MEXICO noted that G-77/China's consolidation of options may have taken some options "off the table," and called for progressing on the basis of the Co-Chairs' text.

SWITZERLAND called for moving away from line-by-line negotiations to an approach where common ground can be found. Nauru, for AOSIS, supported by GUATEMALA, expressed willingness to start negotiating immediately, irrespective of the label attached to the format.

The US and JAPAN lamented that the G-77/China had not reached convergence on workstream 1 (2015 agreement). AOSIS suggested the G-77/China be given "a bit more time" to find agreement.

The US supported working in a Friends of the Chair setting. The EU noted that divergences among parties on political issues require political guidance.

Malaysia, for the LMDCs, observed that: the Lima talks had started on the wrong foot with an unbalanced text; parties did the best they could; multilateral decision making is "a difficult affair"; and that through the party-driven process in Lima "we have captured essential elements in the text that can be taken further, whether in Lima or beyond."

COP/CMP JOINT STOCKTAKING PLENARY

Highlighting Thursday, 11 December, as the last day for all outstanding issues to be resolved, COP 20/CMP 10 President Pulgar-Vidal urged parties to move the negotiations forward. He invited Ministers Edna Molewa (South Africa) and Edward Davey (UK) to conduct ministerial outreach on long-term finance and the GCF.

ADP Co-Chair Kumarsingh highlighted the lack of consensus amongst parties on how to proceed with textual negotiations.

Pulgar-Vidal emphasized the need to take decisions to capture the achievements of this COP and invited parties to table constructive proposals, urging them not to leave Lima "empty handed." He assured parties of a transparent and party-driven working process.

Pulgar-Vidal noted the need for a strong decision on upfront information required for INDCs and pre-2020 actions, and a draft negotiating text containing a variety of views on elements of the 2015 agreement.

To move forward with ADP negotiations, Pulgar-Vidal asked the ADP Co-Chairs to prepare a revised text by 9:00 pm. He called for a focus on four to five key issues and said that he will continue consultations with ministers.

SBSTA Chair Emmanuel Dumisani Dlamini noted finalization of decision text on the revision of the guidelines for the review of biennial reports and national communications, and said negotiations continued on Protocol Articles 5, 7 and 8 (methodological issues under the Kyoto Protocol).

SBI Chair Amena Yauvoli reported on consultations on the implementation of response measures, noting lack of agreement, in particular on institutional arrangements and said parties are willing to continue negotiations on the basis of the draft decision text.

IN THE CORRIDORS

After nearly two weeks of intense deliberations, many felt deflated as, on day 10 of the COP, the ADP seemed to lose momentum, with over 50 pages of bracketed text and no agreement on the way forward in sight.

A mysterious draft decision document, which made a brief appearance on the ADP website in the morning, circulated broadly among delegates. Lost between the several pages of this draft text and the 50+ pages of the Co-Chairs' draft containing all alternative proposals made by parties, many questioned Lima's ability to build bridges to Paris. Yet, some wondered if, somewhere in there, the contours of the Lima outcome had started to become visible. Inspired by the positive spirit of the morning high-level meeting on climate action, one delegate mused: "maybe, like the Nazca Lines, we just need to climb up the hill to see the full picture."

With the likelihood of a sleepless night dawning on the delegates, many felt that the clear direction given by the COP/CMP President had inspired them to climb up the steep hill ahead.

ENB SUMMARY AND ANALYSIS: The Earth Negotiations Bulletin summary and analysis of the Lima Climate Change Conference will be available on Tuesday, 16 December 2014, online at: <http://www.iisd.ca/climate/cop20/enb/>



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SUMMARY OF THE LIMA CLIMATE CHANGE CONFERENCE: 1-14 DECEMBER 2014

The Lima Climate Change Conference convened from 1-14 December 2014, in Lima, Peru. It included the 20th session of the Conference of the Parties (COP 20) to the UN Framework Convention on Climate Change (UNFCCC) and the 10th session of the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 10). Three subsidiary bodies (SBs) also met: the 41st sessions of the Subsidiary Body for Scientific and Technological Advice (SBSTA 41) and the Subsidiary Body for Implementation (SBI 41), and the seventh part of the second session of the *Ad Hoc* Working Group on the Durban Platform for Enhanced Action (ADP 2-7).

The Lima Climate Change Conference brought together over 11,000 participants, including approximately 6,300 government officials, 4,000 representatives from UN bodies and agencies, intergovernmental organizations and civil society organizations, and 900 members of the media.

Negotiations in Lima focused on outcomes under the ADP necessary to advance towards an agreement in Paris at COP 21 in 2015, including elaboration of the information, and process, required for submission of intended nationally determined contributions (INDCs) as early as possible in 2015 and progress on elements of a draft negotiating text. Following lengthy negotiations on a draft decision for advancing the Durban Platform for Enhanced Action, COP 20 adopted the 'Lima Call for Climate Action,' which sets in motion the negotiations in the coming year towards a 2015 agreement, the process for submitting and reviewing INDCs, and enhancing pre-2020 ambition.

Parties also adopted 19 decisions, 17 under the COP and two under the CMP that, *inter alia*: help operationalize the Warsaw International Mechanism for Loss and Damage; establish the Lima work programme on gender; and adopt the Lima Declaration on Education and Awareness Raising. The Lima Climate Change Conference was able to lay the groundwork for Paris next year, by capturing progress made in elaborating the elements of a draft negotiating text for the 2015 agreement and adopting a decision on INDCs, including their scope, upfront information, and steps to be taken by the Secretariat after their submission.

A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL

The international political response to climate change began with the adoption of the UNFCCC in 1992, which sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases (GHGs) to avoid "dangerous anthropogenic interference with the climate system." The Convention, which entered into force on 21 March 1994, now has 196 parties.

In December 1997, delegates to the third session of the COP in Kyoto, Japan, agreed to a protocol to the UNFCCC that committed industrialized countries and countries in transition to a market economy to achieve emission reduction targets. These countries, known as Annex I parties under the UNFCCC, agreed to reduce their overall emissions of six GHGs by an average of 5% below 1990 levels in 2008-2012 (first commitment period), with specific targets varying from country to country. The Kyoto Protocol entered into force on 16 February 2005, and now has 192 parties.

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LONG-TERM NEGOTIATIONS, 2005-2009: Convening in Montreal, Canada, in 2005, the first session of the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 1) decided to establish the *Ad Hoc* Working Group on Annex I Parties' Further Commitments under the Kyoto Protocol (AWG-KP) in accordance with Protocol Article 3.9, which mandated consideration of Annex I parties' further commitments at least seven years before the end of the first commitment period.

In December 2007, COP 13 and CMP 3 in Bali, Indonesia, resulted in agreement on the Bali Roadmap on long-term issues. COP 13 adopted the Bali Action Plan (BAP) and established the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) with a mandate to focus on mitigation, adaptation, finance, technology and a shared vision for long-term cooperative action. Negotiations on Annex I parties' further commitments continued under the AWG-KP. The deadline for concluding the two-track negotiations was in 2009 in Copenhagen.

COPENHAGEN: The UN Climate Change Conference in Copenhagen, Denmark, took place in December 2009. The high-profile event was marked by disputes over transparency and process. Late in the evening of 18 December, these talks resulted in a political agreement, the "Copenhagen Accord," which was then presented to the COP plenary for adoption. After 13 hours of debate, delegates ultimately agreed to "take note" of the Copenhagen Accord and to extend the mandates of the negotiating groups until COP 16 and CMP 6 in 2010. In 2010, over 140 countries indicated support for the Accord. More than 80 countries also provided information on their national mitigation targets or actions.

CANCUN: The UN Climate Change Conference in Cancun, Mexico, took place in December 2010, where parties finalized the Cancun Agreements and extended the mandates of the two AWGs for another year. Under the Convention track, Decision 1/CP.16 recognized the need for deep cuts in global emissions in order to limit the global average temperature rise to 2°C above pre-industrial levels. Parties agreed to consider strengthening the global long-term goal during a review by 2015, including in relation to a proposed 1.5°C target. Decision 1/CP.16 also addressed other aspects of mitigation, such as: measuring, reporting and verification (MRV); and reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks (REDD+).

The Cancun Agreements also established several new institutions and processes, including the Cancun Adaptation Framework, the Adaptation Committee and the Technology Mechanism, which includes the Technology Executive Committee and the Climate Technology Centre and Network. The Green Climate Fund (GCF) was created and designated as an operating entity of the Convention's financial mechanism.

Under the Protocol track, the CMP urged Annex I parties to raise the level of ambition towards achieving aggregate emission reductions, and adopted Decision 2/CMP.6 on land use, land-use change and forestry.

DURBAN: The UN Climate Change Conference in Durban, South Africa, took place from 28 November to 11 December 2011. The Durban outcomes covered a wide range of topics,

notably the agreement to establish a second commitment period under the Kyoto Protocol, a decision on long-term cooperative action under the Convention and agreement on the operationalization of the GCF. Parties also agreed to launch the ADP with a mandate "to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties." The ADP is scheduled to complete these negotiations by 2015, with the new instrument entering into force in 2020. In addition, the ADP was mandated to explore actions to close the pre-2020 ambition gap in relation to the 2°C target.

DOHA: The UN Climate Change Conference in Doha, Qatar, took place in November and December 2012. The conference resulted in a package of decisions, referred to as the "Doha Climate Gateway." These include amendments to the Kyoto Protocol to establish its second commitment period and agreement to terminate the AWG-KP's work in Doha. The parties also agreed to terminate the AWG-LCA and negotiations under the BAP. A number of issues requiring further consideration were transferred to the SBI and the SBSTA, such as: the 2013-2015 Review of the global goal; developed and developing country mitigation; the Kyoto Protocol's flexibility mechanisms; national adaptation plans; MRV; market and non-market mechanisms; and REDD+.

WARSAW: The Warsaw Climate Change Conference took place from 11-23 November 2013, in Warsaw, Poland. Negotiations focused on the implementation of agreements reached at previous meetings, including pursuing the work of the ADP. The meeting adopted an ADP decision that invites parties to initiate or intensify domestic preparations for their INDCs, and resolves to accelerate the full implementation of the BAP and pre-2020 ambition. Parties also adopted a decision establishing the Warsaw International Mechanism on Loss and Damage, and the Warsaw REDD+ Framework—a series of seven decisions on REDD+ finance, institutional arrangements and methodological issues.

ADP 2-4: The fourth meeting of ADP 2 (ADP 2-4) took place from 10-14 March 2014 in Bonn, Germany. Under workstream 1 (2015 agreement), the meeting convened in open-ended consultations on agenda item 3, which addressed: adaptation; INDCs; finance, technology and capacity building (means of implementation); ambition and equity; mitigation; transparency of action and support; and other issues related to elements. An in-session workshop addressed domestic preparations for INDCs. Under workstream 2 (pre-2020 ambition), technical expert meetings (TEMs) on renewable energy and energy efficiency convened.

BONN INTERSESSIONAL MEETINGS: The Bonn Climate Change Conference took place in Bonn, Germany, from 4-15 June 2014, and included the 40th sessions of the SBI and SBSTA, and the fifth meeting of the second session of the ADP (ADP 2-5). During the meeting, parties advanced negotiations on the ADP and prepared draft decisions to be submitted to the COP and CMP in Lima. Ministers participated in two high-level events, a High-Level Ministerial Roundtable under the Kyoto Protocol, which aimed to assess implementation of the Protocol and provide ministers with an opportunity to increase their countries' quantified emission limitation and reduction commitments, and a High-Level Ministerial Dialogue on the

Durban Platform for Enhanced Action aimed to raise pre-2020 ambition and provide momentum for negotiations on the 2015 agreement.

ADP 2-6: The sixth meeting of ADP 2 took place in Bonn from 20-25 October 2014. Under workstream 1, countries continued to elaborate the elements of a draft negotiating text, which will serve as the foundation for the final construction of the 2015 agreement, and considered a “non-paper” on parties’ views and proposals on the elements for a draft negotiating text. The ADP also worked on a draft decision that captures the type of information countries will provide when they communicate their INDCs and how these contributions will potentially be considered. Under workstream 2, TEMs focused on: opportunities for action on non-CO₂ GHGs; carbon capture, use and storage; and follow-up to TEMs on unlocking mitigation opportunities through energy efficiency, renewable energy, urban environment and land use improvements in the pre-2020 period. Countries also addressed a draft decision on pre-2020 ambition.

LIMA CLIMATE CHANGE CONFERENCE REPORT

On Monday, 1 December, COP 19/CMP 9 President Marcin Korolec welcomed delegates to the joint COP/MOP opening ceremony highlighting several significant outcomes of COP 19 and lauding early engagement by Peru and France, which is allowing “the trio to make the road to Paris a smooth highway.”

Peru’s Minister of Environment Manuel Pulgar-Vidal said COP 20 should increase trust, create space for dialogue between state and non-state actors, and lay groundwork for a new climate agreement through a draft text balancing climate action and sustainable development.

Stressing the key role of large cities in combating climate change, Susana Villarán de la Puente, Mayor of Lima, Peru, highlighted the commitment of mayors worldwide to push for a new mobility paradigm, change the energy matrix and invest in green infrastructure.

Pointing to the lines and geoglyphs of Nazca, Peru, UNFCCC Executive Secretary Christiana Figueres encouraged parties to, *inter alia*: draft a new universal agreement; achieve progress on adaptation; and strengthen the financial capacity of the most vulnerable.

Via recorded video message, President of Peru Ollanta Humala lamented that humanity has “left behind the practice of sustainability” and said now is the time to return to the right path by taking action on climate change.

Presenting the key findings of the Synthesis Report (SYR) of the Fifth Assessment Report (AR5) of the Intergovernmental Panel on Climate Change (IPCC), Rajendra Pachauri, IPCC Chair, stressed that remaining below the 2°C target will require that GHG emissions decline by 40-70% by 2050, relative to 2010 levels, and reach zero or negative levels by 2100.

This report summarizes the discussions by the COP, CMP, SBI, SBSTA and ADP based on their respective agendas. Negotiations and outcomes under the COP and CMP on issues forwarded to the SBI, SBSTA and ADP are summarized in the context of negotiations under the relevant subsidiary body.

CONFERENCE OF THE PARTIES

On Monday, 1 December, Manuel Pulgar-Vidal, Minister of Environment, Peru, was elected as the COP 20/CMP 10 President by acclamation.

ORGANIZATIONAL MATTERS: Parties agreed to apply the draft rules of procedure (FCCC/CP/1996/2) with the exception of draft rule 42 on voting.

The COP adopted the agenda as proposed (FCCC/CP/2014/1), with the agenda item on the second review of the adequacy of Convention Articles 4.2(a) and (b) (developed countries’ mitigation) held in abeyance. The COP also agreed to the organization of work. The COP referred to the SBI the agenda item on non-Annex I parties’ membership to the Consultative Group of Experts on National Communications from non-Annex I Parties (CGE). Parties agreed to the accreditation of observer organizations (FCCC/CP/2014/4).

Election of Officers Other than the President: COP President Pulgar-Vidal indicated that consultations on the election of officers would be conducted. On Saturday, 13 December, the COP closing plenary elected members of the COP Bureau: SBSTA Chair Tomasz Chruszczewski (Poland); SBI Chair Amena Yauvoli (Fiji); COP Rapporteur Johanna Lissinger-Peitz (Sweden); Ismail Elgizouli (Sudan); Cheikh Ndiaye Sylla (Senegal); Ravi Shanker Prasad (India); Oleg Shamanov (Russian Federation); Jaime Hermida Castillo (Nicaragua); and Jo Tyndall (New Zealand). Su Wei (China) will remain in office pending election of his successor.

The COP also elected the SBSTA Bureau, with Carlos Fuller (Belize) as Vice-Chair, and the SBI Bureau, with Guoshun Sun (China) as Vice-Chair and Sidat Yaffa (the Gambia) as Rapporteur.

The COP also elected the members of the Adaptation Committee, the Adaptation Fund Board (AFB), the Advisory Board of the Climate Technology Centre and Network (CTCN), the Clean Development Mechanism Executive Board (CDM EB), the Consultative Group of Experts (CGE), the Compliance Committee, the Joint Implementation Supervisory Committee (JISC), the Standing Committee on Finance (SCF), the Technology Executive Committee (TEC), and the Executive Committee of the Warsaw International Mechanism for Loss and Damage. Consultations will continue on the outstanding nominations. The list is available on the UNFCCC website.

Dates and Venues of Future Sessions: On Friday, 12 December, the COP adopted a decision on future sessions (FCCC/CP/2014/L.8), noting the expression of interest from Morocco to host COP 22 and CMP 12 from 7-18 November 2016 and requesting the Secretariat to initiate a fact-finding mission to Morocco and to report to the COP/CMP Bureau by June 2015 on whether all logistical, technical, legal and financial elements for hosting the sessions are available. Minister Ouafae Dehmani (Morocco) stressed the importance of operationalizing the new agreement and said that Morocco will be “the COP for action.”

Adoption of the Report on Credentials: On Friday, 12 December, the COP adopted the report on credentials (FCCC/CP/2014/9-FCCC/KP/CMP/2014/8), with the Bahamas saying their credentials had been communicated electronically to the Secretariat, which was noted.

REPORT OF THE SUBSIDIARY BODIES: On Friday, 12 December, the COP adopted the reports of SBSTA 40 and SBSTA 41 (FCCC/SBSTA/2014/2 and Add.1, and FCCC/SBSTA/2014/L.20) and the reports of SBI 40 and SBI 41 (FCCC/SBI/2014/8 and Add.1, and FCCC/SBI/2014/L.25). The SBI recommended, and the COP agreed that the REDD information hub, established by Decision 9/CP.19 (Warsaw REDD+ Framework), be called the Lima Information Hub for REDD.

REPORT OF THE ADP: On Saturday, 13 December, the COP adopted the report of ADP 2-7 during the closing plenary.

CONSIDERATION OF PROPOSALS BY PARTIES UNDER ARTICLE 17 OF THE CONVENTION: On Friday, 12 December, parties agreed that consideration of this item (FCCC/CP/2009/3-7 and FCCC/CP/2010/3) will continue at COP 21.

CONSIDERATION OF PROPOSALS BY PARTIES FOR AMENDMENTS TO THE CONVENTION UNDER ARTICLE 15: Proposal from the Russian Federation: This item (FCCC/CP/2011/5) was first considered on Wednesday, 3 December. COP 20 President Pulgar-Vidal proposed, and parties agreed to, informal consultations co-facilitated by Antonio García (Peru) and Augusto Cabrera Rebaza (Peru).

On Friday, 12 December, parties agreed to continue consideration of this issue at COP 21.

Proposal from Papua New Guinea and Mexico: This item (FCCC/CP/2011/4/Rev.1) was first considered on Wednesday, 3 December. COP 20 President Pulgar-Vidal proposed, and parties agreed to, informal consultations co-facilitated by Antonio García and Augusto Cabrera Rebaza.

On Friday, 12 December, parties agreed to continue consideration of this issue at COP 21.

REPORT OF THE ADAPTATION COMMITTEE: These discussions are summarized under the SBI agenda item on the Report of the Adaptation Committee (see page 14).

WARSAW INTERNATIONAL MECHANISM FOR LOSS AND DAMAGE ASSOCIATED WITH CLIMATE CHANGE IMPACTS: The discussions are summarized under the SBI agenda item on the Warsaw International Mechanism for Loss and Damage (see page 14).

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES AND IMPLEMENTATION OF THE TECHNOLOGY MECHANISM (TM): Joint Annual Report of the TEC and the CTCN: The discussions are summarized under the SBI agenda item on the Joint Annual Report of the TEC and CTCN (see page 16).

Linkages between the TM and the Financial Mechanism of the Convention: This item (FCCC/CP/2014/6 and 8) was first addressed on Wednesday, 3 December. COP 20 President Pulgar-Vidal proposed, and parties agreed to, informal consultations co-facilitated by Carlos Fuller (Belize) and Elfriede-Anna More (Austria).

The co-facilitators reported to the COP that the parties were unable to reach agreement and the COP decided that this sub-item be included in the provisional agenda for COP 21.

Stressing the importance of this sub-item for the implementation of the Convention, China lamented the lack of agreement and called for clearly establishing the link between

the two mechanisms in order to support technical cooperation and open the way for climate technologies.

2013-2015 REVIEW: The discussions are summarized under the SBI agenda item on the 2013-2015 Review (see page 17).

SECOND REVIEW OF THE ADEQUACY OF ARTICLE 4, PARAGRAPH 2(A) AND (B), OF THE CONVENTION: This item was held in abeyance.

MATTERS RELATING TO FINANCE: This item was first considered on Wednesday, 3 December. COP 20 President Pulgar-Vidal invited parties to address sub-items on long-term climate finance, reports of the SCF, the GCF and the Global Environment Facility (GEF), and the fifth review of the financial mechanism.

Pulgar-Vidal proposed, and parties agreed to, a contact group on long-term climate finance and the report of the SCF co-chaired by Tosi Mpanu Mpanu (Democratic Republic of the Congo) and Dany Drouin (Canada), and a contact group on the reports of and guidance to the GCF and GEF, and the fifth review of the financial mechanism co-chaired by Ayman Shasly (Saudi Arabia) and Stefan Schwager (Switzerland).

On the GCF, Zambia called for speeding up direct access modalities for disbursement of funds, and accreditation and support to national entities.

Climate Justice Now!, for Environmental NGOs (ENGOs), called for addressing developing countries' needs if the change from "brown to green" economies is to be achieved.

Business and Industry NGOs stressed the importance of establishing credible and transparent MRV systems and avoiding double counting.

Uruguay said the Inter-American Institute for Global Change Research is ready to cooperate with the UNFCCC.

Egypt, for the African Group, said long-term climate finance should not be confined to US\$100 billion annually and called for discussing a strategic approach to finance, including addressing sources, predictability, adequacy and stability, and ways to deliver the necessary scale of finance needed to stay below 2°C.

Panama suggested taking advantage of the Adaptation Fund.

On Thursday, 4 December, in the contact group on long-term climate finance and the report of the SCF, Co-Chairs Tosi Mpanu Mpanu and Dany Drouin introduced the report of the SCF (FCCC/CP/2014/5).

Bolivia, for the Group of 77 and China (G-77/China), said MRV of support is also being discussed in the ADP and called for: coherence and coordination; clarity on the level of financial support to developing countries; guidance on the third forum of the SCF; and finance for forests.

The US suggested addressing deliverables and, with the European Union (EU), highlighted the GCF's initial capitalization of US\$9.7 billion prior to Lima.

In the contact group on reports of and guidance to the GCF and GEF, and fifth review of the financial mechanism, Co-Chairs Ayman Shasly and Stefan Schwager introduced documents (FCCC/CP/2014/2 and Add.1, and FCCC/CP/2014/5 and 8).

Bolivia, for the G-77/China, noted the important work of the Adaptation Fund. The EU noted other agenda items have financial dimensions, including adaptation, and suggested discussing those in the contact group on climate finance.

Early on Saturday, 13 December, a contact group convened, chaired by Rosa Morales (Peru), on behalf of the COP 20 President. Edward Davey (UK) and Edna Molewa (South Africa) briefed parties on ministerial consultations, noting they had met with parties on Thursday and produced draft text on this basis; undertaken another consultation process on Friday evening; and based the five draft decision documents on these consultations. The contact group was suspended early Saturday after addressing the report of the SCF, the report of and guidance to the GEF, and the fifth review of the financial mechanism. The contact group reconvened at 11:46 am on Saturday to consider long-term climate finance and the report of and guidance to the GCF, with Chair Morales noting the texts were the result of ministerial consultations. After some discussion, the rest of the decisions on long-term climate finance and report of and guidance to the GCF were forwarded to COP 20 for consideration by the contact group. The contact group closed at 2:08 pm.

Long-Term Climate Finance: On Wednesday, 3 December, COP 20 President Pulgar-Vidal invited parties to consider the summary of the in-session workshop on long-term climate finance in 2014 (FCCC/CP/2014/3) and provide guidance on organization of future workshops. On Saturday, 13 December, the contact group agreed to forward a draft decision, with minor amendments to reflect previously agreed language, to COP 20 for consideration.

During the COP closing plenary on Saturday, December 13, parties adopted the decision.

Final Outcome: In its decision (FCCC/CP/2014/L.13), the COP welcomes: the pledges to the GCF and to the sixth replenishment of the GEF, and contributions to the Least Developed Country (LDC) Fund (LDCF), the Special Climate Change Fund (SCCF), and the Adaptation Fund; and the biennial submissions received to date from developed country parties on updated strategies and approaches for scaling up climate finance from 2014 to 2020, as contained in Decision 3/CP.19, paragraph 10, and urges those developed countries that have not yet done so, to do so.

The COP also, *inter alia*:

- calls on developed countries to channel a substantial share of public climate funds to adaptation activities;
- requests parties to continue to enhance their enabling environments and policy frameworks to facilitate the mobilization and effective deployment of climate finance, in accordance with decision 3/CP.19;
- recognizes that developed countries commit, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly US\$100 billion per year by 2020 to address the needs of developing countries;
- requests developed countries, in preparing their next round of updated biennial submissions on strategies and approaches for scaling up climate finance for the period 2016-2020, to enhance the available quantitative and qualitative elements of a pathway, placing greater emphasis on transparency and predictability of financial flows;
- requests the Secretariat to prepare a compilation and synthesis of the biennial submissions on the strategies and approaches, to inform the in-session workshops, and to organize annual in-session workshops through to 2020 and to prepare a

summary report of the workshops for annual consideration by the COP and the high-level ministerial dialogue on climate finance; and

- decides that the in-session workshops will, in 2015 and 2016, focus on the issues of adaptation finance, needs for support to developing countries, and cooperation on enhanced enabling environments and support for readiness activities.

Report of the Standing Committee on Finance: On Wednesday, 3 December, SCF Co-Chairs Stefan Schwager (Switzerland) and Diann Black-Layne (Antigua and Barbuda) introduced the report (FCCC/CP/2014/5 and Add.1). On Saturday, 13 December, the contact group agreed to forward a draft decision without amendments to COP 20 for consideration. During the COP closing plenary on Saturday, parties adopted the decision.

Final Outcome: In its decision (FCCC/CP/2014/L.10), the COP welcomes: the report of the SCF; the transparency and openness with which the SCF conducts its work; the successful completion of the 2014 biennial assessment and overview of climate finance flows, noting the related report; the 2014 SCF forum on the mobilization of adaptation finance, taking note of the related report; and the inputs of the TEC and the Adaptation Committee to the work of the SCF in preparing elements of draft guidance to the operating entities. The COP also, *inter alia*:

- endorses the SCF workplan for 2015, and the recommendations on the provision of guidance to the operating entities provided in paragraph 10 of the SCF report to the COP;
- decides to conduct the review of the functions of the SCF no later than COP 23;
- requests relevant technical bodies to consider the recommendations contained in the report of the 2014 biennial assessment of climate finance as part of their related deliberations; and
- looks forward to the third forum of the SCF, in 2015, focusing on issues related to finance for forests.

The COP furthermore requests the SCF to:

- consider the findings and recommendations of the biennial assessment in its annual report to the COP 21, with a view to recommending improvements to the methodologies for reporting financial information;
- further explore ways to enhance its work on the MRV of support, based on best available information on the mobilization of various resources, including private and alternative resources, through public interventions;
- include, in its report to COP 21, information on progress made in the implementation of its 2015 workplan; and
- consider issues related to possible future institutional linkages and relations between the Adaptation Fund and other institutions under the Convention, and guidance provided to it in other COP decisions.

Report of the GCF to the COP and Guidance to the GCF: On Wednesday, 3 December, GCF Board Co-Chair Ayman Shasly (Saudi Arabia) introduced the report (FCCC/CP/2014/18). On Saturday, 13 December, the contact group agreed to forward a draft decision, with an amendment to delete reference to the private sector facility from a paragraph requesting the GCF Board to accelerate the operationalization of the adaptation and

mitigation windows, to COP 20 for consideration. During the COP closing plenary on Saturday, 13 December, parties adopted the decision.

Final Outcome: In its decision (FCCC/CP/2014/L.12), the COP welcomes the successful and timely initial resource mobilization process of the GCF that led to the mobilization of US\$10.2 billion to date by contributing parties, enabling the GCF to start its activities to support developing country parties to the Convention, and making it the largest dedicated climate fund. The COP also, *inter alia*:

- requests the GCF to ensure that the ongoing resource mobilization efforts are commensurate with the ambitions of the Fund, and calls for contributions by other developed countries, and invites financial inputs from a variety of other sources, public and private, including alternative sources, throughout the initial resource mobilization process; and
- urges the GCF, the Interim Trustee, and contributors to confirm the pledges in the form of fully executed contribution agreements/arrangements, taking note that the commitment authority of the GCF will become effective when 50% of the contributions pledged by the November 2014 pledging session are reflected in fully executed contribution agreements/arrangements received by the Secretariat no later than 30 April 2015.

Moreover, the COP requests the GCF Board to:

- accelerate the operationalization of the adaptation and mitigation windows, and to ensure adequate resources for capacity building and technology development and transfer;
- accelerate the operationalization of the private sector facility by aiming to ensure that private sector entities and public entities with relevant experience in working with the private sector are accredited in 2015, expediting action to engage local private sector actors in developing countries, including small- and medium-sized enterprises in the LDCs, small island developing states (SIDS) and African states, emphasizing a country-driven approach, expediting action to mobilize resources at scale, and developing a strategic approach to engaging with the private sector;
- complete, in the implementation of its 2015 workplan, its work related to policies and procedures to accept financial inputs from non-public and alternative sources, the investment and risk management frameworks of the GCF, the impact analysis on its initial results areas, including options for determining the Board-level investment portfolios across the structure of the Fund, and the approval process of the Fund, including methodologies for selecting programmes and projects that best achieve its objectives;
- consider ways to further increase the transparency of its proceedings;
- accelerate the implementation of its work programme on readiness and preparatory support, ensuring that adequate resources are provided for its execution, including from the initial resource mobilization process, providing urgent support to developing countries, in particular LDCs, SIDS and African states, led by their national designated authorities or focal points to build institutional capacities;
- consider, when deciding its policies and programme priorities, the information and lessons learned through engagement with

other relevant bodies under the Convention, and other relevant international institutions;

- further enhance the participation of all stakeholders;
- develop a monitoring and accountability framework;
- consider decisions relevant to REDD+;
- make available its annual report in a timely manner, and no later than 12 weeks prior to a COP session; and
- report to COP 21 on progress made in the implementation of this decision.

The COP also:

- requests the GCF to enhance its collaboration with existing funds under the Convention and other climate relevant funds in order to enhance the complementarity and coherence of policies and programming at the national level;
- urges the GCF to ensure that staff selection is open, transparent and based on merit without discrimination, taking into account geographical and gender balance;
- urges developing countries to enter into bilateral agreements with the GCF based on the template to be approved by the GCF Board, in order to provide privileges and immunities for the Fund; and
- requests the GCF to include in its annual report to the COP the recommendations of its independent redress mechanism, if any, and any actions taken by the Board in response to those recommendations.

Report of the GEF to the COP and Guidance to the GEF:

On Wednesday, 3 December, Chizuru Aoki, GEF, introduced the report (FCCC/CP/2014/2 and Add.1). On Saturday, 13 December, the contact group agreed to forward a draft decision with minor amendments to COP 20 for consideration. During the COP closing plenary, parties adopted the decision.

Final Outcome: In its decision (FCCC/CP/2014/L.11), the COP welcomes: the sixth replenishment of the GEF, while urging countries that have not fulfilled their pledges for the fifth replenishment to do so as soon as possible; the pledges and contributions made to the LDCF and the SDCF, calling for continued support to these funds; and the GEF's gender mainstreaming policy. The COP also, *inter alia*:

- notes that the amount of funding available for the climate change focal area was reduced in the GEF's sixth replenishment period, and that the allocation of some countries, including some LDCs, SIDS, and African states, has decreased as a consequence;
- takes note of the GEF's policy on co-financing, and the concerns raised by some parties regarding its implementation;
- invites parties to submit annually to the Secretariat their views and recommendations on the elements to be taken into account in developing guidance to the GEF, and requests the SCF to take into consideration these submissions when providing draft guidance to the GEF for consideration by the COP; and
- encourages the GEF to, *inter alia*, continue work on improving its project cycle, increase the overall transparency and openness of its operations, and improve the communication of its co-financing policy.

The COP also requests the GEF to:

- ensure that gender mainstreaming is implemented both within its portfolio and its structure;

- continue to work with its implementing agencies to further simplify its procedures, and improve the effectiveness and efficiency of the process through which non-Annex I parties receive funding to meet their obligations under Convention Article 12.1 (communication of information related to implementation); and
- include in its annual report to the COP information on the steps it has taken to implement the guidance provided in the decision.

Fifth Review of the Financial Mechanism: On Wednesday, 3 December, COP 20 President Pulgar-Vidal introduced this item (FCCC/CP/2014/5 and FCCC/CP/2013/INF.1). On Saturday, 13 December, the contact group agreed to forward a draft decision without amendments to COP 20 for consideration. During the COP closing, parties adopted the decision.

Final Outcome: In its decision (FCCC/CP/2014/L.9), the COP welcomes the progress made by the GCF Board in operationalizing the GCF, and notes that the fifth review of the financial mechanism focused on the GEF, as the GCF is still developing its operations. The COP also, *inter alia*:

- welcomes the expert input to the fifth review of the financial mechanism provided by the SCF and encourages the SCF to build on the same methodology and criteria in future reviews of the mechanism;
- encourages the operating entities of the financial mechanism to address these recommendations in their future work;
- recognizes the general positive assessment of the performance of the GEF, but notes that the LDCs and SIDS still experience challenges in accessing GEF resources;
- decides to consider the timing of guidance provided by the COP to the operating entities of the financial mechanism in order to ensure that key guidance is fully considered in the programming strategies and policy recommendations associated with the replenishment cycles of these entities;
- decides to initiate the sixth review of the financial mechanism at COP 22 in accordance with the criteria contained in the guidelines annexed to Decision 8/CP.19 (fifth review of the financial mechanism), or as subsequently amended; and
- requests the SCF to provide expert input to the sixth review of the financial mechanism in 2017 with a view to the review being completed by COP 23.

Further Guidance to the LDCF: These discussions are summarized under the SBI agenda item on further guidance to the LDCF (see page 16).

REPORTING FROM AND REVIEW OF PARTIES INCLUDED IN ANNEX I TO THE CONVENTION: These discussions are summarized under the SBI agenda item on reporting from and review of Annex I parties (see page 12).

REPORTING FROM PARTIES NOT INCLUDED IN ANNEX I TO THE CONVENTION: These discussions are summarized under the SBI agenda item on Reporting from Non-Annex I Parties (see page 12).

CAPACITY BUILDING UNDER THE CONVENTION: These discussions are summarized under the SBI agenda item on capacity building under the Convention (see page 17).

IMPLEMENTATION OF ARTICLE 4, PARAGRAPHS 8 AND 9, OF THE CONVENTION: Implementation of the Buenos Aires Programme of Work on Adaptation and

Response Measures (Decision 1/CP.10): These discussions are summarized under the SBI agenda item on Decision 1/CP.10 (see page 17).

Matters Relating to the LDCs: These discussions are summarized under the SBI agenda item on matters relating to the LDCs (see page 14).

GENDER AND CLIMATE CHANGE: These discussions are summarized under the SBI agenda item on Gender and Climate Change (see page 18).

OTHER MATTERS REFERRED TO THE COP BY THE SUBSIDIARY BODIES: IPCC Fifth Assessment Report: These discussions are summarized under the SBSTA agenda item on the IPCC AR5 (see page 21).

Work Programme on the Revision of the Guidelines for the Review of Biennial Reports and National Communications, including National Inventory Reviews, for Developed Country Parties: These discussions are summarized under the SBSTA agenda item on the Work programme on the revision of guidelines for the review of Biennial Reports and National Communications, including National Inventory Reviews, for Developed Country Parties (See page 22).

National Adaptation Plans (NAPs): These discussions are summarized under the SBI agenda item on NAPs (see page 14).

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Audited Financial Statements for the Biennium 2012-2013: These discussions are summarized under the SBI agenda item on administrative, financial and institutional matters (see page 19).

Budget Performance for the Biennium 2014-2015: The discussions are summarized under the SBI agenda item on administrative, financial and institutional matters (see page 19).

Decision-Making in the UNFCCC Process: On Wednesday, 3 December, COP 20 Tomasz Chruszczow (Poland) reported on consultations on this issue during SB 40, saying the consultations were important to build trust. He said there was no common view on the need for a formal outcome.

COP 20 President Pulgar-Vidal proposed establishing a contact group. Saudi Arabia, the EU, India, Iraq and China, opposed by the Russian Federation, preferred informal consultations. The Russian Federation introduced a draft decision (FCCC/CP/2014/CRP.1), noting the critical juncture of the negotiations in the lead-up to Paris. Interested parties consulted informally on how to move forward. On Saturday, 13 December, parties adopted the decision.

Final Outcome: In its decision (FCCC/CP/2014/L.4), the COP, *inter alia*:

- decides to continue discussions on decision making in the UNFCCC process;
- requests the President, in collaboration with France as the host of COP 21, to undertake forward-looking, open-ended informal consultations on decision making in the UNFCCC process, in conjunction with SB 42, and to report to COP 21;
- agrees that sub-items under 2(b) (adoption of the rules of procedure) and 6(b) (proposal to amend Convention Articles 7 and 8) of the COP 20 agenda would continue to be considered under distinct and separate processes from this sub-item on decision-making in the UNFCCC process; and
- agrees to continue consideration of this sub-item at COP 21.

OTHER MATTERS: Education and Awareness Raising:

On Wednesday, 3 December, Poland outlined the joint Polish and Peruvian initiative for a Ministerial Declaration on Education and Awareness Raising at COP 20.

Mexico, the EU and the Dominican Republic welcomed the initiative. COP 20 President Pulgar-Vidal held consultations. On Saturday, 13 December, parties adopted the decision.

Highlighting the importance of educating societies on climate, COP 19/CMP 9 President Marcin Korolec (Poland) noted that he and the COP 20 Presidency promoted this ministerial declaration and “delivered something quite extraordinary.”

Final Outcome: In its decision (FCCC/CP/2014/L.1/Rev.1), the COP reaffirms the importance of Convention Article 6 (education, training and public awareness) and Protocol Article 10 (e) (education and training programmes). The COP also, *inter alia*:

- stresses that education, training, public awareness, participation and access to information, knowledge, and international cooperation play a fundamental role in meeting the ultimate objective of the Convention and in promoting climate-resilient sustainable development;
- reaffirms its commitment to promote and facilitate the development and implementation of educational and public awareness programmes on, *inter alia*, climate change and its effects;
- encourages governments to develop education strategies incorporating the issue of climate change in curricula, and to include awareness raising on climate change in national development and climate change strategies and policies;
- urges all parties to give increased attention to education, training, and public awareness, participation and access to information on climate change;
- expresses its resolve to cooperate and engage through complementary initiatives that aim to increase awareness and enhance education on climate change; and
- reaffirms its commitment to the implementation of the Doha work programme on Article 6 of the Convention.

CONFERENCE OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES TO THE KYOTO PROTOCOL

On Monday, 1 December, CMP 10 President Manuel Pulgar-Vidal opened CMP 10.

ORGANIZATIONAL MATTERS: Parties adopted the agenda (FCCC/KP/CMP/2014/1) with minor changes.

On the election of replacement officers, CMP 10 President Pulgar-Vidal reported that he would undertake consultations on nominations. Parties also agreed to the organization of work.

On Saturday, 13 December, CMP 10 Vice-President Jorge Voto-Bernales (Peru) noted there is no need to elect replacement officers as all Bureau Members elected to the COP Bureau are parties to the Kyoto Protocol. The CMP also elected members and alternate members of AFB, CDM EB and JISC.

On Friday, 12 December, the CMP adopted the report on credentials (FCCC/CP/2014/9-FCCC/KP/CMP/2014/8), with the Bahamas saying their credentials had been communicated electronically to the Secretariat, which was noted.

Status of Ratification of the Doha Amendment to the Kyoto Protocol: This item was first considered in CMP plenary on Wednesday, 3 December.

UNFCCC Secretary Christiana Figueres noted that the Doha Amendment has only received 19 instruments of acceptance, saying it requires 125 more ratifications in order to enter into force. She called on those responsible for ratification of the amendment to speed up the process so that the only legally-binding instrument under the UNFCCC can continue.

Guyana and Palau announced that they ratified the Doha Amendment and will submit their instruments of acceptance shortly.

Bolivia, for the G-77/China, said the group expects Annex B parties to reconsider their commitments, making every effort to increase them with a view to eliminating the pre-2020 mitigation gap.

CMP 10 President Pulgar-Vidal announced he would conduct informal consultations with interested parties on acceleration of ratification.

During the CMP closing plenary on Friday, 12 December, CMP 10 Vice-President Voto-Bernales informed that two further instruments of acceptance have been received from Tuvalu and Nauru, and urged parties to accelerate ratification.

REPORTS OF THE SUBSIDIARY BODIES: Report of the SBSTA: On Friday, 12 December, the CMP adopted the reports of the SBSTA 40 and SBSTA 41 (FCCC/SBSTA/2014/2 and Add.1, and FCCC/SBSTA/2014/L.20) and SBI 41 (FCCC/SBI/2014/L.25) and SBI 40 (FCCC/SBI/2014/8 and Add.1), as amended.

ISSUES RELATING TO THE CLEAN DEVELOPMENT MECHANISM (CDM): This item (FCCC/KP/CMP/2014/5) was first considered on Wednesday, 3 December. Chair of the CDM EB Hugh Sealy (Barbados) called on parties to renew their commitment to the CDM by recognizing its strengths for results-based finance.

Zambia proposed continued reform of the operations of the CDM to achieve desired outcomes by addressing transparency, accountability and simplified project approval processes. The World Bank said the CDM is effectively channeling results-based climate finance and called on parties to use the CDM in the near term to help maintain the mechanism. Senegal said that CDM reform is critical for developing countries, particularly in Africa, noting that so far they have benefited very little from the mechanism.

CMP 10 President Pulgar-Vidal proposed, and parties agreed to, a contact group co-chaired by Jeffery Spooner (Jamaica) and Marko Berglund (Finland).

On Wednesday, 3 December, during the contact group delegates highlighted, *inter alia*, the need for: broader encouragement for parties and stakeholders to use the CDM; an analysis of the CDM as a useful mitigation tool; continuation of the CDM beyond 2020; standardized registration criteria; and enhancing the CDM to allow for voluntary cancellation.

ENGOs urged parties to address the fact that CDM projects still fail to fully respect human rights. Business and Industry NGOs called for, *inter alia*, progress on the review of modalities and procedures, continued development of standardized baselines, and a simplified accreditation process.

On Monday, 8 December, CMP informal consultations on this item were held throughout the day. In the afternoon, parties continued consideration of draft decision text prepared by the Co-Chairs paragraph by paragraph. Discussions focused on, *inter*

alia, interaction of the EB with Designated Operational Entities (DOEs) and DOEs' participation in the CDM, and requests to the EB to revise methodologies, prioritize work on simplifying methodologies and adjust crediting periods.

On Wednesday, 10 December, in the afternoon contact group, parties continued consideration of the draft decision text, but were unable to agree on items relating to, *inter alia*: baseline and monitoring methodologies and additionality; and registration of CDM project activities and issuance of certified emission reduction units (CERs), including the voluntary cancellation process. The contact group and informal consultations continued in the evening.

During the closing plenary on Friday, 12 December, parties adopted the decision.

Final Outcome: In its decision (FCCC/CP/CMP/2014/L.3), the CMP welcomes the CDM EB annual report for 2013-2014, expresses satisfaction with the progress of the CDM, and DOEs to carry out sector-specific validation and verification functions, as described in Annex I to the decision. The CMP also agrees to paragraphs on: baseline and monitoring methodologies and additionality; registration of CDM project activities and issuance of CERs; regional and subregional distribution; and resources for work on the CDM. On these, the CMP, *inter alia*:

- decides to allow the validation by a DOE and the submission for approval by the EB of a monitoring plan at any time up to the first request for issuance of CERs for all scales of project activities and programmes of activities (PoAs);
- requests the EB to further analyze options to allow the simplified registration of project activities and PoAs that qualify as automatically additional, and report back to CMP 11;
- requests the EB to analyze the implications, and possible provisions for ensuring environmental integrity, of allowing the same DOE to carry out validation and verification for the same project activity or PoA at all scales, and report back to CMP 11;
- requests the EB to consider adjusting and, if appropriate, implement the rules governing PoAs to reflect their special features in order to facilitate effective implementation and reduce associated transaction costs while ensuring environmental integrity, taking into account the implications for liability with regard to the issuance of CERs resulting from significant deficiencies in validation, verification and certification reports; and
- requests the EB to ensure prudent management of the resources of the CDM, and its ability to perform its duties in maintaining and developing the mechanism up to the end of the true-up period of the second commitment period of the Kyoto Protocol.

ISSUES RELATING TO JOINT IMPLEMENTATION

(JI): This item (FCCC/KP/CMP/2014/4) was first considered on Wednesday, 3 December.

JI Supervisory Committee Chair Piotr Dombrowicki (Poland) reported that activities under JI have been in severe decline, noting that mechanisms like JI will be critical to achieving more ambitious mitigation. He urged parties to take decisions in Lima to safeguard JI. CMP 10 President Pulgar-Vidal proposed, and parties agreed to, a contact group co-chaired by Yaw Osafo (Ghana) and Dimitar Nikov (France).

On Monday, 8 December, the CMP contact group met in the afternoon. Co-Chair Nikov introduced draft decision text revised on the basis of parties' submissions and inputs, which parties considered paragraph by paragraph.

Discussions focused on, *inter alia*: the need to ensure continued success of the mechanism in order to assist parties in meeting their commitments under the Kyoto Protocol's second commitment period; whether to request the Secretariat to prepare a technical paper on possible synergies between JI and the CDM; and options for incorporating mitigation beyond offsetting and considering transparent criteria for the application and quantification of such mitigation.

On Wednesday, 10 December, in the morning contact group, parties considered draft decision text paragraph by paragraph and exchanged views on, *inter alia*: the synthesis of voluntary technical approaches that could inform discussions under the SBI on review of JI guidelines; evaluation of national regulatory projects and related financial implications for the JISC; and collaboration between the CDM EB and the JISC on joint accreditation. Parties agreed to forward the draft decision, as amended, to the CMP for adoption.

During the CMP closing plenary on Friday, 12 December, parties adopted the decision.

Final Outcome: In its decision (FCCC/KP/CMP/2014/L.2), on guidance to the implementation of Protocol Article 6, the CMP, *inter alia*:

- takes note of the achievements of JI in 2006-2014, the JISC annual report for 2013-2014, and the ongoing work of the SBI on the review of the JI guidelines;
- reiterates its concern regarding the market situation faced by JI participants and the need to ensure the continued success of the mechanism in order to assist parties with commitments under the Doha Amendment in meeting them;
- requests the Secretariat to prepare a technical paper, for consideration at SBI 42, on the opportunities for cost savings and efficiencies for JI, and learning from the experiences of the CDM;
- invites parties to submit to the Secretariat, by 16 March 2015, examples of voluntary technical approaches that could assist the host parties in achieving their commitments under the Kyoto Protocol, and requests the Secretariat to synthesize these into a report for consideration at SBI 42;
- requests the JISC to submit elaborated recommendations, for consideration at SBI 42, on the review of the JI guidelines; and
- requests the JISC to ensure sufficient infrastructure and capacity for the mechanism's use by parties until at least the end of the additional period for fulfilling commitments under the second commitment period of the Kyoto Protocol, and to keep the JI management plan under review.

REPORT OF THE COMPLIANCE COMMITTEE:

This item was first considered on Wednesday, 3 December. Compliance Committee Chair Rueanna Haynes (Trinidad and Tobago) provided an update on the intersessional activities of the Committee, and the CMP took note of the report (FCCC/KP/CMP/2014/2).

ADAPTATION FUND: Report of the AFB: This item (FCCC/KP/CMP/2014/6) was first considered on Wednesday, 3 December.

AFB Chair Mamadou Honadia (Burkina Faso) outlined the activities of the Adaptation Fund and requested parties to provide guidance on options for mobilizing adequate, sustainable and predictable finance for the Fund.

Zambia noted that many countries are in the process of accrediting national implementing entities and called for a review of the requirements to make them simpler, yet robust. Uruguay stressed this is the only effective fund for adaptation finance and should not be overshadowed by new mechanisms.

CMP 10 Chair Pulgar-Vidal proposed, and parties agreed to a contact group co-chaired by Suzanty Sitorus (Indonesia) and Ana Fornells de Frutos (Spain).

On Wednesday, 10 December, the contact group considered text consolidated by the Co-Chairs based on parties' proposals.

Discussions focused on, *inter alia*: urging developed countries that have not completed the process of responding to the initial fundraising target to do so at the earliest opportunity; encouraging Annex I parties to provide funding to reach the target of US\$80 million per year in 2014-2015, and scale up funding from resources additional to the share of proceeds from CDM project activities, first international transfers of assigned amount units (AAUs) and the issuance of emission reduction units (ERUs); the bidding process for the selection of a permanent trustee for the Adaptation Fund; and to whom to direct the request for further support for the readiness programme.

A draft decision was forwarded to the CMP, which adopted it on Friday, 12 December.

Final Outcome: In its decision (FCCC/KP/CMP/2014/L.5), the CMP welcomes the report of the AFB, noting with concern the level of market prices for CERs and their impact on funding from the Adaptation Fund. The CMP also, *inter alia*:

- adopts the amendment to the terms and conditions of services to be provided by the World Bank as a trustee for the Adaptation Fund;
- notes cumulative receipts of US\$407.9 million into the Adaptation Fund Trust Fund;
- notes that pledges have surpassed the initial AFB fundraising target of US\$100 million for 2012-2013, and urges those developed countries that responded to the initial AFB fundraising target but have not completed the process to do so;
- welcomes the AFB resource mobilization strategy target of US\$80 million per year in 2014 and 2015, and continues to encourage Annex I parties to provide funding to support this target, and to scale up funding from additional sources;
- invites further support for the AFB readiness programme for direct access to climate finance in accordance with the decision on the second review of the Adaptation Fund; and
- requests the AFB, in its future reports to the CMP, to provide further clarity on the effect of the fluctuation of CERs, including on the resources available to the Fund, and to continue its work on options for permanent institutional arrangements for the secretariat and trustee.

Second Review of the Adaptation Fund: Discussions on this item are summarized under the SBI agenda item on the Second Review of the Adaptation Fund (see page 15).

REPORT ON THE HIGH-LEVEL MINISTERIAL ROUND TABLE ON INCREASED AMBITION OF THE KYOTO PROTOCOL COMMITMENTS: This item (FCCC/KP/CMP/2014/3) was first considered on Wednesday, 3 December.

Bolivia, for the G-77/China, with China, Cuba, South Africa, Egypt, India, Iraq and Saudi Arabia, proposed that a contact group consider how to follow up on the high-level roundtable that took place at SB 40.

China recalled that no commitments to increase ambition were made at the roundtable, stressing that increased ambition is critical for building trust.

Australia, New Zealand and the EU said they are not ready to agree to a contact group at this time.

The EU said it will complete ratification of the Doha Amendment as early in 2015 as possible.

Climate Action Network (CAN), for ENGOs, emphasized the importance of the Kyoto Protocol as a rules-based instrument, stressing that there should be no backsliding on commitments. Climate Justice Now!, for ENGOs, lamented that the EU has yet to ratify the Doha Amendment.

CMP 10 President Pulgar-Vidal said he will consult informally on how to proceed. On Saturday, 6 December, he reported that no agreement had been reached during informal consultations on whether to form a contact group on this issue.

A contact group was supported by Bolivia, for the G-77/China, and opposed by Australia, Switzerland, the EU and Norway. Informal consultations continued.

During the CMP closing plenary on Friday, 12 December, CMP 10 Vice-President Voto Bernales reported no agreement had been reached and that this item would be included in the provisional agenda of CMP 11.

REPORTING FROM AND REVIEW OF PARTIES INCLUDED IN ANNEX I: National Communications: These discussions are summarized under the SBI agenda items on Annex I National Communications and GHG Inventory Data (see page 12).

Date of the Completion of the Expert Review Process under Article 8 of the Kyoto Protocol for the First Commitment Period:

The CMP considered the draft decision on this item recommended by SBI 40 (FCCC/SBI/2014/8/Add.1). During the CMP closing plenary on Friday, 12 December, the CMP adopted the decision.

Final Outcome: In its decision (FCCC/SBI/2014/8/Add.1), the CMP, *inter alia*:

- decides that the expert review process under Protocol Article 8 for the last year of the first commitment period shall be completed by 10 August 2015 and decides that, if the expert review process is not completed by this date, it shall continue, and the date of completion shall be the date of publication of the last inventory review report for the last year of the first commitment period;
- urges the Secretariat to expedite the review process to satisfy this deadline;
- decides that the report upon expiration of the additional period for fulfilling commitments for the first commitment period, covering the information required in Decision 13/CMP.1, annex, paragraph 49, using the standard electronic format tables as agreed in Decision 14/CMP.1, shall be submitted

as soon as practicable but not later than 45 days after the expiration of the additional period for fulfilling commitments for the first commitment period (hereinafter referred to as the true-up period);

- also decides that the Secretariat shall produce, in electronic format, on 30 September 2015 and every four weeks thereafter, until the month of the completion of the true-up period, the following information for each party with a commitment in Annex B for the first commitment period, indicating clearly the source of this information;
- further decides that this information should include the total quantity of aggregated holdings in the CDM registry; and
- decides that information on the review processes remaining to be completed should be provided by the Secretariat.

Annual Compilation and Accounting for Annex B Parties under the Kyoto Protocol: These discussions are summarized under the SBI agenda item on the annual compilation and accounting for parties under the Kyoto Protocol (see page 12).

CLARIFICATION OF THE TEXT IN SECTION G (ARTICLE 3.7 TER) OF THE DOHA AMENDMENT TO THE KYOTO PROTOCOL, IN PARTICULAR THE INFORMATION TO BE USED TO DETERMINE THE “AVERAGE ANNUAL EMISSIONS FOR THE FIRST THREE YEARS OF THE PRECEDING COMMITMENT PERIOD”: These discussions are summarized under the SBSTA agenda item on clarification of the text in Section G (Article 3.7ter) of the Doha Amendment to the Kyoto Protocol (see page 24).

CAPACITY BUILDING UNDER THE KYOTO PROTOCOL: These discussions are summarized under the SBI agenda item on capacity building under the Kyoto Protocol (see page 17).

MATTERS RELATING TO ARTICLE 2.3 AND ARTICLE 3.14 OF THE KYOTO PROTOCOL: These discussions are summarized under the SBI agenda item on Article 3.14 (see page 17).

OTHER MATTERS REFERRED TO THE CMP BY THE SUBSIDIARY BODIES: Synergy Relating to Accreditation under the Mechanisms of the Kyoto Protocol: On Friday, 12 December, this draft decision (FCCC/SBI/2014/8/Add.1), forwarded to CMP 10 by SBI 40, was considered for adoption.

Highlighting “logical inconsistencies” between requesting the CDM EB and the JISC to “consider” the establishment of a joint accreditation mechanism and the mandate to “jointly develop and apply” the mechanism in the second paragraph, Brazil, initially opposed by the EU, asked the paragraph be deleted and brackets be removed from the first paragraph. The CMP adopted the draft decision as amended.

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Audited Financial Statements for the Biennium 2012-2013: These discussions are summarized under the SBI agenda item on administrative, financial and institutional matters (see page 19).

Budget Performance for the Biennium 2014-2015: These discussions are summarized under the SBI agenda item on administrative, financial and institutional matters (see page 19).

COP 20 AND CMP 10 JOINT HIGH-LEVEL SEGMENT

On behalf of President of Peru Ollanta Humala, COP 20/CMP 10 President Manuel Pulgar-Vidal, Minister of Environment, Peru, opened the high-level segment on Tuesday, 9 December, noting the generation of a positive “Lima spirit” and stressing the need to “raise this spirit to achieve the outcome the world is expecting from us.”

UNFCCC Executive Secretary Christiana Figueres highlighted that “the Inca calendar says this is the season for planting and the science calendar warns us we are running out of time,” stressing “it is for us to plant here in Lima the seeds of a more secure, just and prosperous world for all.”

President of the 69th session of the UN General Assembly Sam Kutesa said “business as usual” is not an option and pointed to “a glimmer of hope” provided by the knowledge that taking action now and transforming to carbon-neutral, climate-resilient economies can reduce adaptation costs tomorrow.

Noting “this is not a time for tinkering – it is a time for transformation,” UN Secretary-General Ban Ki-moon stressed that in order to keep the global temperature rise under 2°C, “all parties must be part of the solution, and all societies must be engaged.” He called on parties to, *inter alia*: deliver a balanced and well-structured draft text as a solid foundation for negotiations in 2015; reach a common understanding on the scope of INDCs; and address climate finance.

The high-level segment then continued with statements from other heads and deputy heads of state and government, ministers, and other heads of delegations. A webcast of the statements is available at: <http://unfccc6.meta-fusion.com/cop20/events>

Ministerial Roundtable on Climate Finance: A ministerial roundtable on climate finance took place on Tuesday, 9 December. For a summary of statements made by ministers during the roundtable, see: <http://www.iisd.ca/vol12/enb12616e.html>

Ministerial Dialogue on the Durban Platform for Enhanced Action: A ministerial dialogue on the Durban Platform for Enhanced Action took place on Wednesday, 10 December. For a summary of the statements made by ministers during the dialogue, see: <http://www.iisd.ca/vol12/enb12617e.html>

SUBSIDIARY BODY FOR IMPLEMENTATION

On Monday, 1 December, SBI Chair Amena Yauvoli (Fiji) opened the session, urging parties to focus on finding consensus in an efficient manner. For a summary of the statements made during the opening plenary of the SBI, see: <http://www.iisd.ca/vol12/enb12609e.html>

ORGANIZATIONAL MATTERS: Parties adopted the agenda (FCCC/SBI/2014/9) with the item on information in non-Annex I national communications held in abeyance. The SBI also agreed to consider under “other matters” the item on non-Annex I parties’ CGE membership as referred to it by the COP. Parties agreed to the organization of work as presented.

Election of Officers Other than the Chair: During the SBI opening plenary on Monday, 1 December, SBI Chair Yauvoli announced consultations would continue on this matter facilitated by Cheikh Ndiaye Sylla (Senegal). During the first part of the closing plenary on Friday, 5 December, SBI Chair Yauvoli informed that consultations on the SBI Vice Chair and

Rapporteur had not been completed. The SBI agreed to invite the COP to elect the Vice Chair and Rapporteur of the SBI. On Saturday, 13 December, officers other than the Chair were elected during the COP closing plenary.

MULTILATERAL ASSESSMENT WORKING GROUP SESSION UNDER THE INDEPENDENT ASSESSMENT REPORT (IAR) PROCESS: This item was taken up during the SBI opening plenary on Monday, 1 December. SBI Chair Yauvoli explained that 17 developed countries' quantified economy-wide emission limitation and reduction targets, including progress toward their achievement, would be assessed during this SBI session, suggesting this would demonstrate that the SBI is at the heart of the implementation of the Convention.

The first round of the multilateral assessment working group session under the IAR was held in two parts, on Saturday, 6 December, and Monday, 8 December. The second and third rounds of the session, which will assess the remaining Annex I parties, will be held at SBI 42 and SBI 43, respectively.

Opening the multilateral assessment working group session, SBI Chair Yauvoli noted two new MRV processes established in Cancun—the IAR for developed countries, and international consultation and analysis (ICA) for developing countries. Parties delivered presentations on their progress towards the achievement of their quantified economy-wide emission reduction targets, followed by question and answers.

For a summary of the presentations and discussions held during the multilateral assessment working group session, see: <http://www.iisd.ca/vol12/enb12614e.html> and <http://www.iisd.ca/vol12/enb12615e.html>

REPORTING FROM AND REVIEW OF ANNEX I PARTIES: This item (FCCC/SBI/2014/INF.19) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed, to informal consultations facilitated by Helen Plume (New Zealand) and Fatuma Mohamed Hussein (Kenya) on the three sub-items: compilation and synthesis of the sixth national communications and the first biennial reports from Annex I parties to the Convention; compilation and synthesis of supplementary information incorporated into the sixth national communications from Annex I parties that are also parties to the Kyoto Protocol; and revision of the guidelines for preparation of Annex I parties' national communications.

Compilation and Synthesis of 6th National Communications and 1st Biennial Reports from Annex I Parties to the Convention: This item (FCCC/SBI/2014/INF.20 and Add.1-2) was first considered on Monday, 1 December.

During the first part of the closing plenary on Friday, 5 December, SBI Chair Yauvoli reported that parties were unable to reach agreement on the issue and that the sub-item will be placed on the provisional agenda of SBI 42.

Compilation and Synthesis of Supplementary Information Incorporated in 6th National Communications from Annex I Parties that are also Parties to the Kyoto Protocol: This item (FCCC/SBI/2014/INF.21) was first considered on Monday, 1 December. During the first part of the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.30), the SBI welcomes the compilation and synthesis, and took note thereof.

Revision of the 'Guidelines for the Preparation of National Communications by Annex I Parties, Part II: UNFCCC Reporting Guidelines on National Communications': This item (FCCC/TP/2014/5) was first considered on Monday, 1 December. During the SBI closing plenary on Friday, 5 December, SBI Chair Yauvoli reported that parties were unable to reach agreement and that the sub-item will be placed on the provisional agenda of SBI 42.

Report on National GHG Inventory Data from Annex I Parties for the Period 1990-2012: This item (FCCC/SBI/2014/20) was first considered on Monday, 1 December. The SBI took note of the report.

Annual Compilation and Accounting Report for Annex B Parties under the Kyoto Protocol: This item (FCCC/KP/CMP/2014/7 and Add.1) was first considered on Monday, 1 December. The SBI took note of the report.

REPORTING FROM NON-ANNEX I PARTIES: Information Contained in National Communications from Non-Annex I Parties: This item was held in abeyance.

Work of the CGE: This item (FCCC/SBI/2014/17-19 and INF.15-16) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Helen Plume (New Zealand) and Lilian Portillo (Paraguay). Informal consultations took place on Tuesday and Wednesday, 2-3 December.

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.26), the SBI, *inter alia*:

- welcomes the progress made by the CGE in implementing its activities, and the long-term strategy (2015-2018) of the CGE, which outlines strategies to enhance the provision of technical assistance to non-Annex I parties in a more effective, adequate and sustainable manner at regional, sub-regional and national levels;
- encourages parties to nominate, as early as possible, technical experts with relevant qualifications to the UNFCCC roster of experts, and the CGE to organize, as early as possible in 2015, training for them;
- urges developed country parties included in Annex II to the Convention and other developed country parties in a position to do so to provide financial resources to enable the CGE to implement the activities planned in its work programme; and
- invites multilateral programmes and organizations to collaborate with the CGE, as appropriate, in the provision of technical support to non-Annex I parties for preparing their national communications and biennial update reports (BURs).

Provision of Financial and Technical Support: This item (FCCC/SBI/2014/INF.12 and 22, and FCCC/CP/2014/2) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Helen Plume and Lilian Portillo. Informal consultations took place three times during the week.

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.29), the SBI, *inter alia*:

- invites the GEF to continue providing detailed, accurate, timely and complete information on its activities relating to

- the preparation of national communications by non-Annex I parties, including information on the dates of approval of funding and disbursement of funds;
- invites the GEF to continue providing information on an approximate date of completion of the draft national communications and an approximate date of submission to the Secretariat of the national communications, for consideration by SBI 43.
 - invites the GEF to continue providing detailed, accurate, timely and complete information on its activities relating to the preparation of BURs, including information on the dates of requests for funding, approval of funding and disbursement of funds, as well as an approximate date of submission to the Secretariat of the BURs, for consideration by SBI 42;
 - notes the information provided by the GEF to the COP on the funding available to non-Annex I parties for the preparation of their national communications and BURs under its latest replenishment, and on the total amount of funding available in its climate change focal area;
 - notes that, by 4 December 2014, one non-Annex I party had submitted its first BUR and that a further seven non-Annex I parties are expected to submit them by 31 December 2014;
 - notes that, as of 1 December 2014, the GEF Secretariat had received 48 requests from non-Annex I parties for funds for the preparation of their BURs, and, that the GEF Council approved, in October 2014, a project for 35 SIDS and LDCs to complete their BURs;
 - reiterates its urging of the non-Annex I parties that have yet to submit, as applicable, their requests to the GEF for support for the preparation of their first BURs to do so in a timely manner;
 - encourages GEF agencies to continue to facilitate the preparation and submission of project proposals by non-Annex I parties for the preparation of their BURs;
 - invites the GEF to provide, in its report to COP 21, information on the procedures available to facilitate access by non-Annex I parties to funding for the preparation of their national communications and multiple BURs with one application;
 - notes the progress made by the GEF in the operationalization of its Global Support Programme (GSP), and encourages non-Annex I parties to take advantage of the opportunities for technical assistance and support available under the GSP; and
 - notes with appreciation that, as of 4 December 2014, 147 initial, 105 second, nine third, one fourth and one fifth national communications from non-Annex I parties had been submitted. It also notes that, by the end of 2014, 20 second and 11 third national communications from non-Annex I parties are expected to have been submitted.

WORK PROGRAMME TO FURTHER

UNDERSTANDING OF THE DIVERSITY OF NATIONALLY APPROPRIATE MITIGATION ACTIONS (NAMAS):

This item (FCCC/SBI/2014/INF.11 and 24) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Ann Gann (Singapore) and Dimitar Nikov (France). During the first part of the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.36), the SBI notes it concluded the work programme to further the understanding of the diversity of NAMAs. The SBI also, *inter alia*:

- notes the activities implemented during the work programme;
- acknowledges that information and experiences shared under the work programme furthered the understanding of the diversity of NAMAs;
- recognizes the existence of needs for means of implementation support for the preparation and implementation of specific measurable, reportable and verifiable NAMAs, as well as of support available and provided;
- acknowledges that the matching of mitigation actions with MOI support in the NAMA registry has started to occur; and
- requests the Secretariat to ensure the sound operation of the NAMA registry.

MATTERS RELATING TO THE MECHANISMS UNDER THE KYOTO PROTOCOL: Review of the Modalities and Procedures for the CDM: This item was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Jeffery Spooner (Jamaica).

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions. Expressing disappointment with lack of progress made in SBI 41, Nauru, for the Alliance of Small Island States (AOSIS), said Lima should have identified how net mitigation can be built into the CDM, including through conservative baselines, shortened crediting periods and cancellations, and looked forward to continuing work on net mitigation in SBI 42.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.35), the SBI agrees to continue consideration of this matter at SBI 42.

Review of the JI Guidelines: This item was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Yaw Osafo (Ghana) and Dimitar Nikov (France).

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions. Nauru, for AOSIS, said there is room for improving the environmental integrity of JI and looked forward to discussing, at SBI 42, how to ensure that JI delivers a net atmospheric benefit.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.34), the SBI agrees to continue consideration of this issue at SBI 42, on the basis of the draft decision text with a view to proposing a draft decision for consideration by CMP 11.

Modalities for Expediting the Continued Issuance, Transfer and Acquisition of JI ERUs: This item (FCCC/TP/2014/4) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Yaw Osafo (Ghana) and Dimitar Nikov (France). During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.33), the SBI agrees to continue consideration of this issue at SBI 42.

Procedures, Mechanisms and Institutional Arrangements for Appeals against Decisions of the CDM EB: This item was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Yaw Osafo (Ghana) and Kunihiko Shimada (Japan). During

the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.31), the SBI agrees to continue its consideration on the basis of the co-facilitators' draft text (FCCC/SBI/2012/33/Add.1) at SBI 42.

Report of the administrator of the international transaction log under the Kyoto Protocol: During the SBI opening plenary on Monday, 1 December, the SBI took note of the report (FCCC/SBI/2014/INF.18).

MATTERS RELATING TO THE LDCS: This item (FCCC/SBI/2014/13) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Collin Beck (Solomon Islands). During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.24), the SBI:

- welcomes the report of the 26th meeting of the Least Developed Countries Expert Group (LEG) and the outcome of the National Adaptation Plan (NAP) Expo;
- acknowledges progress made by the LEG under its work programme for 2014-2015 and welcomes the launch of the regional training workshops on NAPs for LDCs for 2014-2015;
- expresses appreciation to Belgium, Canada, Finland, Ireland and Norway for providing financial support to the LEG;
- notes contributions made by parties to the LDCF and encourages other parties also to contribute;
- welcomes the submission of proposals to the LDCF for the funding of the implementation of National Adaptation Programmes of Action (NAPA) projects;
- invites the GEF to continue to explore ways of simplifying access to the LDCF;
- requests the LEG to keep it informed of the LEG's efforts in implementing its work programme for 2014-2015; and
- invites parties in a position to do so to continue providing support for the implementation of the LEG work programme.

REPORT OF THE ADAPTATION COMMITTEE: This item (FCCC/SB/2014/2) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, joint SBI/SBSTA informal consultations facilitated by Jimena Nieto Carrasco (Colombia) and Makoto Kato (Japan). During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SB/2014/L.7), the SBI, *inter alia*:

- welcomes the report of and progress made by the Adaptation Committee in the implementation of its three-year work plan;
- notes with appreciation the continued work of the Adaptation Committee on providing technical support and guidance to the parties on adaptation action, including through the work carried out by the Committee's task force on NAPs;
- requests parties, operating entities of the financial mechanism and other relevant entities working on adaptation to consider the recommendations contained in Chapter V of the report of the Adaptation Committee;
- reiterates its encouragement for parties to nominate experts to the Adaptation Committee with a diversity of experience and knowledge relevant to adaptation to climate change, while

also taking into account the need to achieve gender balance; and

- welcomes the initiation of consideration by the Adaptation Committee of its next work plan, starting in 2016.

NATIONAL ADAPTATION PLANS: This item (FCCC/SBI/2014/13, INF.14 and 15, FCCC/SB/2014/2 and FCCC/CP/2014/2) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Collin Beck (Solomon Islands) and Tomasz Chruszczow (Poland).

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions and forwarded a draft decision for consideration and adoption by COP 20.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.42), the SBI welcomes information submitted by parties, *inter alia*, on their experiences with the application of the initial guidelines for the formulation of NAPs and recommends a draft decision on NAPs.

In its decision (FCCC/SBI/2014/L.42/Add.1), the COP, *inter alia*:

- decides that a revision of the guidelines for the formulation of NAPs is not necessary at this time;
- recognizes that the process to formulate and implement NAPs is fundamental for building adaptive capacity and reducing vulnerability to the impacts of climate change;
- reiterates that the NAP process is, *inter alia*, a country-driven, gender-sensitive, participatory and fully transparent approach;
- recognizes the continuous, iterative and long-term nature of the NAP process;
- acknowledges the importance of communicating what the process to formulate and implement NAPs involves, as well as the outputs and outcomes of that process;
- decides there is a need to enhance the reporting on the process to formulate and implement NAPs;
- invites LDC parties and others, to forward outputs, including NAP documents, and outcomes related to the process to formulate and implement NAPs, to the NAP Central (an online tool, still under development, with interactive guidelines, case studies and related information to support the NAP process);
- decides to further consider how to enhance reporting related to the process to formulate and implement NAPs at SBI 42; and
- requests the Adaptation Committee and the LEG, in collaboration with the GCF, as an operating entity of the financial mechanism, to consider how to best support developing country parties in accessing funding from the GCF for the process to formulate and implement NAPs, and report thereon to SBI 42.

WARSAW INTERNATIONAL MECHANISM FOR LOSS AND DAMAGE ASSOCIATED WITH CLIMATE CHANGE

IMPACTS: This item (FCCC/SB/2014/4) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, joint SBI/SBSTA informal consultations facilitated by Beth Lavender (Canada) and Alf Wills (South Africa).

During the SBI closing plenary on Friday, 5 December, SBI Chair Yauvoli reported that parties were unable to reach agreement and that the sub-item will be placed on the provisional agenda of SBI 42.

However, on Saturday, 6 December, the SBSTA was able to adopt joint conclusions (FCCC/SB/2014/L.8), pending continued informal consultations co-facilitated by SBI Chair Yauvoli and SBSTA Chair Emmanuel Dumisani Dlamini (Swaziland), under the authority of the COP/CMP President Pulgar-Vidal on the composition of the Executive Committee of the Warsaw International Mechanism for Loss and Damage.

On Saturday, 13 December, COP 20/CMP 10 Vice President Jorge Voto-Bernales reported that the informal consultations resulted in a draft decision (FCCC/CP/2014/L.2), but further consultations were required on the composition of the two non-Annex I Executive Committee members not affiliated with any specific regional group. He invited parties to continue intersessional consultations on the issue and once an agreement has been reached, for the Secretariat to request non-Annex I parties to submit their nominations. Executive Committee members will be deemed elected at COP 20 in accordance with established procedures. Parties agreed to this procedural decision to be reflected in the report of the session and adopted the substantive decision.

Final Outcome: In its decision (FCCC/CP/2014/L.2), the COP, *inter alia*:

- approves the initial two-year workplan of the Executive Committee of the Warsaw International Mechanism for Loss and Damage;
- notes the useful inputs provided by parties, observers and other organizations as part of the transparent, inclusive and participatory process of developing the initial two-year workplan of the Executive Committee;
- reaffirms the establishment of the Executive Committee of the Warsaw International Mechanism, under the guidance of, and accountable to, the COP, to guide the implementation of the functions of the Warsaw International Mechanism;
- also reaffirms the request to the Executive Committee to report annually to the COP through the SBSTA and SBI and make recommendations, as appropriate;
- decides that the Executive Committee shall be composed of the following, taking into account the goal of gender balance, 10 members from Annex I parties and 10 members from non-Annex I parties, comprising two members each from the African, Asia-Pacific, and the Latin American and Caribbean States, one member from SIDS, one member from LDCs, and two additional non-Annex I members;
- encourages parties to nominate to the Executive Committee experts with a diversity of experience and knowledge relevant to loss and damage associated with climate change impacts;
- decides that the members shall serve for a two-year term and shall be eligible to serve a maximum of two consecutive terms of office, and that half of the members shall be elected initially for a term of three years and half for two years, thereafter the COP shall elect members for a term of two years, and the members shall remain in office until their successors have been elected;
- also decides that the Executive Committee may establish expert groups, subcommittees, panels, thematic advisory groups or task-focused *ad hoc* working groups, to help execute the work of the Executive Committee in guiding the implementation of the Warsaw International Mechanism,

as appropriate, in an advisory role, and that report to the Executive Committee;

- further decides that decisions of the Executive Committee shall be taken by consensus;
- decides that the Executive Committee shall elect annually co-chairs from among its members to serve for a term of one year, with one being from an Annex I party and the other being from a non-Annex I party;
- further decides that the Executive Committee shall meet at least twice per year, while retaining its flexibility to adjust the number of meetings, as appropriate;
- decides the Executive Committee shall convene its first meeting as soon as practical following the election of its members by COP 20, but no later than March 2015, and at its first meeting shall adopt its rules of procedure and begin implementing its workplan;
- also decides that the meetings of the Executive Committee shall be open to attendance by admitted observer organizations, except where otherwise decided by the Executive Committee, with a view to encouraging a balanced regional representation of observers; and
- further decides that the decisions and outputs of the Executive Committee shall be made publicly available on the UNFCCC website unless decided otherwise by the Executive Committee, that English shall be the working language, and that the Secretariat shall support and facilitate the work of the Executive Committee, subject to the availability of resources.

MATTERS RELATED TO FINANCE: Second Review of the Adaptation Fund: This item (FCCC/TP/2014/7 and FCCC/SBI/2014/MISC.4) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Suzanty Sitorus (Indonesia) and Ana Fornells de Frutos (Spain). During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions forwarding a draft decision to CMP 10 for consideration.

Final Outcome: In its decision (FCCC/SBI/2014/L.39), the CMP, *inter alia*:

- takes note of the report of the Adaptation Fund Board (AFB) and the technical paper on the second review of the Adaptation Fund;
- underlines the need for urgent implementation of the resource mobilization strategy of the AFB;
- encourages the AFB to consider the scale of resources, regular estimates of the resources needed and continuous review of the status of projects, for addressing the predictability of resources;
- requests the AFB to consider options for addressing the diversification of revenue streams of the Adaptation Fund, in accordance with the mandate of the Fund;
- requests the AFB to consider, under its readiness programme, targeted institutional strengthening strategies to assist developing countries to accredit more national or regional implementing entities to the Adaptation Fund and ensuring the accredited national implementing entities have increased and facilitated access to the Adaptation Fund, in order to enhance the access modalities of the Adaptation Fund;
- requests the AFB to consider options for developing operational linkages between the Adaptation Fund and constituted bodies under the Convention;

- decides to extend to June 2017 the interim arrangements with the AFB Secretariat and the trustee of the Adaptation Fund;
- requests SBI 42 to initiate the third review of the Adaptation Fund and report back to CMP 12, with a view to the review design undertaken by CMP 13; and
- requests the AFB to include in its report to CMP 11 information on progress made in relation to the matters referred to above.

Further Guidance to the Least Developed Countries

Fund: This item (FCCC/SBI/2014/INF.17, MISC.3, and FCCC/CP/2014/2) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Kamel Djemouai (Algeria) and Herman Sips (Netherlands). During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions and forwarded a draft decision for consideration by COP 20.

Final Outcome: In its decision (FCCC/SBI/2014/L.38), the COP, *inter alia*:

- welcomes increased allocation and disbursement of funds to LDC parties under the LDCF;
- notes with appreciation additional contributions by parties to the LDCF;
- encourages developed country parties and other parties in a position to do so to continue contributing on a voluntary basis to the LDCF in order to support the implementation of the LDC work programme;
- invites the GEF to continue to support the remaining activities contained in the LDC work programme;
- requests the GEF to share, in its next report, lessons learned and progress made in its pilot accreditation of the GEF national project agencies;
- invites the GEF to include in its annual report to the COP, information on specific actions that it has undertaken to implement the remaining elements of the LDC work programme, including updating and implementation of National Adaptation Programmes of Action (NAPAs), with a view to COP 21 determining appropriate further guidance to be provided to the GEF; and
- requests the GEF to enhance communication with its implementing agencies and to encourage its implementing agencies to enhance their communication with countries to facilitate a timely implementation of other elements of the LDC work programme including NAPAs.

DEVELOPMENT AND TRANSFER OF

TECHNOLOGIES AND IMPLEMENTATION OF THE

TM: Joint Annual Report of the TEC and CTCN: This item (FCCC/SB/2014/3) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, joint informal consultations with SBSTA, facilitated by Elfriede More (Austria) and Carlos Fuller (Belize).

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions and forwarded a draft decision for consideration by COP 20.

Final Outcome: In its decision (FCCC/SB/2014/L.5), the COP notes that through the work of the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN) in 2014, the TEC is progressing in an effective manner towards fulfilling its mandate, and decides that the

TEC and CTCN shall continue to prepare a joint annual report to the COP, through the SBAs, on their respective activities and performance of their respective functions.

On activities and performance of the TEC in 2014, the COP, *inter alia*:

- welcomes the rolling workplan of the TEC for 2014-2015 and the progress made in advancing its implementation;
- recognizes the key messages on climate technology financing, technologies for adaptation and technology needs assessments, as contained in the TEC report;
- welcomes the work on technologies for adaptation and looks forward to the Committee's work on technologies for mitigation;
- requests the TEC to continue its work on enabling environments and barriers;
- encourages the TEC to continue to strengthen the linkages with organizations under and outside of the Convention in the implementation of its rolling workplan for 2014-2015; and
- requests the TEC to provide guidance on how the results of the technology needs assessments, in particular the technology action plans, can be developed into projects that can be ultimately implemented, and to provide an interim report on its preliminary findings to the subsidiary bodies at their forty-third sessions.

On activities and performance of the CTCN in 2014, the COP, *inter alia*:

- welcomes with appreciation the progress made by the CTCN in implementing its programme of work, including by: responding to requests from developing countries; fostering collaboration and access to information; and strengthening networks, partnerships and capacity building;
- welcomes the elaboration and approval by the CTCN's Advisory Board of the CTCN criteria and the CTCN prioritization criteria for national designated entity requests;
- encourages the CTCN to further elaborate its procedures for handling requests, and to inform parties and stakeholders of these activities in the joint annual report of the TEC and the CTCN; and
- notes the ongoing consultations between the GEF and the CTCN, and requests the CTCN to report on those consultations in future joint TEC/CTCN annual reports.

Poznan Strategic Programme on Technology Transfer:

This item (FCCC/CP/2014/2 and Add.1, and FCCC/SB/2014/3) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Elfriede More and Carlos Fuller.

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.32), the SBI:

- welcomes the GEF report on the progress made in carrying out the Poznan strategic programme on technology transfer;
- notes the consultations between the GEF and the Advisory Board of the CTCN and the progress made on aligning the implementation of the element of the Poznan strategic programme related to support for climate technology centres and a climate technology network with the operationalization and activities of the CTCN, which were carried out;

- notes the areas of collaboration between the regional technology transfer and finance centres supported by the GEF under the Poznan strategic programme and the CTCN, and invites the GEF to report on this collaboration as part of its future progress reports;
- notes that the TEC initiated its deliberations on evaluating the Poznan strategic programme in August 2014;
- notes that the TEC will undertake the evaluation of the Poznan strategic programme in 2015, guided by the terms of reference to be developed by its task force on this matter; and
- invites the TEC to provide an interim report on its preliminary findings to SBI 42 and a final report to the COP through SBI 43.

CAPACITY BUILDING: Capacity Building Under the Convention: This item (FCCC/SBI/2014/14) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal back-to-back consultations with capacity building under the Kyoto Protocol facilitated by Ulrika Raab (Sweden) and Bubou Jallow (the Gambia). The group met four times but was unable to agree on a decision text to be forwarded to COP 20.

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.40), the SBI:

- welcomes the summary report on the third meeting of the Durban Forum on capacity-building held at SBI 40;
- invites parties to submit, by 18 February 2015, their views on the organization of, and specific thematic issues relating to capacity building under the Convention to be considered at the fourth meeting of the Durban Forum to be held at SBI 42; and
- invites parties to submit, by 18 February 2015, their views on the terms of reference for the third comprehensive review of the implementation of the framework for capacity building in developing countries, to be initiated at SBI 42.

The conclusions note that the SBI agrees to continue consideration of the item at SBI 42, with a view to recommending a draft decision for consideration by COP 21.

Capacity Building under the Kyoto Protocol: This item (FCCC/SBI/2014/14) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal back-to-back consultations with capacity building under the Convention facilitated by Ulrika Raab and Bubou Jallow.

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.41), the SBI: welcomes the summary report on the third meeting of the Durban Forum; invites parties to submit their views on the organization of, and specific thematic issues relating to capacity building under the Kyoto Protocol to be considered at the fourth meeting of the Durban Forum; and also invites parties to submit their views on the terms of reference for the third comprehensive review of the implementation of the framework for capacity building in developing countries. The conclusions note that the SBI agrees to continue its consideration of the item at SBI 42, with a view to recommending a draft decision for consideration of COP 11.

IMPACT OF THE IMPLEMENTATION OF RESPONSE

MEASURES: Forum and Work Programme: This item (FCCC/SB/2014/INF.4 and FCCC/TP/2014/12) was first considered during SBSTA and SBI opening plenaries on Monday, 1 December, where parties agreed to informal consultations co-facilitated by SBI Chair Yauvoli and SBSTA Chair Dlamini.

On Tuesday, 2 December, a joint contact group co-chaired by the SBSTA and SBI Chairs considered text forwarded by SBI and SBSTA 40 (FCCC/SB/2014/L.2) and the technical paper (FCCC/TP/2014/12). Discussions centered on, *inter alia*: continuation of the Forum on response measures and the G-77/China's call for the creation of a mechanism on response measures.

The issue was subsequently addressed during informal consultations on Wednesday, 3 December, and draft conclusions and a draft decision was considered in a joint contact group on Thursday, 4 December, both facilitated by Eduardo Calvo Buendía (Ecuador) and Delano Ruben Verwey (Netherlands). The African Group, the G-77/China, the Arab Group and the Like Minded Developing Countries (LMDCs) supported starting work on the draft decision. The US suggested considering the technical paper first. Australia said moving to textual discussions was preemptive. The EU expressed concern that the Co-Chairs' text contained no alternatives.

During a joint contact group on Friday, 5 December, SBSTA Chair Dlamini and SBI Chair Yauvoli said that, given the lack of consensus, they will consult on how to move forward.

During the SBI closing plenary on Friday, 5 December, SBI Chair Yauvoli reported that parties were unable to reach agreement.

This issue was further considered in consultations under the aegis of COP 20/CMP 10 President Pulgar-Vidal, by SBSTA Chair Dlamini on Monday, 8 December, and consultations by both SB Chairs throughout the second week of COP 20/CMP 10. No agreement on substantive issues could be reached, with institutional mechanisms proving to be the most challenging.

Final Outcome: During the COP and CMP closing plenaries on Friday, 12 December, parties adopted the decision (FCCC/CP/2014/L.5), which forwards the text of a draft decision contained in the annex for consideration by SB 42.

Matters Relating to Article 3.14 (implementation of response measures) of the Kyoto Protocol: During the SBI closing plenary on Friday, 5 December, SBI Chair Yauvoli informed parties that agreement could not be reached on this issue and that the sub-item will be placed on the provisional agenda of SBI 42.

Progress on the Implementation of Decision 1/CP.10: During the SBI closing plenary on Friday, 5 December, SBI Chair Yauvoli reported that parties were unable to reach agreement and that the sub-item will be placed on the provisional agenda of SBI 42.

2013-2015 REVIEW: This item (FCCC/SB/2014/1 and INF.3) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, a contact group co-chaired by Gertraud Wollansky (Austria) and Leon Charles (Grenada).

On Tuesday, 2 December, in the morning, the joint contact group discussed: additional inputs to the structured expert dialogue (SED), including the need for balanced consideration

of IPCC and non-IPCC information; how to conclude the SED, including when to close it, the format and content of its outcome, and who will synthesize it; conclusion of the 2013-2015 Review, and how to integrate the SED and Review outcomes into the ADP outcomes; and final reporting of the SBSTA and SBI to COP 21. The Co-Chairs then produced draft conclusions.

On Wednesday, 3 December, following the contact group, the Co-Chairs circulated a non-paper, including a new iteration of the draft conclusions taking on views from parties, which was considered in informal consultations.

On Friday, 5 December, parties continued consideration of the non-paper. Parties agreed to forward the joint SBI/SBSTA draft conclusions for adoption.

During the SBI closing plenary on Friday, 5 December, the SBI adopted the conclusions.

Final Outcome: In their joint conclusions (FCCC/SB/2014/L.9), the SBI/SBSTA, *inter alia*:

- welcomes the AR5 Synthesis Report of the IPCC and recognizes its usefulness for the 2013-2015 Review of the contributions of all IPCC working groups to the AR5;
- welcomes the first meeting of SED-4, held on 2-3 December 2014 in Lima, Peru, and looks forward to the resumed SED-4 session on 8-9 February 2015 in Geneva, Switzerland;
- takes note of the document on national information available for consideration by the SED;
- looks forward to the summary report on SED-4, to be made available no later than 20 March 2015;
- requests the SED co-facilitators to prepare, with the assistance of the Secretariat, a final factual report that includes a compilation and a technical summary of the summary reports on the SED meetings and to make it available no later than 3 April 2015; and
- invites parties to submit to the Secretariat, by 1 May 2015, any other information or gaps in information relevant to the 2013-2015 Review, and their views on the adequacy of the long-term global goal in the light of the ultimate objective of the Convention and the overall progress made towards achieving the long-term global goal, including consideration of implementation of the commitments under the Convention.

4th Meeting of the SED: The first meeting of SED-4 was held on Tuesday afternoon, 2 December. In his opening remarks, COP 20/CMP 10 President Pulgar-Vidal highlighted the SED as a very important component of COP 20, and a forum where science and decision-making are reconciled, given that COP 21 will need to take appropriate action based on the outcome of the 2013-2015 Review. Co-facilitator Andreas Fischlin (Switzerland) indicated that the goal of SED-4 is to “finish complementing and start summarizing” information. IPCC Secretary Renate Christ provided an introductory presentation on the AR5 SYR on behalf of IPCC Chair Rajendra Pachauri.

Presentations were made by IPCC experts on the adequacy of the long-term global goal in terms of: preventing unacceptable consequences for the adaptation of ecosystems and food production, and for economic development in a sustainable manner; risk management within planetary boundaries and progress towards the long-term global goal; and ethical and financial aspects of adaptation and mitigation. The ensuing question and answer session focused on how the AR5 contributes to operationalizing Convention Article 2 (objectives).

Presentations by experts from the UN Environment Programme (UNEP), the World Bank, the International Energy Agency (IEA), World Health Organization (WHO) and Food and Agriculture Organization (FAO) continued during the second session of the SED-4 on Wednesday, 3 December. Discussions focused on, *inter alia*: the risks to human health, food production and other ecosystem services at a 1.5° or 2°C level of global warming compared to pre-industrial levels; policy options identified for decarbonization of the energy system called for by pathways consistent with limiting warming below 1.5° or 2°C; and policies and measures identified as effective to bridge the emissions and adaptation gap, and ways to emulate them.

GENDER AND CLIMATE CHANGE: This item (FCCC/CP/2014/7) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed to, informal consultations facilitated by Lilian Portillo (Paraguay) and Kunihiko Shimada (Japan).

After informal consultations in the SBI closing plenary on Friday, 5 December, resulting in two amendments in the text, the SBI adopted conclusions and forwarded a draft decision to COP 20. Malawi, for the LDCs, supported by Jamaica, proposed referring to the decision as the “Lima Work Programme on Gender.” Jamaica stated that the proposed actions should be guided by gender equality, not merely gender balance. Welcoming the decision, Mexico noted it attaches utmost importance to the issue.

Final Outcome: In its decision (FCCC/SBI/2014/L.43/Rev.1), the COP decides, *inter alia*:

- to enhance the implementation of Decisions 36/CP.7, 1/CP.16 and 23/CP.18 by inviting parties to advance gender balance, promote gender sensitivity in developing and implementing climate policy and achieve gender-responsive climate policy in all relevant activities under the Convention;
- that additional efforts need to be made by parties to improve participation of women in their delegations and in all of the bodies established under the Convention;
- to establish a two-year work programme (Lima Work Programme on Gender) for promoting gender balance and achieving gender-responsive climate policy, developed for the purpose of guiding the effective participation of women in the bodies established under the Convention;
- to strengthen the existing work on gender balance in thematic priority areas; and
- to clarify the meaning of the term “gender-responsive climate policy” from an implementation perspective and improve the development and effective implementation of gender-responsive climate policy.

The COP also requests the Secretariat: to include information regarding the implementation by the Secretariat of those decisions that include a gender approach in its next annual report; to organize in-session workshops on gender responsive climate policy with a focus on mitigation action and technology development and transfer, and a focus on adaptation and capacity building; and to prepare a technical paper on guidelines or other tools on integrating gender considerations into climate-change-related activities under the Convention for consideration at SBI 44.

ARRANGEMENTS FOR INTERGOVERNMENTAL

MEETINGS: This item (FCCC/SBI/2014/11 and 12) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed to facilitate informal consultations.

On Tuesday, 2 December, an afternoon contact group, chaired by SBI Chair Yauvoli, considered documents prepared by the Secretariat on the frequency and organization of future sessions of the COP and CMP, and their subsidiary bodies and high-level segments (FCCC/SBI/2014/11), including implications of biennial sessions, or annual sessions at venues alternating between a host country and the seat of the Secretariat, and on adjusting the timing of the election of the COP and CMP President (FCCC/SBI/2014/12).

During the SBI closing plenary on Friday, 5 December, the SBI adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBI/2014/L.37), the SBI, *inter alia*:

- requests that the Secretariat provide further information and analysis on the options for the frequency and organization of sessions and recommended consideration of this information at SBI 42;
- recognizes the need to take into account the important role of implementation in work after 2015, and take into consideration the implications of hosting the COP and CMP sessions, noting that it is a major undertaking and also noting views that sessions held at the seat of the Secretariat could increase the opportunity for all parties to serve as COP/CMP President;
- proposes further consideration be given to the organization of high-level segments at future COP and CMP sessions and to alternative modes of ministerial engagement during the high-level segment;
- requests the Secretariat to provide further information on scenarios, including clarification on the budgetary implications of biennial sessions of the COP and the CMP, as well as meetings of their SBs and sessions alternating between a host country and the seat of the Secretariat, and the implications for the Headquarters Agreement of the Secretariat; and
- requests further information on and analysis of options for adjusting the timing of the election of the President, including on the rotation of the Presidencies when sessions alternate between a host country and the seat of the Secretariat and agreed to consider this information at SBI 42.

ADMINISTRATIVE, FINANCIAL AND

INSTITUTIONAL MATTERS: This item (FCCC/SBI/2014/10, 16 and Add. 1-2, and INF.23) was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed, that SBI Chair Yauvoli would draft COP and CMP decisions in consultation with interested parties on both sub-items, the audited financial statements and budget performance. During the SBI closing plenary on Friday, 5 December, the SBI adopted two sets of conclusions addressing both sub-items that forwarded draft decisions to COP 20 and CMP 10, respectively, for consideration.

Final Outcome: In its decisions (FCCC/SBI/2014/L.27 and L.28), the COP and the CMP, on audited financial statements for the biennium 2012-2013, take note of the statements and urged

the Executive Secretary to implement the recommendations of the auditors. On the budget performance report for the biennium 2013-2015, the COP and the CMP, *inter alia*:

- express appreciation to parties that contributed to the core budget in a timely manner and call upon parties that have not yet made contributions to do so without delay, with the CMP additionally expressing appreciation for contributions to the international transaction log (ITL) and calling on parties that have not yet made contributions to the ITL to do so without delay;
- express appreciation for contributions received from parties to the Trust Fund for Participation in the UNFCCC Process and to the Trust Fund for Supplementary Activities, and urge parties to further contribute to the Trust Fund for Participation; and
- reiterate their appreciation to Germany for its annual voluntary contribution to the core budget and its special contribution as Host Government of the Secretariat.

On the programme budget for the biennium 2016-2017, the COP and CMP, *inter alia*:

- request the Executive Secretary to submit, for consideration by SB 42, a proposed programme budget for the biennium 2016-2017, including a contingency for funding conference services should this prove necessary in light of decisions taken by the 70th session of the UN General Assembly;
- request that SBI 42 recommend a programme budget for adoption by COP 21 and CMP 11; and
- authorize the Executive Secretary to notify parties of their indicative contributions for 2016 on the basis of the recommended budget.

REPORTS ON OTHER ACTIVITIES: On Monday, 1 December, the SBI noted the report on the expert meeting on an information hub for information on the results of activities referred to in decision 1/CP.16, paragraph 70 and results-based payments (FCCC/SBI/2014/INF.13), and the summary report on the 2nd dialogue on Article 6 of the Convention (FCCC/SBI/2014/15).

OTHER MATTERS: Membership of the CGE: This item was first considered on Monday, 1 December. SBI Chair Yauvoli proposed, and parties agreed that, he would consult bilaterally with interested parties.

During the SBI closing plenary on Friday, 5 December, SBI Chair Yauvoli reported that parties were unable to reach agreement and that the sub-item will be placed on the provisional agenda of SBI 42.

CLOSING PLENARY: During the first part of the SBI closing plenary on Friday, 5 December, UNFCCC Executive Secretary Christiana Figueres briefed the SBI on the administrative and financial implications of the decisions taken by SBI 41.

Noting the SBI had adopted all substantive conclusions and items, SBI Chair Yauvoli closed the first part of the SBI closing plenary at 10:26 pm.

On Monday, 8 December, SBI Chair Yauvoli opened the second part of the SBI closing plenary to take up closure and the report of the session. The SBI adopted the report of the session (FCCC/SBI/2014/L.25).

Bolivia, for the G-77/China, expressed concern over the lack of substantive conclusions adopted during the session and urged working towards the adoption of substantive conclusions at SBI 42. He called on developed countries to discuss the negative impacts of developed countries' mitigation measures on developing countries.

SBI Chair Yauvoli closed SBI 41 at 5:55 pm.

For a summary of the statements made during the closing plenary of the SBI, see: <http://www.iisd.ca/vol12/enb12613e.html>

SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

On Monday, 1 December, SBSTA Chair Emmanuel Dumisani Dlamini (Swaziland) opened the session. For a summary of the opening statements, see: <http://www.iisd.ca/vol12/enb12609e.html>

ORGANIZATIONAL MATTERS: Parties adopted the agenda and agreed to the organization of work of the session (FCCC/SBSTA/2014/3).

Election of Officers Other Than the Chair: On Monday, 1 December, SBSTA Chair Dlamini indicated that consultations on the nominations of the SBSTA Vice-Chair and Rapporteur would be conducted by the COP/CMP Presidency. During the SBSTA closing plenary on Saturday, 6 December, the SBSTA agreed to invite the COP to elect the Vice-Chair and Rapporteur of the SBSTA.

NAIROBI WORK PROGRAMME: This item (FCCC/SBSTA/2014/4, INF.15 and MISC.8) was first considered on Monday, 1 December. UNEP highlighted its Adaptation Knowledge Initiative, saying it: prioritizes and catalyzes responses to sub-regional and theme-specific adaptation knowledge needs; is consistent with the mandate of the Nairobi Work Programme (NWP); and builds on the infrastructure and resources of UNEP's Global Adaptation Network.

SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Beth Lavender (Canada) and Juan Hoffmaister (Bolivia).

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.23), the SBSTA recognizes the role of the NWP in addressing knowledge needs arising from the implementation of the Cancun Adaptation Framework, and welcomes the Adaptation Knowledge Initiative and its Andean subregional pilot, launched by UNEP. It further concludes that the Secretariat should, in response to the recommendations of the Adaptation Committee:

- support the expert meeting of the Adaptation Committee on promoting livelihoods and economic diversification to build resilience in the context of planning, prioritizing and implementing adaptation actions during the third quarter of 2015;
- disseminate existing and future relevant knowledge products produced by the Adaptation Committee in order to inform adaptation planning and actions at all levels;
- make publicly available a compilation of good practices and tools, and available data collection initiatives, for the use of local, indigenous and traditional knowledge and practices for adaptation, for consideration at SBSTA 44, building on existing knowledge-sharing platforms;

- engage relevant NWP partner organizations, including regional centres and networks, in strengthening communities of practice and networks at different levels, as well as in sharing good practices and tools at key meetings and events; and
- consider, in relevant knowledge products under the NWP, the importance of integrating gender-sensitive approaches and tools, and local, indigenous and traditional knowledge and practices into NAPs.

The SBSTA also decides to consider and elaborate, at SBSTA 44, relevant activities under the NWP that support the process to formulate and implement NAPs.

REPORT OF THE ADAPTATION COMMITTEE: This item (FCCC/SB/2014/2) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, joint SBI/SBSTA informal consultations, facilitated by Makoto Kato (Japan) and Jimena Nieto Carrasco (Colombia).

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions.

Final Outcome: The SBI/SBSTA discussions and conclusions (FCCC/SB/2014/L.7) are summarized under the SBI agenda item on the report of the Adaptation Committee (see page 14).

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES AND IMPLEMENTATION OF THE TM: Joint Annual Report of the TEC and CTCN:

This item (FCCC/SB/2014/3) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, joint SBI/SBSTA informal consultations facilitated by Carlos Fuller (Belize) and Elfriede More (Austria).

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions.

Final Outcome: The joint SBI/SBSTA conclusions (FCCC/SB/2014/L.5) are summarized under the SBI item on the Joint Annual Report of the TEC and CTCN (see page 16).

METHODOLOGICAL GUIDANCE FOR REDD+: This item (FCCC/SBSTA/2014/INF.13 and MISC.6 and 7) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, a contact group co-chaired by Stephen Cornelius (UK) and Robert Bamfo (Ghana).

On Tuesday, 2 December, the contact group considered the need for further guidance on safeguards. Many, including the African Group, Guyana, the Coalition for Rainforest Nations (CfRN), India, Fiji, Indonesia, Brazil and China, stressed that additional guidance on safeguards is premature. The EU, with the US and Norway, proposed that the Co-Chairs work on specific decision language for consideration by the group.

On methodological guidance for non-market-based approaches, Bolivia presented a revised proposal on a joint mitigation and adaptation approach for sustainable management of forests (FCCC/SBSTA/2014/CRP.1).

During the SBSTA closing plenary on Saturday, 6 December, SBSTA Chair Dlamini reported that no agreement on this issue could be reached and that the item would be placed on the provisional agenda of SBSTA 42.

WARSAW INTERNATIONAL MECHANISM FOR LOSS AND DAMAGE ASSOCIATED WITH CLIMATE CHANGE IMPACTS: This item (FCCC/SB/2014/4) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed,

and parties agreed to, joint SBI/SBSTA informal consultations facilitated by Beth Lavender (Canada) and Alf Wills (South Africa).

During the SBSTA closing plenary on Saturday, 6 December, SBSTA adopted joint SBI/SBSTA conclusions (FCCC/SB/2014/L.8), pending continued informal consultations co-facilitated by SBI Chair Yauvoli and SBSTA Chair Dlamini, under the authority of the COP/CMP President Pulgar-Vidal on the composition of the Executive Committee of the Warsaw International Mechanism for Loss and Damage.

The joint SBI/SBSTA discussions and outcome are summarized under the SBI item on the Warsaw International Mechanism for Loss and Damage (see page 14).

MATTERS RELATING TO SCIENCE AND REVIEW:

AR5 of the IPCC: This item was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed, that SBSTA Chair Dlamini hold informal consultations on this issue. IPCC Secretary Renate Christ provided an update on AR5 and recalled some of its key outcomes.

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions and forwarded a draft decision for consideration by COP 20.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.27), the SBSTA, *inter alia*:

- recognizes that it is important that the AR5 continue to be considered in depth by parties to the Convention and its Kyoto Protocol, so that all relevant agenda items are informed by the findings of the AR5 and requests the Secretariat, under the guidance of the SBSTA Chair, be prepared to invite the IPCC, in response to any request made by parties, to inform its consideration of relevant agenda items;
- notes that the AR5 identified some information gaps, including in developing countries, especially in Africa, and on some emerging issues, such as the links between climate change and desertification; and
- invites the IPCC and relevant international and regional research organizations to inform parties about efforts to address the information gaps identified in the AR5, for example, at the research dialogue meeting at SBSTA 42.

In its decision (FCCC/SBSTA/2014/L.27/Add.1), the COP, *inter alia*:

- welcomes the IPCC's AR5;
- recognizes that the AR5 represents the most comprehensive and robust assessment of climate change to date, providing an integrated scientific, technical and socioeconomic perspective on relevant issues;
- acknowledges that the AR5 provides the scientific foundation for the ADP;
- urges parties to make use of the information in the AR5 in their discussions under all relevant agenda items;
- invites the IPCC to continue to provide relevant information to parties on the scientific, technical and socioeconomic aspects of climate change, taking into account the work of the UNFCCC in determining its future products and assessment cycles; and
- encourages parties to continue to support the work of the IPCC.

Research and Systematic Observation (RSO): This item was first considered on Monday, 1 December. The World Meteorological Organization (WMO) provided an overview of the outcomes of the second meeting of the Intergovernmental Board on Climate Services of the Global Framework for Climate Services (GFCS).

The Global Climate Observing System (GCOS) and the Committee on Earth Observation Satellites provided progress reports on their activities.

SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Chris Moseki (South Africa) and Stefan Roesner (Germany).

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.19) the SBSTA:

- welcomes the IPCC's AR5 Synthesis Report and notes the continued importance of RSO to the work of the IPCC and the report by the GCOS Secretariat, including on the outcomes and recommendations of the GCOS programme review by its sponsors;
- notes the progress made by GCOS towards the development of a status report to be presented at SBSTA 43, and on the new implementation plan that will be presented at SBSTA 45;
- encourages parties to actively engage in the review of the status report and to support the development of the new implementation plan, including on aspects related to ocean observation and acidification;
- welcomes the plans of the GCOS Secretariat to organize, in collaboration with the IPCC and the Secretariat, a workshop to identify ways to enhance systematic observation and related capacity, especially in developing countries, to support preparedness and adaptation in a changing climate, proposed to be held in February 2015 in Bonn, Germany;
- expresses its appreciation to the Committee on Earth Observation Satellites (CEOS) and the Coordination Group for Meteorological Satellites (CGMS) for their updated report on the progress made by space agencies providing global observations in their coordinated response to relevant needs of the Convention, and welcomes the efforts to develop an architecture for climate monitoring from space; and
- notes the information provided by WMO on the developments regarding the implementation of the GFCS, and encourages parties to make use of the opportunities that GFCS provides to help to address climate variability and change at the national level, including to enhance climate observations and monitoring, and to support the formulation and implementation of national adaptation planning processes.

2013-2015 Review: This item (FCCC/SB/2014/1 and INF.3) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, a joint SBI/SBSTA contact group co-chaired by Gertraude Wollansky (Austria) and Leon Charles (Grenada).

During the SBSTA closing plenary on Saturday, 6 December, SED Co-Facilitator Andreas Fischlin (Switzerland) reported on the fourth and fifth meetings of the SED, and highlighted that its meetings demonstrate that limiting global warming to below 2°C requires a long-term science-based approach.

Final Outcome: The joint SBI/SBSTA conclusions (FCCC/SB/2014/L.9) conclusions are summarized under the SBI item on the 2013-2015 Review (see page 17).

4th Meeting of the SED: This item is summarized under the SBI item on the 2013-2015 Review (see page 18).

IMPACT OF THE IMPLEMENTATION OF RESPONSE

MEASURES: Forum and Work Programme and Matters

Relating to Article 2.3 of the Kyoto Protocol: These items (FCCC/SB/2014/INF.4 and FCCC/TP/2014/12) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, a joint SBI/SBSTA contact group, addressing both the Forum and work programme and matters relating to Kyoto Protocol Article 2.3 (adverse effects), co-chaired by SBI Chair Yauvoli and SBSTA Chair Dlamini. Discussions on this item are summarized under the SBI item on the impact of the implementation of response measures (see page 17).

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions as revised during the SBI closing plenary. Parties agreed to continue consultations on outstanding issues, including institutional mechanisms, throughout the second week of the conference, co-chaired by SBSTA Chair Dlamini and SBI Chair Yauvoli, under the authority of COP/CMP President Pulgar-Vidal. No agreement on institutional mechanisms could be reached, consideration of the issue will continue at SB 42.

Final Outcome: The conclusions (FCCC/SB/2014/L.6/Rev.1) are summarized under the SBI item on the Forum and work programme (see page 17).

METHODOLOGICAL ISSUES UNDER THE CONVENTION: Work Programme on the Revision of Guidelines for the Review of Biennial Reports and National Communications, Including National Inventory Reviews, for Developed Countries:

This item (FCCC/SBSTA/2014/INF.14, 19, 22 and 23) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to informal consultations facilitated by Riitta Pipatti (Finland) and Samuel Adeoye Adejuwon (Nigeria).

During the closing plenary on Saturday, 6 December, the SBSTA adopted conclusions. Work continued in informal consultations during the second week of COP 20 on this item under the guidance of COP 20 President Pulgar-Vidal and facilitated by SBSTA Chair Dlamini. These informal consultations continued consideration of the draft decisions annexed to the SBSTA conclusions, on which parties had been unable to reach agreement before the closure of SBSTA 41.

During the COP closing plenary on Friday, 12 December, parties adopted three decisions on: 'Guidelines for the technical review of information reported under the Convention related to GHG inventories, biennial reports and national communications by Annex I parties; the training programme for review experts for the technical review of biennial reports and national communications of Annex I parties; and the training programme for review experts for the technical review of GHG inventories of Annex I parties.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.28), the SBSTA, *inter alia*:

- states that the SBSTA advanced its work on the UNFCCC Annex I inventory review guidelines but was not able to

conclude it, and agrees to forward to COP 20 the draft decision contained in Annex I for its consideration;

- recognizes the importance of implementing the training programme for review experts for the technical review of biennial reports and national communications, and of GHG inventories, of Annex I parties, and requested the Secretariat to make available online training courses of the training programme for review experts participating in reviews from 2015 onwards;
- states that the SBSTA advanced its work on the training programme for review experts but was not able to conclude it, and agrees to forward to COP 20 the draft decision contained in Annex II for its consideration; and
- agrees to assess the results of the training programme at SBSTA 44 and to make recommendations to COP 22 on the further development and enhancement of the training programme for review experts for the technical review of GHG inventories.

In its decision on guidelines for the technical review of information reported under the Convention related to GHG inventories, biennial reports and national communications by Annex I parties (FCCC/CP/2014/L.7/Add.1), the COP, *inter alia*:

- decides to revise the guidelines, adopted by decision 23/CP.19, to make the necessary changes to include 'Part III: UNFCCC guidelines for the technical review of GHG inventories from Annex I parties';
- also decides that the guidelines contained in the annex shall be used for the review of biennial reports, national communications and GHG inventories, effective immediately;
- requests the Secretariat to coordinate the technical review of GHG inventories from Annex I parties in accordance with the provisions of the guidelines contained in the annex;
- also requests the Secretariat to develop and implement a standardized set of data comparisons, and to select a group of experienced review experts from among the lead reviewers of the GHG inventories to conduct an assessment of those data comparisons every five years;
- decides that the group of experienced review experts, using the assessment described, should, for consideration at the next meeting of the lead reviewers for GHG inventories, explore additional standardized data comparisons, as well as the past experiences with the data comparisons carried out in previous review cycles, and consider whether the standardized set of data comparisons implemented remains useful;
- requests the Secretariat, in view of the adoption of 'Part III,' to modify the relevant information technology tools, as needed, to support the implementation of the review process, recognizing that the modification of those tools will require time and effort and that the implementation of the modifications will need to take place during the 2015-2016 review cycles;
- further requests the Secretariat to compile and tabulate information and trends concerning GHG emissions by sources and removals by sinks from the latest available GHG inventory submissions and to publish information on the UNFCCC website as well as in a stand-alone document;
- decides that a summary of the document will be published for consideration by the COP and the SBs, and that this summary will include trends in GHG emissions by sources

and removals by sinks and an assessment of the adherence of the reported inventory information to the 'Guidelines for the preparation of national communications by Annex I parties, Part I' and the provisions of relevant decisions of the COP, including information on any delays in submitting the annual information;

- recognizes that the deadline for providing the upgraded common reporting format (CRF) Reporter to Annex I parties, enabling them to submit their GHG inventories, was not met and reiterates that Annex I parties in 2015 may submit their CRF tables after 15 April, but no longer than the corresponding delay in the CRF Reporter availability; and
- requests SBSTA 48 to consider the experiences in conducting desk reviews, taking into consideration any relevant conclusions of the meetings of lead reviewers for GHG inventories up to 2017.

In its decision on the training programme for review experts for the technical review of biennial reports and national communications of Annex I parties (FCCC/CP/2014/L.7/Add.2), the COP *inter alia*:

- requests the Secretariat to develop and implement the training programme as outlined in the annex;
- encourages Annex I parties in a position to do so to provide financial support for the implementation of the training programme; and
- requests the Secretariat to include, in its annual report to the SBSTA on the composition of expert review teams, information on the training programme, in particular on examination procedures and the selection of trainees.

In its decision on the training programme for review experts for the technical review of GHG inventories of Annex I parties (FCCC/CP/2014/L.7/Add.3), the COP, *inter alia*:

- requests the Secretariat to implement the training programme for review experts as outlined in the annex;
- encourages Annex I parties in a position to do so to provide financial support for the implementation of the training programme; and
- requests the Secretariat to include, in its annual report to the SBSTA on the composition of expert review teams, information on the training programme, in particular on examination procedures and the selection of trainees and instructors.

Methodologies for Reporting of Financial Information by Annex I Parties: This item was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, a contact group co-chaired by Seyni Nafu (Mali) and Roger Dungan (New Zealand).

On Tuesday, 2 December, the contact group discussed the need to clarify "who is doing work on reporting methods and based on what timeline." They addressed, *inter alia*: the need for comparability; linkages to transparency; difficulties "translating" UNFCCC language for the finance sector; and the definition, range and scope of climate finance. China and Brazil underscored the importance of fulfilling the mandate from COP 17 to develop methodologies for reporting financial information with a view to recommending a decision to COP 20.

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.26), the SBSTA recommends a draft decision for consideration by COP 20. In its decision, the COP, *inter alia*:

- decides to extend the deadline of the mandate given to the SBSTA by one year, with a view to recommending a decision on this issue to COP 21;
- invites parties and observer organizations to submit to the Secretariat, by 25 March 2015, views on this issue;
- requests the Secretariat to prepare a technical paper prior to SBSTA 42, summarizing existing international methodologies and drawing on information submitted by parties;
- requests the Secretariat to organize a joint in-session technical workshop in conjunction with SB 42 and decides the workshop shall be jointly organized by the SBSTA, the SBI and the SCF;
- requests the SCF, as part of its work on MRV of support beyond the biennial assessment and overview of climate finance flows, taking into consideration the outcomes of the joint in-session technical workshop, to include its recommendations in its annual report to COP 21; and
- also requests the SCF to present an update on its work to SBSTA 43.

Common Metrics to Calculate the CO2 Equivalence of GHGs: This item was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Takeshi Enoki (Japan).

During the SBSTA closing plenary on Saturday, 6 December, SBSTA Chair Dlamini said no agreement had been reached on this issue, and that it would be placed on the provisional agenda of SBSTA 42.

Emissions from Bunker Fuels: This item (FCCC/SBSTA/2014/MISC.9) was first considered on Monday, 1 December. The International Civil Aviation Organization (ICAO) reported on progress on its comprehensive strategy to address CO2 emissions from international civil aviation, stressing agreement by governments to collectively improve fuel efficiency by 2% per year and to stabilize the sector's net CO2 emissions from 2020 onwards.

The International Maritime Organization (IMO) said it has been effectively addressing emissions from ships, noting the approval of the Third IMO GHG Study, which demonstrates steady improvement in shipping efficiency.

Singapore and Japan commended the progress made by ICAO and IMO. Argentina, on behalf of a group of developing countries, and China said measures taken on climate change under the IMO and ICAO should respect the principles and provisions of the Convention, in particular common but differentiated responsibilities (CBDR).

SBSTA Chair Dlamini proposed, and parties agreed, that he would conduct informal consultations on the issue.

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.21), the SBSTA takes note of the information received from, and progress reported by, the IMO and ICAO on their ongoing work, notes the views expressed by parties, and invites the ICAO and IMO to continue to report, at future sessions of the SBSTA, on relevant work on this issue.

METHODOLOGICAL ISSUES UNDER THE KYOTO PROTOCOL: Implications of the Implementation of Decisions 2/CMP.7 to 4/CMP.7 and 1/CMP.8:

This item (FCCC/TP/2014/6) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, a contact group co-chaired by Anke Herold (Germany) and Maesela Kekana (South Africa).

During the contact group, on Friday, 5 December, Ukraine preferred one decision with five annexes. Co-Chair Herold clarified that the current format of two decisions was agreed at SBSTA 40. The EU called for recognizing that the deadline for the reporting of assigned amount units (AAUs) may be delayed if the CRF 3 Reporter software is not available in a timely manner or does not function properly.

On the draft conclusions, the Russian Federation lamented the firewall between methodological issues under SBSTA agenda items 11(a) and (b) on Protocol Articles 5, 7 and 8 (methodological issues under the Kyoto Protocol), and clarification of Section G (Article 3.7ter) of the Doha Amendment to the Kyoto Protocol.

Parties debated whether to “recommend” or “agree” that if an Annex I party applies provisions on the expert review team (ERT), that the ERT shall review that information. SBSTA Chair Dlamini admonished parties to agree on conclusions, saying no more extensions of the negotiations would be granted on this issue. Following revisions, parties agreed to forward draft conclusions to the SBSTA plenary for consideration.

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions, parties agreed to continue consultations on outstanding issues, in particular how to address issues related to economies in transition, throughout the second week of the conference, co-chaired by SBSTA Chair Dlamini, under the authority of COP/CMP President Pulgar-Vidal. No agreement could be reached and consideration of this issue will continue at SBSTA 42.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.29), the SBSTA, *inter alia*:

- requests the Secretariat to compile into a user-friendly document all reporting, review and accounting requirements relating to the second commitment period of the Kyoto Protocol as adopted by the CMP and that this document be made available by May 2015;
- agrees to consider, at SBSTA 42, the accounting, reporting and review requirements for Annex I parties to the Convention without a quantified emission limitation and reduction commitment for the second commitment period, along with the updated training programme for members of the expert review teams (ERTs) participating in annual reviews under Protocol Article 8 (ERTs);
- takes note that an Annex I party to the Kyoto Protocol with a commitment inscribed in the second column, but not in the third column, of the table contained in Annex B to the Doha Amendment may request the ERT to review, as part of the review of the ERT of that Party’s annual inventory for the first year of the second commitment period, information relating to that party’s base year;
- recommends that such a request should be carried out as part of the annual review for the first year of the second commitment period; and

- states that the SBSTA advanced its work on the issue but was not able to conclude it, and forwards the draft decisions, including their annexes, for consideration by CMP 10.

Clarification of Section G (Article 3.7ter) of the Doha Amendment to the Kyoto Protocol:

This item was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to a contact group co-chaired by Anke Herold and Maesela Kekana.

The contact group on Friday, 5 December, addressed options for a draft decision. Parties could not agree on how or whether Article 3.7ter, *inter alia*, applies to parties that did not take commitments under the first commitment period to the Kyoto Protocol but are taking commitments under the second commitment period.

During the SBSTA closing plenary, on Saturday, 6 December, the SBSTA adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.25), the SBSTA agrees to recommend to the CMP that consideration of this issue continue at SBSTA 42, taking into account the elements for the text of a draft decision in the annex.

Land use, land-use change and forestry (LULUCF) under Article 3.3 and 3.4 of the Kyoto Protocol and under the CDM:

This item was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Marcelo Rocha (Brazil).

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions and forwarded a draft decision to CMP 10 for consideration.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.24), the SBSTA agrees to continue consideration of LULUCF activities at SBSTA 44 and recommends a draft decision for consideration by the CMP.

In its decision (FCCC/SBSTA/2014/L.24/Add.1), the CMP:

- requests the CDM Executive Board to assess the applicability of the modalities and procedures contained in decisions 5/CMP.1 and 6/CMP.1 to project activities involving revegetation, in the event that such project activities would be eligible under the CDM;
- requests the CDM Executive Board to report to CMP 11 on the outcome of this assessment; and
- requests SBSTA to continue its consideration of additional LULUCF activities under the CDM at SBSTA 44.

Implications of the Inclusion of Reforestation of Lands with Forest in Exhaustion as Afforestation and Reforestation CDM Project Activities:

This item was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Heikki Granholm (Finland) and Eduardo Sanhueza (Chile).

During the SBSTA closing plenary on Saturday, 6 December, SBSTA Chair Dlamini said no agreement had been reached on this issue and that the item would be added to the provisional agenda of SBSTA 42.

MARKET AND NON-MARKET MECHANISMS UNDER THE CONVENTION: Framework for Various Approaches:

This item (FCCC/TP/2014/9) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Peer Stiansen (Norway) and Mandy Rambharos (South Africa).

During the SBSTA closing plenary on Saturday, 6 December, SBSTA Chair Dlamini said no agreement had been reached on this issue and that the item would be added to the provisional agenda of SBSTA 42.

Non-Market-Based Approaches: This item (FCCC/TP/2014/10) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Peer Stiansen and Mandy Rambharos.

During the SBSTA closing plenary on Saturday, 6 December, SBSTA Chair Dlamini said no agreement had been reached on this issue and that the item would be added to the provisional agenda of SBSTA 42.

New Market-Based Mechanism: This item (FCCC/TP/2014/11) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Peer Stiansen and Mandy Rambharos.

During the SBSTA closing plenary on Saturday, 6 December, SBSTA Chair Dlamini said no agreement had been reached on this issue and that the item would be added to the provisional agenda of SBSTA 42.

WORK PROGRAMME ON CLARIFICATION OF QUANTIFIED ECONOMY-WIDE EMISSION REDUCTION TARGETS OF DEVELOPED COUNTRY PARTIES:

This item (FCCC/SBSTA/2014/INF.16 and FCCC/TP/2014/8) was first considered on Monday, 1 December. SBSTA Chair Dlamini proposed, and parties agreed to, informal consultations facilitated by Cristina Carreiras (Portugal) and Brian Mantlana (South Africa).

During the SBSTA closing plenary on Saturday, 6 December, the SBSTA adopted conclusions.

Final Outcome: In its conclusions (FCCC/SBSTA/2014/L.22), the SBSTA concludes the work programme on clarification of quantified economy-wide emission reduction targets of developed country parties. The SBSTA recognizes the importance of shared information and transparency in the clarification of the quantified economy-wide emission reduction targets and noted that activities undertaken under the work programme since SBSTA 38 have provided a platform for parties to share information and have helped improve the transparency of developed country party targets. The SBSTA also, *inter alia*:

- acknowledges that there is a limited number of approaches among developed country parties for measuring the progress made towards the achievement of targets and the importance of convergence in the coverage of sectors and gases as well as the use of global warming potential values among developed country parties;
- acknowledges that the additional information provided by developed country parties increased the transparency of targets and helped to facilitate the consideration of the comparability of efforts among developed country parties;
- acknowledges the discussions on the transparency of, and reporting on, the use of carbon credits from market-based mechanisms; and
- notes that there is more than one approach to account for the role of LULUCF in achieving developed country party targets and acknowledged, regarding the comparability of efforts, that comprehensive, complete and consistent coverage of the reported information is more significant than the choice of approach.

REPORTS ON OTHER ACTIVITIES: On Monday, 1 December, the SBSTA took note of the 'Annual Report on the Technical Review of Information Reported Under the Convention Related to Biennial Reports and National Communications by Annex I Parties to the Convention' (FCCC/SBSTA/2014/INF.21), the 'Annual Report on the Technical Review of GHG Inventories and Other Information Reported by Annex I Parties to the Convention' (FCCC/SBSTA/2014/INF.17) and the 'Annual Report on the Technical Review of GHG Inventories and Other Information Reported by Annex I Parties to the Convention that are also Parties to the Kyoto Protocol Under Article 7.1 of the Kyoto Protocol' (FCCC/SBSTA/2014/INF.18).

CLOSING PLENARY: On Saturday afternoon, 6 December, UNFCCC Deputy Executive Secretary Richard Kinley informed parties of the administrative and budgetary implications of the conclusions adopted by the SBSTA.

Rapporteur Jurga Rabauskaite-Survilė (Lithuania) presented, and the SBSTA adopted, the report of the session (FCCC/SBSTA/2014/L.20). SBSTA Chair Dlamini closed the SBSTA 42 at 5:03 pm.

For a summary of the statements made during the closing plenary of the SBSTA, see: <http://www.iisd.ca/vol12/enb12614e.html>

AD HOC WORKING GROUP ON THE DURBAN PLATFORM FOR ENHANCED ACTION

On Tuesday, 2 December, ADP Co-Chair Kishan Kumarsingh (Trinidad and Tobago) opened ADP 2-7, welcoming delegates and stating that COP 20 is expected to provide a solid foundation for a new global climate agreement, noting that "this will signal to the world a successful outcome in Paris." He introduced: the non-paper on elements for a draft negotiating text (ADP.2014.11. NonPaper); a single draft decision on advancing the Durban Platform for Enhanced Action (ADP.2014.12.DraftText), including information related to INDCs and enhanced pre-2020 climate action; updated technical papers compiling information on the mitigation benefits of actions, initiatives and options to enhance mitigation ambition (FCCC/TP/2014/13 and Add. 1-4); and the Co-Chairs' scenario note for the session (ADP.2014.10. InformalNote). He informed delegates that consultations on the election of officers would be conducted.

Parties agreed to continue working under the ADP 2 agenda (ADP/2013/AGENDA) and the proposed organization of work, including focused negotiations on different elements in parallel meetings of the contact group, each facilitated by one of the Co-Chairs, and textual negotiations on the draft decision on advancing the Durban Platform for Enhanced Action. For a summary of the statements made during the opening plenary, see: <http://www.iisd.ca/vol12/enb12610e.html>

ORGANIZATIONAL MATTERS: Election of Officers: On Saturday, 13 December, ADP elected, by acclamation, Daniel Reifsnnyder (US) and Ahmed Djoghlaif (Algeria) as ADP Co-Chairs and Yang Liu (China) as ADP Rapporteur.

ADP ITEM 3: DRAFT DECISION ON ADVANCING THE DURBAN PLATFORM FOR ENHANCED ACTION: Procedural Summary: On Tuesday, 2 December, ADP Co-Chair Artur Runge-Metzger (EU) presented the 'Draft Decision on Advancing the Durban Platform for Enhanced Action'

(ADP.2014.12.DraftText) issued by the Co-Chairs in advance of ADP 2-7, reminding parties that “positioning is not negotiating” and urging them to make precise and concise proposals that can bridge differences.

Many developing countries called for direct negotiations with parties’ proposals on the screen and cautioned against the Co-Chairs coming forward with their interpretation of the common ground in the form of a revised Co-Chairs’ text. Others preferred to work on the basis of the Co-Chairs’ text.

ADP Co-Chair Runge-Metzger proposed going “swiftly” through the Co-Chairs’ text while allowing all parties time to give their views in order to identify “sticking points.”

On Wednesday, 3 December, many developing countries continued to call for showing their proposals on the screen, while the US preferred to continue with a more general reading of the text to identify “the major issues in the negotiations.” Tuvalu suggested, and parties agreed to, establishing a Friends of the Chair group to reach agreement on the way forward.

The Friends of the Chair group convened in the evening to agree on how to move forward. They agreed: to conduct a first reading of the Co-Chairs’ draft text (ADP.2014.12.DraftText), allowing parties to introduce their proposals by displaying them on the screen; to hold dedicated meetings of the contact group on specific sections and paragraphs; and for the Co-Chairs to prepare a synthesis integrating parties’ proposals into a revised draft decision text.

On Saturday, 4 December, an informal ADP stocktaking meeting took place. COP 20/CMP 10 President Manuel Pulgar-Vidal described the first week as one of “proposals, explanations and clarifications,” and called for the second week to be one of “dialogue, flexibility and construction” in order to deliver, by Thursday evening, 11 December, “the outcome the world is expecting from us.” ADP Co-Chair Kumarsingh proposed, and parties agreed, that the Co-Chairs make available, by Monday morning, improved versions of the non-paper on elements and of the draft decision on advancing the ADP, based on input received from parties during the first week.

On Monday, 8 December, ADP Co-Chair Runge-Metzger introduced a revised version of the draft decision on advancing the Durban Platform for Enhanced Action, now called the ‘Draft COP decision proposed by the Co-Chairs.’ He noted it: is based on inputs provided by parties, explaining that all parties’ views were captured in a compilation published on the ADP website; presents a synthesis of the “core areas” introduced by parties; and addresses all aspects of “our mandate.” Many developing countries raised concerns over the legal status of the revised draft decision, with some stressing the document remains a non-paper. They also underscored that their concerns had not been captured in the text. Others expressed willingness to work on the basis of the revised draft decision.

Co-Chair Runge-Metzger assured parties that the documents had no legal status, noting that parties would have to give it legal status. He suggested dedicating time to the decision, which parties had agreed should be taken in Lima. Runge-Metzger urged parties to proceed “as we agreed last week” and consider the draft decision paragraph by paragraph to find compromise and consensus.

During the remaining negotiating time on Monday, 8 December, and throughout Tuesday and Wednesday, 9-10 December, the contact group on item 3 continued paragraph-by-paragraph negotiations on the draft COP decision proposed by the Co-Chairs, with parties proposing extensive alternative options within the text. On Wednesday evening the draft text stood at 58 pages. China proposed, and other parties agreed, to initiate the reading of the draft decision from the preamble.

On Thursday, 11 December, the contact group convened briefly and suspended so that negotiating groups could consult among themselves on how to proceed. The contact group convened briefly in the late afternoon, with parties disagreeing on whether to continue in a contact group or a Friends of the Chair format. In the evening, during a joint COP/CMP stocktaking plenary, COP 20/CMP 10 President Pulgar-Vidal exhorted parties to reach agreement and asked the ADP Co-Chairs to produce a revised draft decision text by 9:00 pm. Late in the evening the contact group resumed, with ADP Co-Chair Runge-Metzger presenting the revised seven-page, ‘Draft COP decision proposed by the Co-Chairs.’ He described the new version of the draft text as: “not a take it or leave it” text; not a suggested compromise text; but instead, a text that tries to capture where parties positioned themselves and identifies “negotiation space” for parties. The contact group was then suspended.

On Friday, 12 December, the contact group reconvened in the morning to consider the revised draft decision. Inviting parties to consult with him in his “open-door office,” COP 20/CMP 10 President Pulgar-Vidal stressed his responsibility to maintain confidence, inclusiveness and transparency in the process, noting this as necessary for a successful outcome in Lima and Paris. He explained that the new text by the Co-Chairs resulted from a previous “unworkable text” and calls for providing direction. He asked Minister Tine Sundtoft (Norway) and Minister Vivian Balakrishnan (Singapore) to facilitate consultations as well.

Substantive discussions on the text continued until 2:00 pm, when the contact group was suspended for an informal stocktaking plenary, where COP 20/CMP 10 President Pulgar-Vidal instructed the ADP to hear the remaining speakers and informed that he, and the ministers, would continue consultations. The contact group resumed shortly thereafter and continued until all speakers had been heard, and adjourned pending further guidance by the COP 20/CMP 10 President.

Throughout the evening, bilateral ministerial consultations and consultations with negotiating groups took place. The contact group resumed at 2:18 am, Saturday, 13 December. COP 20/CMP 10 President Pulgar-Vidal and ADP Co-Chair Runge-Metzger introduced a draft decision (FCCC/ADP/2014/L.5) proposed by the Co-Chairs, based on views presented during the contact group and in the informal consultations. Runge-Metzger proposed to adjourn the contact group and convene the ADP closing plenary.

Numerous interventions followed from the floor, during which parties and groups of parties requested further time to consider the text and expressed concerns that they had not been consulted either by the ministers or the COP President. Others, noting the time, called for agreement on moving forward as proposed. At 3:30 am the ADP contact group adjourned so that parties could further consider the text.

The closing plenary of the ADP began at 10:41 am on Saturday. Parties variously supported and opposed the revised draft decision. The ADP Co-Chairs submitted, under their authority, the draft decision to the COP 20/CMP 10 President Pulgar-Vidal for further consultations. After the suspension of ADP 2-7 at 1:31 pm, Pulgar-Vidal announced he would undertake consultations with groups of parties to find consensus on the text.

During the COP 20 closing plenary, which convened at 11:37 pm, on Saturday, 13 December, ADP Co-Chair Kumarsingh informed that the ADP concluded “its intensive work” by considering a draft decision (FCCC/ADP/2014/L.5). He said that, having listened to parties, the Co-Chairs forwarded, on their own authority, the draft decision to the COP president for further consultations.

COP 20/CMP 10 President Pulgar-Vidal then introduced the ‘Proposal by the President’ containing a draft decision on further advancing the Durban Platform (FCCC/CP/2014/L.14), saying it is a product of all parties’ work and “with it we all win.” At 11:53 pm he suspended the session for an hour to give parties time to consider the text.

When the COP 20 closing plenary resumed at 1:23 am, on Sunday, 14 December, COP 20 President Pulgar-Vidal noted the draft decision “moves us forward,” and requested parties “rise to the challenge of approving it.” The COP adopted the draft decision and agreed to call it the ‘Lima Call for Climate Action.’

Tuvalu, for the LDCs, stated their understanding of the decision, including that reference to the Warsaw Mechanism for Loss and Damage in the preambular paragraph, and the reference to “*inter alia*” in paragraph 2 of the decision, represented “a clear intention” that the 2015 agreement will “properly, effectively and progressively address loss and damage.”

Substantive Discussions—First Reading: On Tuesday and Wednesday, 2-3 December, substantive discussions on the draft decision on advancing the Durban Platform for Enhanced Action began, focusing on general reactions.

On recommending text of a protocol, another legal instrument or agreed outcome with legal force under the Convention, the Russian Federation, with the EU and Tuvalu, proposed including reference to Convention Article 17 (protocols) and applied rules of procedure, so that the six-month rule for introducing text can be adhered to. The US noted this only applies to a protocol, while the Durban Platform allows for several possibilities regarding the instrument under preparation.

Venezuela suggested addressing “the elephant in the room,” namely that one set of parties seeks a mitigation-based outcome and another feels it should be based on all the elements of the BAP.

On the completion of work of the ADP, India suggested removing “as early as possible.” Brazil proposed adding a reference to accompanying draft decisions after COP 21. Kenya opposed any text on accompanying decisions at this stage.

On parity between adaptation and mitigation, Australia and Norway proposed deletion of text relating to achieving political parity between mitigation and adaptation. India suggested referring to “full legal parity” instead. Brazil suggested “parity between the operational provisions regarding mitigation, adaptation and means of implementation (MOI).”

China suggested text on, *inter alia*, deciding to achieve the balanced and comprehensive treatment among the elements of mitigation, adaptation, MOI, and transparency of action and support in the negotiating text of the 2015 agreement.

While stressing that adaptation and mitigation should receive equal treatment and resources, India called for a shared understanding on “political parity.” Saying “parity” is vague, the US proposed “underscoring the importance of adaptation.”

On demonstrating implementation of existing actions and commitments, Australia suggested this text should be addressed in the preamble. Norway said reference to implementation of existing actions and commitments are not necessary. Brazil proposed adding references to the Doha Amendment and the annual US\$100 billion finance goal by 2020.

China called for underlining that the full and effective implementation of existing commitments and actions under the Convention, its Kyoto Protocol and the agreed outcome pursuant to the BAP, in particular for developed country parties, is essential for adoption of the 2015 agreement.

On links to the elements of the 2015 agreement, the US indicated openness to listing thematic areas identified in Decision 1/CP.17 (establishing the ADP), referring to these as “aspects of work,” if this helps provide assurances that these will be addressed in the 2015 agreement.

Focused discussions on specific sections of the text began on Thursday, 4 December.

On **paragraphs 1-6 (elements)**, Canada suggested that the ADP address “various topics” instead of “all elements,” and that “achieving political parity” between mitigation and adaptation be replaced with “elevating their critical importance.”

New Zealand advocated text signaling that the work of the ADP will result in “a package of different components.” Japan stressed the need to clarify that mitigation is the ultimate goal of the Convention.

Pakistan and South Africa called for treating all elements of Decision 1/CP.17 “in a balanced manner.” Mexico and Saudi Arabia stressed the equal importance of adaptation and mitigation. Pakistan and Egypt preferred “legal parity” between mitigation and adaptation. Ecuador called for deleting qualifiers when referring to parity between mitigation and adaptation.

South Africa called for strengthening paragraphs dealing with “assurances” in relation to the link between INDCs and the elements of the agreement, and the balance of support for mitigation and adaptation.

On the importance of transparency, Ecuador called for adopting an MRV mechanism as part of the 2015 agreement.

On **paragraphs 7-12 (INDCs)**, Japan said the text still did not provide clarity on the upfront information to be presented in INDCs.

South Africa said that, while INDCs are nationally determined, their scope should be determined internationally, and, with Brazil and others, that they should include mitigation, adaptation and MOI. Canada and the US stressed that INDCs relate to mitigation. Brazil and Tuvalu, for the LDCs, noted that the scope should not be limited to Convention Article 2 (objective).

Australia underscored that INDCs should reflect efforts parties are making unilaterally. The LDCs recommended inserting a caveat for LDCs and SIDS on the inclusion of mitigation in INDCs.

New Zealand said that, when reporting on INDCs, parties should quantify expected emission outcomes, levels of effort and accounting methodologies in the land sector. The EU urged transparency, quantifiability and comparability of INDC reporting.

Bolivia stressed the importance of enhancing the provision of MOI to developing countries. Cautioning against bias towards mitigation actions, Tuvalu, for the LDCs, suggested adding text on MRV of Annex I parties' support to developing countries for the achievement of the latter's INDCs. Thailand underscored equal treatment of mitigation and adaptation. The US said reporting requirements should apply equally to developed and developing countries.

On **paragraphs 13-16 (INDC communication)**, Argentina, Chile, for the Independent Alliance of Latin America and the Caribbean (AILAC), China, India, Algeria, for the Arab Group, South Africa, Tanzania and many others emphasized the relevance of the principles and provisions of the Convention. Switzerland opposed division between Annex I and non-Annex I countries. China said information on INDCs should enhance clarity of developed countries' ambition and reflect the diversity of, barriers to and needs for, developing countries' INDCs.

Brazil said INDCs: should not be interpreted as "an expectation of legal terms"; opposed self-differentiation; and, with Sudan, for the African Group, requested making reference to equity.

Switzerland called for references to underlying assumptions and efforts, and fairness considerations. The Marshall Islands proposed that the ADP develop rules relating to accounting assumptions and approaches, land use, and use of international markets and credits, with a view to their adoption by COP 21. Bolivia opposed reference to market tools and instruments.

Tanzania opposed prescriptive INDCs and any additional reporting requirements for developing countries. Singapore emphasized clarity of information provided.

Saudi Arabia suggested the INDCs' adaptation component should enhance efforts to achieve best-value outcomes through early and integrated planning, and action at all levels. South Africa urged communication in a tabular format of: the type of contribution for 2021-2025 and 2026-2030; information on adaptation plans, actions, costs and investments; and MOI support. Chile, for AILAC, proposed that parties provide information on mitigation for 2020-2025 and an indicative contribution for 2030, including information on ambition, equity and fairness.

On **paragraphs 17-22 (post-communication and support for INDCs)**, many parties, including China, India, Venezuela, Malaysia and Saudi Arabia, opposed consideration of INDCs post-communication.

The EU proposed establishing an international process for the consideration of INDCs from the first quarter of 2015, which would be related to mitigation INDCs only. The US emphasized upfront information and a consultative period as important for promoting ambition and clarity.

South Africa called for *ex ante* assessment of INDCs by the Secretariat through, *inter alia*, a technical paper on the aggregate effect of parties' contributions. The Marshall Islands called for a technical paper summarizing and synthesizing INDCs, and including an aggregation of the level of mitigation effort.

Japan and China called for a simple process through the publication of the INDCs on the UNFCCC website, with China objecting to compilation of INDCs by the Secretariat. The Russian Federation cautioned against the use of electronic means.

Jordan, with China and India, opposed any *ex ante* review processes. Tuvalu, for the LDCs, proposed that Annex I parties report on their provision of MOI.

Brazil stressed that consideration of INDCs is not a legally-binding process but a means to enhance the understanding of each other's intentions.

On **paragraphs 23-38 (guiding enhanced action on, and future work of, workstream 2 (pre-2020 ambition) and basis for dynamic high-level engagement)**, the EU, supported by the US and Switzerland, stressed that the focus of workstream 2 should remain on mitigation. Many developing countries emphasized the need to also address adaptation and MOI. China, with Jordan, suggested focusing on how to increase international support to enhance action. Australia called for recognizing support to developing countries from various sources.

Many parties described the Technical Expert Meetings (TEMs) as useful and supported their continuation. Nauru, for AOSIS, emphasized improving and extending TEMs until the mitigation ambition gap is closed, and indicated their outputs should include: updated technical papers; a dynamic online "menu" of policy options; focus on co-benefits of actions, barriers to implementation and strategies to overcome them; and a synthesis for policy makers.

With Jordan, El Salvador and China, he said TEMs should focus on mitigation and adaption opportunities. Norway, with Switzerland, supported TEMs' focus on mitigation, including fossil fuel subsidy reform, and, with Colombia, called for recognizing the work of the Global Commission on the Economy and Climate.

Japan, supported by New Zealand, suggested strengthening linkages with existing institutions, including the technology transfer information clearinghouse TT:CLEAR and the CTCN. Norway emphasized the role of the TEC and CTCN in organizing TEMs. El Salvador suggested closer links with the Adaptation Committee and Adaption Fund.

AOSIS called for the TEMs' review no sooner than 2017, with a view to their improvement. Canada supported review "at some point." Switzerland favored a review in 2016 or 2017.

Bolivia, India and others proposed increasing the scope of TEM topics, with Bolivia suggesting a focus on technology knowledge systems and practices of indigenous peoples and local communities. Colombia, for AILAC, called for engagement of indigenous peoples and academic institutions.

India, Saudi Arabia and Argentina called for technical papers. Mali, for the African Group, suggested work leading to a technical synthesis and a summary for policy makers to inform ministerials.

Many parties welcomed high-level engagement on the ADP. AOSIS, with China, Bangladesh, for the LDCs, and AILAC, called for annual high-level engagement. Brazil said ministerials should be held “sparingly,” when concrete policies can be proposed to them, and, with AOSIS and the EU, agreed to work on improving TEMs’ output. The US called for annual ministerials on pre-2020 ambition in conjunction with the COP. Brazil, Bolivia, Pakistan and India opposed contributions from sub-national authorities to high-level events.

On engagement of a broad range of actors for effective implementation of enhanced action, Switzerland said engagement with non-state actors should take place at the national level. Tanzania, supported by Mexico, suggested that subnational entities and local authorities act through their national governments.

Opposed by the EU and the US, Mexico, with Bangladesh, supported conducting, and offered to host, regional and sub-regional TEMs, with Brazil willing to explore this idea. Citing financial implications, Switzerland said such TEMs should be held back-to-back with other meetings.

The LDCs called for support to enable technical experts from developing countries to participate in TEMs.

Brazil, supported by Australia, the US and Switzerland, suggested noting health co-benefits of mitigation policies. The US proposed also adding economic co-benefits. Egypt proposed co-benefits “in the context of sustainable development and poverty eradication.”

On the annex (complementary information on INDCs), Sudan, for the African Group, suggested consideration of mitigation, adaptation and MOI options with and without differentiation. Colombia, for AILAC, called for inclusion of information on why parties perceive their contributions as equitable.

Panama, for the CfrN, requested that the role of forests be recognized and called for reference to considerations on bioenergy. Argentina, with Egypt, expressed concern over the inclusion of land sector emissions, noting that agriculture is not the main contributor to climate change.

Tuvalu, for the LDCs, proposed differentiated reporting for countries with economy-wide emission reduction targets and developing countries, emphasizing means of support.

On **preambular paragraphs**, the LDCs, opposed by the EU, requested deletion of reference to the global average temperature increase of 2°C.

Many developing countries, opposed by the US, supported references to the principles and provisions of the Convention. The US said annex-based differentiation is not a path to the new agreement and, with Japan, opposed “bifurcated language.”

China, with Pakistan and Argentina, requested references to the BAP and, with Algeria, for the Arab Group, and others, to previous COP decisions. Chile called for reference to intergenerational equity.

Jordan, India, China and Venezuela opposed reference to the catalyzing role of sub-national authorities in enhancing the impact of implementation of policies on reducing emissions and vulnerability, and building resilience.

Saudi Arabia proposed acknowledging, in line with the IPCC AR5 SYR, that effective adaptation and mitigation responses will depend on policies and measures across multiple scales.

The first reading of the draft decision on advancing the Durban Platform for Enhanced Action concluded on Saturday, 6 December.

First version of the ‘Draft COP decision proposed by the Co-Chairs’: On Monday, 8 December, parties began considering the newly introduced version of the draft COP decision proposed by the Co-Chairs. Several groups and delegates, including Malaysia, for the G-77/China, Iran, for the LMDCs, and Nauru, for AOSIS, expressed concern over: the lack of balance in the text; lack of adequate time for consideration of the text; and the danger of prejudging the outcome of the Paris agreement.

The entire text was bracketed, following a proposal by Tuvalu, for the LDCs.

On **preambular paragraphs**, Brazil, the US and others cautioned against extensive additions of text in the preambular paragraphs, and called for focusing on substance.

Parties’ views diverged on referencing: principles and provisions of the Convention; previous decisions; temperature goals; guidance by science; principles of equity, common but differentiated responsibilities and respective capabilities (CBDRRC) and sustainable development; mitigation, adaptation, MOI, and transparency of action and support; loss and damage; differentiation of the “undertakings” by different parties under the Convention; and a global emissions budget.

Noting parties’ inability to move beyond “some bracketed preambular paragraphs” over a three-hour contact group session, ADP Co-Chair Kumarsingh emphasized that the remaining three days of negotiations “are counting down.”

On a preambular paragraph on strengthening and scaling up adaptation action, Sudan, for the African Group, supported by Egypt, suggested adding references to the elements of Decision 1/CP.17 (establishing the ADP) and vulnerability of developing countries. The Philippines called for referencing the ability to recover from extreme weather events, and biodiversity conservation. Pakistan called for a reference to water security.

Singapore, opposed by the LDCs, suggested deleting “scaling-up” of adaptation action, and the EU suggested replacing it with “enhancing.” Many preferred the original formulation. The US, with the Republic of Korea, Japan and New Zealand, suggested a shortened formulation making reference only to the 2015 agreement.

Brazil, supported by Singapore and the US, said a reference to sustainable development should remain in the paragraph. Brazil and India also said that food security and poverty eradication are important elements that should remain, and, with China, called for specifying that poverty eradication relates to developing countries.

On a preambular paragraph regarding the ultimate objective of the Convention requiring “strengthening the multilateral, rules-based regime” and implementation of existing commitments, the African Group, supported by Pakistan and opposed by the EU, preferred “multilateral, rules-based regime under the Convention.”

China, opposed by Australia, proposed a new preambular paragraph noting “the agreed outcome pursuant to the BAP and the Doha Amendment.”

On **paragraphs 1-7 (advancing the work of the ADP and elaboration of a negotiating text for the 2015 agreement)**, on a paragraph welcoming the progress by the ADP on the

implementation of all elements of Decision 1/CP.17, Saudi Arabia, with others, supported the Co-Chairs' text. Australia, supported by the US, New Zealand, Japan and others, proposed deletion of the reference to the implementation of all elements of Decision 1/CP.17, preferring progress by the ADP "to advance its work." The US, with Australia, the Philippines, Canada, the EU and others, opposed by the LDCs, proposed progress made "pursuant to Decision 1/CP.17."

On a paragraph on welcoming the further elaboration of elements for a draft negotiating text in response to previous COP decisions, the LDCs, opposed by the US, Australia and the EU, requested referencing Decision 2/CP.19 (Warsaw International Mechanism for Loss and Damage) and, opposed by Saudi Arabia and India, further elaboration of elements "as included in Annex I" to the decision.

On a paragraph on preparing a negotiating text on the basis of Annex I of the draft decision text, Cuba, supported by Malaysia, for the LMDCs, proposed "acknowledging" the work of the ADP and "deciding that the ADP continue its work in 2015 to finish the elaboration of the draft negotiating text."

Australia, supported by Switzerland, Japan, Norway and New Zealand, and opposed by the LDCs, suggested replacing "on the basis of" with "by furthering the consideration of" Annex I, and, supported by the LDCs and opposed by the LMDCs and Brazil, including reference to the ADP preparing "any related decisions." Switzerland and Norway proposed adding "without prejudice to" the "structure" or "content" of the final outcome. The African Group suggested "drawing on" Annex I and "submissions received from parties."

On a paragraph on preparation of a negotiating text by May 2015, the EU, supported by Switzerland and the Marshall Islands, and opposed by the LMDCs and Canada, supported maintaining a reference to Convention Article 17 (protocols). The LDCs proposed "noting, as appropriate, the requirements of Article 17." The LMDCs suggested that focusing on Article 17 could "align us with a position we should not take at this stage," and, with the US, proposed "noting any relevant timing requirements."

Canada, supported by the US, preferred deciding that the ADP "should aim to" prepare a negotiating text instead of "shall." This was opposed by the LDCs, who cautioned against "slippage in timing."

The Russian Federation, supported by Belarus, called for adding a reference to translating the text into all official UNFCCC languages.

Relating to a paragraph on the scope of the 2015 agreement, the LDCs, supported by Nauru, for AOSIS, stressed loss and damage as a fundamental element. The US, supported by Japan, called for excluding reference to loss and damage, saying this was not an aspect referred to in Decision 1/CP.17. The LMDCs called for adding references to addressing "in a balanced manner, with full legal parity" all elements of paragraph 5 of Decision 1/CP.17.

On a paragraph on the ADP producing the text of the 2015 agreement, elaborating any related decisions, for adoption by COP 21, and identifying the need for additional decisions at subsequent COP sessions, the EU welcomed the Co-Chairs' text. The LMDCs opposed reference to any COP decisions. South

Africa emphasized the need for the ADP to complete its mandate "as early as possible" and opposed elaborating decisions for adoption by COP 21.

On paragraphs 7-23 (INDCs and their Communication) and Annex II of the draft decision (Complementary information on INDCs of Parties), the US, supported by the Marshall Islands and opposed by the LDCs, proposed a new paragraph inviting parties to communicate their INDCs well in advance of COP 21, and those willing to do so by the first quarter of 2015. Brazil, with South Africa, said the addition of this paragraph was contingent on deletion of a paragraph inviting parties that are not ready to communicate their INDCs by the first quarter of 2015 to do so by 31 May 2015 or as soon as possible thereafter. Parties engaged in a lengthy debate on the time frame for communicating INDCs. Singapore, with Brazil, China, Egypt and many others, opposed by Switzerland, the LDCs, Canada, the US and others, requested deletion of "by 31 May 2015." Switzerland preferred "well before COP 21," with Turkey agreeing to "before" COP 21. The African Group, with China, for the LMDCs, and others, opposed by the EU and others, favored "by the first quarter of 2015 and endeavor to do so as soon as possible thereafter."

On a paragraph acknowledging the support being provided to developing countries for the preparation of INDCs, and the need for such support to be further enhanced, the African Group, opposed by the US, preferred "some developing countries." The US proposed "continuing need." The LDCs noted that some developing countries have not received any support and requested deleting "to be further enhanced."

The LMDCs proposed stressing the need for developed countries, the operating entities of the financial mechanism and any other organizations in a position to do so, to provide enhanced support.

In a paragraph on communication of the mitigation component of INDCs, Norway suggested: adding reference to unconditionality of efforts by all, while maintaining a reference to enhanced efforts by developing countries made possible with provision of support; and recognizing the special circumstances of LDCs and SIDS, with the latter proposal supported by the LDCs, with some amendments. Saudi Arabia suggested bracketing "a quantifiable mitigation component" and, with Turkey, opposed reference to "evolving" national circumstances. The Russian Federation requested clarification of the meaning of "actions" and "commitments." The EU insisted on "commitments" only.

In a paragraph on parties reflecting, in their INDCs, efforts that they are able to make unilaterally, parties discussed the conditionality of INDCs. Norway, opposed by Mexico, suggested its deletion, saying the issue was captured elsewhere. Switzerland, supported by the US, preferred replacing "unilateral" with "unconditional." Switzerland also suggested specifying that parties with less capability may also communicate enhanced efforts contingent on provision of support.

The EU, supported by Japan, preferred referring to efforts that parties are able to "undertake," instead of "make unilaterally." Noting potential use of quantitative or qualitative methodologies, Brazil supported "developing countries may also clarify the extent to which enhanced efforts are dependent upon the provision of support."

Sudan, for the African Group, supported by China and Chile, and opposed by the US, preferred restating the extent to which developing countries' implementation depends on the level of support. Chile suggested adding reference to "countries most vulnerable to climate change impacts." Emphasizing the need for a component of unconditionality in parties' mitigation contributions, the US recognized that the LDCs have specific constraints, but opposed referencing any other group. The LDCs, supported by the EU, suggested reference to paragraph 11(a) of the draft text (communication of INDCs' mitigation component).

In a paragraph on consideration by developed countries, starting in 2019, of annual quantitative contributions of MOI to support ambitious mitigation and adaptation action, particularly in those most vulnerable to climate change, delegates engaged in a lengthy discussion. Japan proposed deleting the paragraph, opposed by the African Group and Mexico, who underscored lack of agreement on the scope of INDCs.

India, for the LMDCs, with Saudi Arabia, for the Arab Group, suggested: replacing "starting in 2019, should consider quantitative considerations of MOI" with "shall provide, by the first quarter of 2015, information under Annex II," and referencing the provision of MOI to developing countries for a timely preparation of their INDCs. The LDCs preferred "shall communicate their INDCs on support."

The LMDCs proposed adding a paragraph specifying that developed countries shall also provide information on their annual quantitative provision of public financial resources for the post-2020 period for the implementation of developing countries' post-2020 enhanced actions.

Japan, with Australia, New Zealand and Canada, opposed including specific quantitative financial commitments, with Australia suggesting "enabling environments, and not quantitative targets, motivate private sector engagement." Brazil noted that including private sector involvement in the new agreement does not ensure climate finance.

The LDCs, with Brazil, China, the Arab Group, the African Group and the LMDCs, emphasized that submission of INDCs by developing countries is contingent on support.

Brazil, supported by Chile, for AILAC, suggested that developed countries "shall," in their INDCs, communicate their financial support targets, and policies and measures for technology development and transfer and capacity building, taking into account national circumstances.

He also suggested that developing countries be encouraged to communicate "South-South cooperation initiatives related to MOI" in their INDCs on the basis of solidarity, common sustainable development goals, and national circumstances.

The EU identified the elements text, rather than the decision on INDCs, as "the right place" to address climate finance.

Emphasizing the need to address a variety of actions by all parties in the 2015 agreement, the EU, Switzerland and the US opposed language applying only to developed countries.

Noting that the GCF capitalization resulted from the Cancun Agreements, the LDCs, with Malaysia, emphasized the need for a process on financial contributions beyond 2020.

On a paragraph regarding communication of INDCs, Bolivia called for a framework to define fairness and equity in parties' efforts that are in line with the global emissions budget. In the absence of these amendments, Bolivia, opposed by the EU and

the Philippines, urged deletion of paragraphs 15-23 (upfront information and review of INDCs). The EU noted that INDCs are nationally determined and called for a rules-based approach that is multilaterally determined. Noting the focus on mitigation, Turkey, supported by Brazil, asked for all components, including adaptation and MOI to be included under INDCs.

On paragraphs 24-36 (issues relating to workstream 2 (pre-2020 ambition)), Brazil proposed a new paragraph "recognizing the social and economic value of voluntary emission reduction activities and the need to consider them as units of convertible financial value," in the context of paragraph 4 of Decision 1/CP.19 (enhancing pre-2020 ambition). He explained this was intended: to create positive incentives for voluntary and collaborative action; to promote a "new standard of discussion"; to provide the political recognition necessary to develop related financial instruments; and not to relate to work under workstream 1 (the 2015 agreement).

The EU and Colombia, for AILAC, said the suggestion was useful but should be analyzed later. New Zealand queried what this recognition would entail. China, for the LMDCs, and the EU noted that the paragraph's placement could suggest that the focus of workstream 2 is only on voluntary activities.

On a paragraph urging all parties to the Kyoto Protocol to ratify and implement the Doha Amendment, Belarus suggested "calling upon" parties to consider the "possibility" of ratifying the amendment and to "clarify all existing ambiguities that might hamper its implementation." The EU said issues around Protocol Articles 5, 7 and 8 (methodological issues under the Protocol) should first be resolved.

New Zealand, the US, Australia and the EU proposed deleting paragraphs on a "Forum on Accelerated Implementation of Enhanced pre-2020 Climate Action."

On a paragraph on convening such a forum, to review progress made in the implementation of paragraphs 3 and 4 of Decision 1/CP.19 (implementation of BAP and enhancing pre-2020 ambition), in conjunction with SB 42, SB 44 and SB 46, South Africa preferred SB 43, SB 45 and SB 47. Bangladesh, for the LDCs, opposed holding it in conjunction with the COP. The LMDCs favored "in conjunction with each session of the ADP in 2015." Brazil said there may not be enough time to deliver "increased" results on pre-2020 ambition.

The LMDCs proposed launching an accelerated implementation "mechanism" and that it provide recommendations to COP 21 on how to further enhance pre-2020 ambition through the ADP.

On enhancing the understanding of the status of implementation of mitigation commitments to accelerate pre-2020 mitigation ambition, the LMDCs suggested text on facilitating: the increase in developed countries' quantified economy-wide emission reduction targets under the Convention and the Kyoto Protocol to 40% below 1990 by 2020; and the removal of conditionalities associated with such targets.

On a paragraph on accelerating activities under the ADP workplan on enhancing mitigation ambition by undertaking an in-depth technical examination process from 2015-2020, Canada preferred technical examination from 2015-2017. The LMDCs requested referencing the "workplan on adaptation with the leadership of developed countries."

The EU proposed adding a reference to limiting the global temperature increase to below 2° or 1.5°C, consistent with IPCC AR5. Nauru, for AOSIS, opposed 2°C.

The African Group, supported by the LMDCs, proposed that the technical examination process be facilitated by co-facilitators representing Annex I and non-Annex I parties, appointed by the ADP Co-Chairs for 2015-2017. AOSIS opposed a review of the ADP workplan that would allow for its curtailment in 2017.

The LMDCs and the African Group, opposed by AOSIS, called for identifying opportunities for actions with high adaptation potential, in addition to mitigation, and, opposed by Australia, for text differentiating between mitigation opportunities in developed and developing countries.

Bolivia, opposed by Australia, proposed adding reference to information sharing on the global emissions budget. South Africa, opposed by Australia, suggested developing reporting guidelines for initiatives and actors outside the Convention.

On a paragraph requesting the Secretariat to organize a series of in-session TEMs in 2015-2017, AOSIS, supported by many parties, called for the process to be organized “at least twice a year during the period 2015-2020 in areas with high mitigation potential.” Brazil suggested adding “options and instruments” to “areas.”

The LMDCs, opposed by the EU, suggested that a paragraph on identifying policy options differentiate between implementation in developed countries and support to overcome barriers to implementation in developing countries.

On engagement of experts, the African Group called for reference to observer organizations. The US, supported by Norway and Canada and opposed by Panama, for the CfRN, requested removing a reference to the Warsaw Framework for REDD+, saying it is not a body under the Convention.

Saudi Arabia, opposed by the EU, proposed that the TEMs also identify the negative impacts of response measures.

The LMDCs called for emphasizing that TEMs should stay under the ADP. The EU said it did not “imagine” the ADP continuing beyond Paris.

AOSIS proposed an additional paragraph on assessing the implementation of the TEMs and making recommendations on increasing their effectiveness at COP 23. The US called for the TEMs’ review in 2016. The LMDCs preferred 2015.

On a paragraph requesting the Secretariat to update a technical paper on mitigation benefits of actions, and develop a synthesis on thematic areas relating to mitigation opportunities and options for cooperation and accelerated action, Brazil suggested referring to “mitigation potential, opportunities, options and instruments.” Colombia, for AILAC, requested that a synthesis be “compiled into a summary and presented at the annual high-level forum.” AOSIS proposed disseminating the summary through a “web-based menu on policy options.”

The first reading of the first version of the ‘Draft COP decision proposed by the Co-Chairs’ finished on Wednesday, 10 December.

Second version of the ‘Draft COP decision proposed by the Co-Chairs’: Delegates began consideration of the second version of the ‘Draft COP decision proposed by the Co-Chairs’ on Friday, 12 December.

In general comments, Bolivia, for the G-77/China, supported by Guatemala for AILAC, Tuvalu, for LDCs, Malaysia for the LMDCs, and Egypt, called for clear reference in the preambular paragraphs to the principles and provisions of the Convention, in particular CBDRRC. He also expressed deep concern over the lack of differentiation between developing countries and developed countries, referring to Annex I and non-Annex I parties. He also lamented that the issue of MOI, in particular finance, is too general and implies uniformity, calling, with China, for specific reference of responsibilities for support from developed countries to developing countries. He also called for clear differentiation between adaptation and loss and damage, and for strengthening the Warsaw International Mechanism for Loss and Damage. Algeria, for the Arab Group, and the Democratic Republic of the Congo called for references to principles and provisions of the Convention.

India lamented that the issue of strengthening the multilateral rules-based system and working with existing commitments is missing in the text. On upfront information for INDCs, Trinidad and Tobago suggested removing references to “equitable” from the text. Brazil, *inter alia*: described the text as the lowest common denominator; lamented it lacks ambition, finance, differentiation and a clear notion of no backsliding; and opposed the concept of self-differentiation implied in the text.

Malaysia, for the LMDCs, lamented the loss of text after the revision, suggesting “developed country parties, starting in 2019, should consider annual quantitative contributions on MOI to support ambitious mitigation and adaptation action, in particular for parties particularly vulnerable to the adverse effects of climate change.”

Nauru, for AOSIS, called for reference to the global temperature goal. Panama, for CfRN, called for references to the Warsaw Framework for REDD+. Bolivia opposed references to market-based mechanisms and the Warsaw Framework. Mali, for the African Group, requested new paragraphs: to address the lack of parties’ ownership of the TEMs’ preparation; requesting developed countries to present a roadmap to mobilize US\$100 billion per year by 2020; urging developed countries to include, in their financial INDCs the time frame and periods of disbursement of post-2020 finance; and publishing developed countries’ communications to ensure transparency. Bangladesh said elements for a draft negotiating text should be reflected in an annex to the decision. The United Arab Emirates called for focusing discussions on paragraphs on which there is no agreement.

On preambular paragraphs, on being guided by the Convention, recalling the objective of the Convention and also recalling all relevant COP decisions, India said the first sentence “shutters parties’ confidence.” India with China, Brazil, Fiji, the LMDCs, the Dominican Republic, Thailand and Venezuela, called for a clear reference that the work is not just “guided by” but is “in accordance with” the principle of CBDR and provisions under the Convention. He proposed an additional paragraph on consideration of economic and social issues, including just transition.

Trinidad and Tobago called for a reference to the long-term global goal to limit temperature to below 2° or 1.5°C above pre-industrial levels. Emphasizing as a “red line,” Sudan, for the African Group, called for both upfront information and

the post-2020 arrangement to be under the Convention. He suggested the preambular paragraph should recall the “principles and provisions of Convention “to provide assurance.” Ecuador stressed the importance of long-term finance in the context of the decision. Nicaragua and Viet Nam called for a preambular reference to the decision being under the Convention. Fiji and Thailand requested references to the principles of the Convention.

On the **operative paragraphs**, on a paragraph on the scope of the 2015 agreement, Nauru, for AOSIS, supported by Mexico, Bangladesh and the Dominican Republic, emphasized loss and damage as a separate element of the new agreement. The US and Canada opposed this, with the US saying they were prepared to accept the rest of the paragraph in light of assurances sought by a number of countries.

Australia cautioned parties against reopening, in the context of the new agreement, a “hard fought compromise on loss and damage” that was reached in Warsaw. He suggested deleting reference to loss and damage, and adding, after references to the elements, “reference to any associated institutional arrangement.” The Russian Federation and Switzerland also opposed reference to loss and damage.

Nicaragua, Solomon Islands, Ghana and Fiji called for having loss and damage as an element separate from adaptation.

The Philippines, with Nigeria, emphasized loss and damage as critical, and said it must stand alone in the text and not be considered as part of adaptation.

South Africa called for references to the 2°C and 1.5°C goals, and recognizing that the level of adaptation required depends on the level of mitigation.

On a paragraph on intensified consideration by the ADP of the elements for a draft negotiating text reflected in Annex I, with a view to making available a negotiating text for a protocol, another legal instrument or agreed outcome with legal force under the Convention applicable to all parties before May 2015, Venezuela, with Nicaragua, opposed including the elements text in an annex. She cautioned, with Algeria, for the Arab Group, against precluding the legal form of the new agreement. The US welcomed an annex. Malaysia, for the LMDCs, expressed concern that the annex will form the basis for the 2015 negotiations. To preserve the progress accomplished in Lima, he suggested the Co-Chairs reflect this in their report of the session.

On a paragraph noting that arrangements in the decision relating to INDCs are without prejudice to the legal nature of the INDCs or the content of the 2015 agreement, Sudan, for the African Group, stressed that both the legal form and the content of the Paris agreement should not be prejudged.

On a paragraph on provision of support by developed countries and other countries in a position to do so, Guatemala, for AILAC, lamented lack of assurance on means of implementation post-2020. Saudi Arabia and the United Arab Emirates stressed the need for building trust and for greater clarity on scaling up finance by 2020. Marshall Islands said many developing countries see the scaling up of finance by developed countries as key to the Lima package. Saudi Arabia opposed the paragraph and suggested a spin-off group work on the issue.

China, Brazil, Pakistan, Malaysia, for the LMDCs, Sudan, for the African Group, South Africa, Nicaragua, Venezuela, Iran, Nigeria and Cuba called for deletion of reference to “other parties in a position to do so.” New Zealand and Japan supported the paragraph, opposing its amendment. Mexico interpreted “in a position to do so” not as an issue of differentiation, but as “opening the doors” for “countries like ours” to contribute, and urged parties to find a way to “keep those doors open.”

Given the concerns raised, the EU suggested deleting the paragraph. The US proposed taking the issue up next year. The Democratic Republic of the Congo said it prejudged the outcome of negotiations on finance.

Egypt, supported by Brazil, proposed an additional paragraph to capture the importance of an agreement on scaled-up, new and additional, predictable, adequate and improved access to finance for developing countries to enable and support enhanced action on mitigation, adaptation and MOI.

On a paragraph with three options relating to communication of INDCs, including their scope, Algeria, for the Arab Group, proposed its deletion. India, Bolivia, Nicaragua, Belarus, Cuba, Viet Nam, Iran and the Russian Federation favored the first option, in which the COP would reiterate its invitation to each party to communicate to the Secretariat its INDCs towards achieving the objective of the Convention.

Australia, Canada and Switzerland supported the second option, in which the COP: would reiterate its invitation to each party to communicate to the Secretariat its INDCs towards achieving the objective of the Convention and agrees that each party’s INDC will represent a progression beyond the current undertaking of that party. Saudi Arabia indicated support if mitigation and adaptation were at the same legal “level.” New Zealand said it could support the second option as a starting point, and could look into a proposal to add references to adaptation, noting such references should not define “contributions” nor be mandatory. Japan said it was open to addressing adaptation, but not MOI.

China indicated support for both the first and second options. The Democratic Republic of the Congo preferred the first option, but was ready to work with the second option by referencing contributions on adaptation and finance.

Mexico, the Philippines, Sudan, for the African Group, Nigeria, South Africa, Malawi, Solomon Islands, Bangladesh, the Dominican Republic, the Republic of Korea and Fiji supported the third option, in which the COP would agree that parties’ INDCs will include a mitigation contribution, and may also include contributions on adaptation and MOI, and that the INDCs of each party will represent a progression beyond the current undertaking of that party.

Nigeria suggested adding: “INDCs submitted by Annex I should be ambitious enough in accordance with IPCC AR5 to result in emission reductions of GHGs equivalent to their total share of global emissions and be made a condition for entry into force of the agreement to be adopted in Paris.” Brazil favored the proposal by the African Group.

The US preferred the third option, but was willing to consider the second option, strongly supporting each party’s INDCs representing a progression beyond their current undertaking.

Panama, for CfrN, with the LMDCs, favored the second or third options, provided CBDR is recognized. The EU expressed preparedness for some trade-offs, including the possibility of including adaptation in the INDCs on a voluntary basis. Switzerland said it could consider adaption in INDCs if other key elements were brought in, including unconditional INDCs with quantifiable mitigation information and information on accounting.

On a paragraph with three options relating to information to be provided in INDCs, Tuvalu, for the LDCs, called for referencing sections of the text on support. With India and Bolivia, he stressed the need to clearly indicate in the annex that MOI support is to be provided by developed countries to developing countries.

India, China, Bolivia, Nicaragua, Viet Nam, Belarus, Iran and Algeria, for the Arab Group, preferred the first option, in which the COP would decide that all parties, when communicating to the Secretariat their INDCs, will provide the information necessary to facilitate the clarity, transparency and understanding of their INDCs.

China suggested adding that the information parties communicate should be in accordance with Convention Article 12 (communication of information related to implementation) and relevant reporting decisions under the Convention.

Australia stressed the importance of the paragraph and supported, with the Philippines, the Republic of Korea and Switzerland, the second option, in which the COP would decide that all parties shall provide information on the reference point (including, as appropriate, a base year), time frames and/or periods for implementation, scope and coverage, expected level of effort, and how the party considers that its INDC is fair and equitable, ambitious and consistent with the objective of the Convention.

Australia suggested including reference to "any assumptions and methodologies." New Zealand, supported by Japan, called for additional references to assumptions, methodologies, land use accounting approaches, and the use of market mechanisms.

The US expressed willingness to work with the second option with the addition of references to assumptions and methodologies, "fair" instead of "equitable," and parties' INDCs representing their best effort in light of national circumstances.

Sudan, for the African Group, said the second option could be considered, but required that all elements be covered and strengthened with a reference to the type and amount of MOI in order to establish parity with the required mitigation information.

The Philippines, supported by Mexico and Ghana, called for reflecting human rights, in particular the rights of indigenous peoples and women.

Mexico, South Africa, the Dominican Republic, Fiji, and Trinidad and Tobago supported the third option, in which the COP would decide that all parties shall provide information on the reference point (including, as appropriate, a base year or other reference values), time frames and periods for implementation, scope and coverage, expected quantified outcomes, any assumptions, methodologies, land-use accounting approaches and expected use of market mechanisms, undertakings in national adaptation planning processes, and if applicable, the provision of MOI support for ambitious mitigation and adaptation action in developing countries, with

special consideration for parties particularly vulnerable to the adverse effects of climate change and how the party considers that its INDC is fair and equitable, ambitious and consistent with the objective of the Convention, and decide that parties shall provide the information identified in Annex II, as appropriate, when communicating their INDC.

Brazil suggested replacing "methodologies, land-use accounting approaches" with "methodological approaches for establishing and accounting for anthropogenic GHG emissions by sources, and as appropriate."

On a paragraph calling for developed countries, the operating entities of the financial mechanism and any organization in a position to do so to provide support for the preparation and communication of INDCs, Tanzania called for separating what is asked from parties from what is asked from operating entities.

On a paragraph with three options relating to actions by the Secretariat after the INDCs' communication, including possible dialogues and an assessment of their aggregate effect, India, China, Brazil, Nicaragua, Cuba, Belarus, Saudi Arabia, Viet Nam and Bolivia favored the first option, requesting the Secretariat to publish the INDCs online, as communicated. The LMDCs expressed willingness to work on the language of other options.

New Zealand, Japan, Canada, the United Arab Emirates and the Republic of Korea supported the second option, which requests the Secretariat, to *inter alia*: organize a dialogue between June 2015 ADP session and COP 21 with the objective of facilitating the clarity, transparency and understanding of the communicated INDCs and prepare a technical paper in advance of the dialogue on the aggregate effect of the INDCs communicated by parties prior to 30 June 2015. Willing to work with the second option, the US requested the dialogue to occur at every ADP session.

The EU, supported by Tuvalu, for the LDCs, emphasized the need for a follow-up process to the communication of INDCs, and indicated, with Trinidad and Tobago, preference for the third option, which requests the Secretariat to: publish INDCs online as communicated; organize two in-session dialogues; and prepare a technical paper in advance of the dialogues, on the aggregate effect of INDCs communicated by parties prior to 30 May 2015. Mexico, Fiji, the Dominican Republic and Switzerland supported the third option, with South Africa calling for additional references to a compilation of, and workshops on, existing methodological provisions on LULUCF and REDD+.

On a paragraph encouraging parties to the Kyoto Protocol to ratify and implement its Doha Amendment, Cuba and Viet Nam, opposed by Belarus and Ukraine, called for "urging" instead of "encouraging" parties.

On a paragraph with three options relating to enhancing pre-2020 mitigation ambition, including a possible forum or mechanism to assess implementation, the EU, with the US, Canada, India, Australia, New Zealand, Iran, Algeria, for the Arab Group, Belarus, Japan and Switzerland, preferred the first option, suggesting the COP reiterates its resolve, as set out in Decision 1/CP.19, paragraphs 3 and 4, to accelerate the full implementation of the decisions constituting the agreed outcome pursuant to decision 1/CP.13 (Bali Action Plan) and enhance ambition in the pre-2020 period in order to ensure the highest possible mitigation efforts under the Convention by all parties.

The EU, Canada and the US disagreed, opposed by Tuvalu, for the LDCs, with including finance in the INDCs, noting this issue will not be resolved in Lima. The LDCs stressed the need for an indication of finance not just for the preparation of INDCs, but also for their implementation; and also called for a reference to special circumstances of LDCs in the preparation of the mitigation INDCs. Mexico stressed the need for financial and technical support.

India called for reflecting that elements for the draft negotiating text would be under the Convention.

Mexico, China, Marshall Islands, Cuba, Fiji, Viet Nam, Panama, for CERN, Bolivia, Saudi Arabia and the Dominican Republic supported the third option, in which the COP would launch an accelerated implementation mechanism to assess progress made in the implementation of Decision 1/CP.19, paragraphs 3 and 4, by convening meetings in conjunction with SB 42, 44 and 46.

The United Arab Emirates preferred the second option, in which the COP would convene a forum to assess progress made in the implementation of Decision 1/CP.19, paragraphs 3 and 4, in conjunction with SB 42. The Democratic Republic of the Congo called for a hybrid option, preferring a forum that will take place not only in 2015, but also in 2016 and 2017. Brazil emphasized following a results-oriented approach.

On a paragraph on actions by the Secretariat to continue the technical examination of opportunities with high mitigation potential in the period 2015-2020, Iran said it should cover all elements, not only mitigation. Saudi Arabia said TEMs need to end by 2016 or include adaptation. The Dominican Republic and Bolivia called for inclusion of women and youth as experts. Bolivia emphasized meaningful participation of indigenous peoples in TEMs, and called for a new thematic area on sustainable management of ecosystems, and consideration of additional areas for discussion under adaptation.

On Annex II (complementary information on INDCs), Tuvalu, for the LDCs noted, with India, Bolivia and China, the need to clearly indicate in the annex that MOI support is to be provided by developed countries to developing countries. China and Bolivia opposed reference to “fairness and ambition” under the subheading “other” in Annex II, which addresses to indicators relating to fairness and ambition and their application. Egypt, Cuba, Fiji, Viet Nam and Sudan, for the African Group, opposed the annex. The Russian Federation cautioned against the level of detail in the annex. Brazil, *inter alia*: described the text as the lowest common denominator; lamented it lacks ambition, finance, differentiation and, with Marshall Islands, a clear notion of no backsliding; and opposed the concept of self-differentiation implied.

Venezuela stressed the need to reflect differentiation. Iran proposed deletion of the annex as it does not reference CBDR or a timeline on finance and MOI. Algeria, for the Arab Group, emphasized the need to refer to adaptation finance and expressed reservations on fairness indicators. The LMDCs preferred capturing it in the operative paragraphs.

ADP ITEM 3: ELEMENTS: This item was first considered on Tuesday, 2 December and continued through Saturday, 6 December. On 2 December, ADP Co-Chair Runge-Metzger

presented the non-paper on ‘Elements for a draft negotiating text’ (ADP.2014.11.NonPaper) issued by the Co-Chairs in advance of ADP 2-7.

On Saturday, 6 December, the first reading of all sections of the elements text was concluded. On Monday, 8 December, ADP Co-Chair Artur Runge-Metzger introduced a revised version, including a footnote to the title stating: “These elements for a draft negotiating text reflect work in progress. They neither indicate convergence on the proposals presented nor do they preclude new proposals from emerging in the course of the negotiations in 2015.” Many developing countries questioned the legal status of the new text, underscoring it remains a non-paper and that their concerns were not reflected in the text. ADP Co-Chair Runge-Metzger said it is up to parties to decide the legal status of the text. The elements text was not considered further during ADP 2-7 but is contained in the annex to the ‘Lima Call for Climate Action,’ for consideration at ADP 2-8.

Substantive negotiations took place on eight elements summarized below: finance; adaptation; mitigation; capacity building; technology; cooperation and support; transparency of action and support; and time frames and process related to commitments/contributions.

Finance: Nicaragua, with many developing countries, opposed the text as “a far cry from the Convention and previous decisions.”

On differentiation, Sudan, for the African Group, with Ecuador, for the LMDCs, and Bolivia, for the G-77/China, opposed text suggesting “all” parties mobilize climate finance through a diversity of actions. The African Group recalled differentiation between developed and developing countries under the Convention, and the responsibility of developed countries to provide finance.

The LMDCs, opposed by Japan, called for deleting references to provision of finance by “parties in a position to do so.” India and China called instead for a reference only to developed countries and those listed in Annex II of the Convention.

The LMDCs opposed reference to results-based adaptation finance. Mexico clarified “results-based” is not a precondition for access to finance, and stressed prioritizing both mitigation and adaptation finance. Indonesia highlighted the need to ensure adherence to the Convention principles in the entire agreement. Switzerland suggested including in the 2015 agreement: reference to “each party” rather than “all parties” mobilizing climate finance; some text on the purpose of financial resources; and applicable principles, such as being results-based, recognizing developing countries’ investment, and reflecting evolving capabilities and responsibilities.

Bolivia, for the G-77/China, highlighted gaps in the implementation of obligations under the Convention and called for enhancement of support. Colombia stressed referencing leadership of developed countries in the implementation of the Convention.

China and India called for deleting text suggesting that “parties mobilize and provide financial resources in a manner which is capable of adapting dynamically to changing realities and future developments and needs.”

The EU clarified that “evolving responsibilities and capabilities” captures the growth in the levels of prosperity and GHG emissions of developing countries, noting that some are currently more prosperous than some EU member states.

On policy signals and enabling environments, the US called for including text: encouraging parties to build effective enabling environments; calling for elimination of public incentives for high-carbon investment; and recognizing that climate finance flows in all directions. He suggested deleting reference to mobilization of climate finance “as a means to stay below the long-term temperature limit,” and, opposed by the African Group, to “adequate and predictable” funding for adaptation.

Malawi, for the LDCs, lamented that text on “encouraging policy signals by governments” does not address provision of climate finance. New Zealand described “right” policies and enabling environments as a prerequisite for more effective flows of climate finance.

On sources of finance, Norway, Switzerland, Canada and the US suggested highlighting a variety of sources. The Republic of Korea stressed the importance of operational guidelines, including: a balanced approach to finance, with equal footing for adaptation and mitigation; a practical approach for mobilizing finance from the public and private sectors; and creating synergies among different financial institutions.

On the scale of finance, Egypt, with Paraguay, emphasized that adequate and predictable finance should come mainly from public sources. Algeria suggested that “adequate and predictable funding for adaptation” also be “additional.” The EU and Japan, opposed by Ecuador, considered specifying finance as “adequate and predictable” problematic.

Egypt sought clarity on the scale of finance and supported quantified targets for finance to ensure predictability. Norway, the EU, Switzerland and Japan opposed an *ex ante* process to commit to quantified support commensurate with the ambition reflected in the adaptation and mitigation goals, with the EU signaling this as “a red line.” Colombia emphasized the need to capture predictability in the new agreement.

Japan proposed deleting text suggesting that mobilization of finance be “regularly scaled up.” The EU preferred regular “updating” rather than “upscaling.”

South Africa proposed to identify: how to anchor the existing finance mechanism and MRV system into the new agreement; the scale of resources required to keep temperature rise below “our goal”; who contributes and how; and sources of finance.

China called for acknowledging that South-South cooperation is not a commitment of parties and, with India and Algeria, suggested mobilization and provision of finance be enhanced not “in coordination with,” but rather as “additional to,” official development assistance.

On Thursday, 4 December, Sudan, for the African Group, supported by Bolivia, for the G-77/China, Saudi Arabia, Maldives, India, South Africa, Ecuador, Zambia, Pakistan, Argentina and others, introduced a conference room paper (CRP) containing draft elements on climate finance under the ADP, requesting that it replace the Co-Chairs’ non-paper as the basis for discussion.

New Zealand, with Switzerland, called for concluding the consideration of the Co-Chairs’ non-paper, noting it covers most of the elements of the CRP. The US emphasized work undertaken over the past two days on the Co-Chairs’ non-paper and progress already achieved.

The G-77/China stressed the legal standing of the CRP as opposed to the Co-Chairs’ non-paper. ADP Co-Chair Runge-Metzger invited parties to consult informally on the way forward. This issue was not further addressed during the session.

Adaptation: The US, Mexico, the Republic of Korea, Norway, Canada, Switzerland, the EU, Zambia, Japan and others provided comments on, *inter alia*: long-term and global aspects of adaptation; commitments and contributions; monitoring and evaluation; sharing information, knowledge and lessons learned; and institutional arrangements.

Saudi Arabia, for the LMDCs, Zambia, South Africa and others stressed the need to address differentiation. Switzerland said there is no need for differentiation on adaptation, noting that commitments are intended to facilitate preparation for adaptation actions without being burdensome. Australia and New Zealand opposed a “bifurcated” approach.

Tuvalu, for the LDCs, cautioned against referring to “contributions” or “commitments.” The US proposed referring to “actions.” Brazil said work that has been done under the Cancun Adaptation Framework and Nairobi Work Programme should be recognized. The LMDCs favored the terms “commitments” and “actions.” India emphasized that determination of contributions should be country-driven.

The Republic of Korea supported a global adaptation goal that is general enough to be applicable to all and specific enough to inspire action on the ground. Norway requested that an option for no global adaptation goal be reflected. Japan expressed doubt over a quantitative goal on adaptation. The US, Norway, Canada and the EU supported broadening the scope of national adaptation planning processes.

New Zealand opposed a global goal on adaptation. The LDCs supported a long-term goal, noting that action on adaptation is dependent on mitigation and the global temperature limit. Ghana, for the African Group, said dimensions of the adaptation goal should be both quantitative and qualitative. The US clarified that “universal individual commitments” imply that each party will undertake enhanced adaptation actions to be included in national planning processes.

Mexico said inter-linkages between adaptation and mitigation, renewed and reinforced collective commitments, national commitments, and adaptation finance should be reflected in the new “protocol.” She said monitoring and evaluation, and, with Norway, institutional arrangements should be addressed in COP decisions. Emphasizing that adaptation cannot be measured and quantified, Canada, New Zealand and Australia did not support linkages between the long-term temperature limit, the need for support and adaptation.

Australia and New Zealand also did not support linkages between mitigation ambition, adaptation needs, the global temperature goal, and finance. Saudi Arabia, for the LMDCs, and Argentina stressed the need to link adaptation to MOI.

On institutional arrangements, the US, Canada, Japan and others saw no need for new institutional arrangements for adaptation. Switzerland opposed singling out loss and damage in the new agreement.

The LDCs proposed establishing: a clearinghouse to help those lacking capacity and access to the best adaptation technologies; a roster of international adaptation experts; and, with Timor Leste, regional adaptation centers.

On MRV, Nauru, for AOSIS, supported reference to national communications and biennial update reports for communicating commitments, stressing the need to build on existing reporting modalities. Chile, for AILAC, preferred existing reporting vehicles that would not burden any country and facilitate North-South and South-South cooperation.

The LDCs favored an MRV mechanism to ensure a level of support commensurate with adaptation needs. The LMDCs and South Africa cautioned against placing additional burdens on developing countries. China and Iran emphasized the knowledge gap on the implementation of adaptation.

On loss and damage, AOSIS, the LDCs, AILAC, the African Group and others, opposed by Australia, emphasized that it should become a stand-alone element in the new agreement. New Zealand opposed any reinterpretation of Decision 2/CP.19 (Warsaw International Mechanism for Loss and Damage).

The LDCs proposed a climate change displacement coordination unit, and a mechanism to deal with slow-onset events, including a compensation regime. The LMDCs said discussions on loss and damage are premature pending outcomes on the Executive Committee.

Mitigation: On differentiation, Kenya, for the African Group, lamented the overall lack of reference to equity, CBDR, mitigation obligations of developed countries, and specific national and regional development priorities. India, Argentina, Venezuela, Jordan, Cuba and Bolivia called for reference to CBDR, principles and provisions of the Convention, or its Article 4 (commitments). Japan, New Zealand, the US, Australia, Switzerland and Canada opposed creating binary divisions on commitments, based on annexes or the distinction between developed and developing countries.

The EU said the text should reflect that all parties will eventually take quantified economy-wide emission reduction targets. The US called for an option in the text to update the Convention's annexes to reflect parties' changing economic and emissions trends.

The United Arab Emirates proposed recognizing actions by "early movers."

Saudi Arabia, for the LMDCs, described other parties' comments on the evolution of CBDR, updated annexes or elimination of differentiation as "illegal," emphasizing that the future agreement cannot be built on that basis. Supporting Brazil, China opposed the introduction of new concepts, saying diverting from the principles and provisions of the Convention makes progress difficult.

On long-term and global aspects, Nauru, for AOSIS, suggested a regular review of the elements under the section on the basis of science. Saudi Arabia suggested using agreed language, for example from Cancun, and including references

to, *inter alia*, sustainable development and developing countries' vulnerabilities. China called for reflecting the linkages between the collective aspects of mitigation, adaptation and MOI.

South Africa stressed a long-term goal should be consistent with what is required by science, and Tuvalu, for the LDCs, said the goal should be to keep the temperature increase below 1.5°C. New Zealand suggested "net zero CO2 emissions by 2100" in line with the latest science. The EU called for explicit reference to the 2°C goal.

Algeria, for the Arab Group, reminded parties that Decision 1/CP.16 (Cancun Agreements) recognizes the need for a longer time frame for the peaking of GHG emissions in developing countries.

On mitigation contributions or commitments, Saudi Arabia said the subsection title should include "actions." China suggested structuring the subsection so as to differentiate enhanced mitigation action by developed and developing countries. Chile, for AILAC, among others, supported the principle of "no backsliding." Norway said elements on accounting and periodicity should be part of the mitigation section.

The EU said all parties should submit unconditional commitments, with the possibility for the most vulnerable to also submit actions conditional on support. The US, with Australia, said each country should maintain a schedule of actions they intend to take to meet their commitments, with periodic reporting on implementation and revisions to enhance commitments.

Bolivia, opposed by Australia and New Zealand, called for commitments based on an "indexed" global carbon budget divided among all parties according to historical responsibility, ecological footprint, state of development and capabilities. Brazil said agreement on criteria for carbon budgeting was difficult to foresee.

Panama, for the Cfrn, said that the global carbon budget should be informed by national estimates. Ukraine opposed considering a global carbon budget, preferring a bottom-up approach to long-term emission reductions.

The LDCs called for two annexes, one for parties taking quantified economy-wide emission reduction targets and the other for parties that take other forms of commitments.

The Republic of Korea supported reference to market mechanisms. Mexico preferred "commitments" according to CBDTRC and supported schedules as an anchoring mechanism for contributions. Ethiopia emphasized MOI for developing countries.

The EU called for a commitment cycle of 10 years and, supported by the US, for a five-year cycle of review and revision. The EU said this should be elaborated further in the text. The Russian Federation cautioned that a review process in the middle of the commitment period could make ratification challenging, as legislators require a clear understanding of what they are agreeing to.

On response measures, the LDCs, Venezuela, Argentina, Egypt and the United Arab Emirates, opposed by New Zealand, Japan and Canada, variously supported a mechanism, institution or permanent forum. Ukraine preferred the option of no new arrangements, or a permanent forum as an alternative.

Saudi Arabia said his country will not support the new agreement if it does not adequately address the issue.

Cooperation and Support: China and Saudi Arabia said discussion on cooperation and support for implementation was not mandated by Decision 1/CP.17 (establishing the ADP). ADP Co-Chair Runge-Metzger explained that headings were only included for the parties' convenience.

Many parties supported consolidating the section on cooperation and support with sections on other elements. Algeria, for the Arab Group, and China said sections on market and non-market approaches, and new market-based mechanisms could prejudice discussions under the SBs.

Australia, New Zealand, the US, Canada and others said all parties in a position to do so should provide support for the implementation of the new agreement. The EU and Switzerland supported describing the purpose of MOI. Japan said parties who provide and receive support should work together to mobilize private finance.

On differentiation, Singapore expressed concern over "evolving responsibilities" and "parties in a position to do so," and cautioned against rewriting the Convention. The Arab Group opposed reference to "evolving" CBDRRC. China said only developed countries have the responsibility to provide support to developing countries, and cautioned against introducing new principles.

On institutional arrangements, the Arab Group, with China, called for deletion of reference to sub-national, national and regional emissions trading schemes. Australia, the EU, New Zealand, Switzerland, the US, Canada, Japan and others expressed reservations about this sub-section. Panama stressed the importance of referring to the accounting and conformity functions of cooperative arrangements.

Transparency of Action and Support: South Africa, supported by Mexico, proposed launching a process for discussing transparency rules during 2015, with South Africa saying this should be reflected in the ADP conclusions from Lima.

On the scope of MRV, Argentina, with Tuvalu, for the LDCs, cautioned against bias towards mitigation. The LDCs called for greater parity between mitigation and support. New Zealand and Japan urged referring to transparency of support provided and received. Switzerland highlighted the need for adaptation reporting.

Brazil said transparency cannot substitute accountability, and is linked not only to mitigation, but also adaptation and MOI. Turkey said the scope of contributions should remain at parties' discretion.

On the MRV framework, the African Group, warned against backsliding from the current framework. The African Group, South Africa, Chile, for AILAC, Panama, for Cfrn, Nauru, for AOSIS, Brazil and Mexico called for building on the existing MRV framework, with some suggesting it could evolve over time. Nauru, for AOSIS, said the framework should measure progress toward a global goal of 1.5° or 2°C and promote participation of all countries. The African Group cautioned against placing additional burdens on developing countries.

Argentina, the LDCs, the African Group, Saudi Arabia and China, for the LMDCs, emphasized differentiation, with many calling for maintaining the existing "two-track" approach to MRV. Brazil called for a transparency framework that reflects differentiation. Ecuador requested a reference to CBDR.

Norway emphasized universality and, with Switzerland, flexibility to accommodate parties' different capabilities. Australia, Japan and the US called for a single transparency system applicable to all. The US said the system should enable verification of efforts, which could include tiers and opt-out provisions based on parties' circumstances.

Turkey opposed, calling for a common framework with common MRV provisions applicable to all parties, with flexibility for developing countries on the level and depth of the application of the common MRV provisions.

On rules and modalities, the EU, with New Zealand, suggested that the new agreement contain high-level MRV and accounting principles, with guidelines and modalities elaborated in COP decisions.

Argentina cautioned against prejudging SBSTA discussions on LULUCF and requested that various approaches be referenced in addition to markets. Jordan objected to references to market mechanisms. The African Group emphasized gaps in developed countries' MRV frameworks on markets and LULUCF.

South Africa highlighted the importance of LULUCF accounting, calling for consolidating detailed rules under the Convention. AILAC called for stronger language on developing rules for markets, land-use and forestry sectors. Cfrn called for references to REDD+ and coastal ecosystems.

AOSIS and AILAC called for a clear definition of climate finance, with AILAC stressing this will help avoid double-counting.

The LMDCs called for text on, *inter alia*: a common methodology for MRV of support by developed countries; a strengthened review of MOI support; and a financial channel under the GCF for MRV-related capacity building in developing countries.

Technology: On commitments, Swaziland, for the African Group, Argentina and China called for differentiated obligations for developed and developing countries. Swaziland, for the African Group, said that commitments should not shift responsibility from developed to developing countries, nor encourage private over public support. China emphasized the need for developed countries to provide support to implement technology needs assessments in developing countries.

On institutional arrangements, Swaziland, for the African Group, Saudi Arabia, South Africa, Algeria and Argentina preferred anchoring institutional arrangements in the TEC and CTCN. China urged further guidance to strengthen the Technology Mechanism (TM), noting such guidance is complementary to anchoring the mechanism in the TEC and CTCN.

Iran, Argentina and Algeria said that technology transfer should proceed under the principles and provisions of the Convention. The US said cooperative action to promote and enhance technology development and transfer should include existing technology and financial mechanisms. Ukraine requested inclusion of economies in transition in the development and transfer of technologies.

Capacity Building: Canada and Japan said capacity building must be "country-driven," and not "demand-driven." Tanzania, with Tuvalu, for the LDCs, urged enhancing capacities of

national governments to absorb financial and technological resources, and opposed reference to “clear and predictable targets and outcomes.”

On commitments, South Africa and India emphasized developed countries’ obligation to provide capacity-building support to developing countries. Ethiopia emphasized “glaring” differences in needs for capacity building in developing countries and, opposed by the US, called for commitments on capacity building.

Algeria, for the Arab Group, stressed that developing countries able to provide capacity can do so voluntarily. Argentina said parties should identify their own capacity gaps. The US said all parties in a position to do so should be invited to support others with lower capabilities.

On institutional arrangements, South Africa, China, India, Iran, Tanzania, Tuvalu, for the LDCs, and others, opposed by Canada, Japan, the EU, the US and others, supported the establishment of an international capacity-building mechanism. India noted that mobilization of private capital cannot be one of its essential elements.

Argentina said private funding should be complementary to public funding. China cautioned against “board-shifting behaviors” in reference to the potential role of the private sector in supporting capacity building. Stating that capacity development should apply to all parties, not only developing countries, the EU called for improving and strengthening existing mechanisms and arrangements under the Convention and the Kyoto Protocol that address capacity building.

Time Frames and Process Related to Commitments/

Contributions: China stressed the importance of the timing of the agreement, including precise dates for the starting and ending of its implementation, and a time frame related to commitments.

On commitments/contributions, Turkey preferred “contributions.” South Africa favored commitments with a legal character. Chile, for AILAC, said that “contributions” should be communicated every five years, with an indication of contributions for the subsequent five-year period, as well as the five-year period following that.

Indicating flexibility on period length, Switzerland, with Norway, emphasized that all parties should communicate their commitments at the same time. Turkey preferred a 10-year period with a mid-term review.

On *ex ante* consideration, AILAC called for a robust process. Switzerland urged *ex ante* consideration of aggregate commitments. Turkey said the process should not be prescriptive. Norway said commitments should become legally-binding obligations once they are put forward through an annex or schedule.

On formalization/finalization, AILAC said contributions should be inscribed in a document and cautioned against backsliding. Turkey and Tuvalu, for the LDCs, said contributions could be revised on a voluntary basis. The LDCs called for two annexes for: quantified emission reduction commitments; and emission limitation commitments and strategies. Australia said parties should be allowed to adjust their commitment/contribution on an exceptional basis.

On strategic review of implementation, AILAC supported a five-year cycle and, with Switzerland, Turkey and the Republic of Korea, and opposed by China, said it should be applicable to all parties. Norway said review should harness unrealized opportunities.

CLOSING PLENARY: On Saturday, 13 December, COP 20 President Manuel Pulgar-Vidal indicated that “we are very close” to building the basis of a successful outcome in Paris, expressing hope and trust that parties will work together to find the balance needed for moving the process forward.

ADP Co-Chair Artur Runge-Metzger noted that the objective of the meeting was to adopt “results” of the hard work, engagement and progress over the past two weeks reflected in the revised draft decision (FCCC/ADP/2014/L.5).

Singapore reported on Friday’s ministerial consultations, emphasizing a shared sense of urgency for progress and the need for trust in five areas:

- the need for the Lima outcome to be under the Convention;
- the need for balance in the scope of INDCs, which can include but cannot be confined to mitigation;
- financial support needs to be available without backsliding on developed countries’ prior commitments;
- the scale of ambition needs to be able to keep the global temperature rise under 2° or 1.5°C; and
- Lima’s outcome should not prejudice the legal form of the Paris agreement or affect the Convention’s firewall between developed and developing countries.

Switzerland, for the Environmental Integrity Group, the EU, Belize, Chile, for AILAC, Australia, New Zealand, Japan, Belarus, the Russian Federation, and Turkey endorsed the Co-Chairs’ text.

Highlighting their willingness to move forward despite the lack of language on how INDCs would be on track towards the long-term goal, the Marshall Islands proposed forwarding the text to the COP for adoption.

Urging parties to “make progress now,” the US said failure in Lima will put Paris as well as the future of UNFCCC at risk. He looked forward to an agreement that: is more ambitious than ever before; is built to last; applies to all parties in a genuine manner; is fully differentiated in terms of CDBRRC expressed in light of national circumstances; is built on the basis of rules-based accountability; and encompasses commitments to financial assistance.

Sudan, for the African Group, Malaysia, for the LMDCs, Saudi Arabia, Argentina, India, Uganda, Paraguay, Pakistan and others opposed the text.

The African Group stressed the importance of: the principles of the Convention; the concept of differentiation, cautioning against undermining it implicitly or explicitly; adaptation and MOI as Africa’s priorities; and equal and balanced treatment of these elements alongside mitigation and transparency. Noting that “the gap is closing little by little,” Nigeria asked parties to address issues raised by the African Group.

Calling the text “unacceptable as it stands,” the Democratic Republic of the Congo identified areas not addressed, including: parity among elements; differentiation; scope of INDCs “beyond” mitigation; and workstream 2 (pre-2020 ambition).

The LMDCs expressed disappointment that the text: does not recognize CBDR, and differentiation in INDCs and information to be submitted; introduces “parties in a position to do so”; does not adequately address finance; is mitigation-centered; and prejudices the Paris agreement. Noting that the ADP text had “divided the house,” Egypt supported the LMDCs on addressing issues such as differentiation.

El Salvador asked for “one final effort” to address CBDR in the text. Oman requested an amendment to the draft decision to reflect concerns of vulnerable states. South Africa, for Brazil, South Africa, India and China (BASIC), urged more time to address the balance between different elements, differentiation, and the assessment process for INDCs.

Venezuela said the text has not achieved the necessary objective set for Lima and cautioned against renegotiating the principles of the Convention.

Tuvalu, for the LDCs, said the text needed “a surgery” so that some “vital organs,” such as loss and damage, could be inserted. Uganda, Paraguay and the Solomon Islands emphasized that loss and damage must be an essential part of the decision and the future agreement.

The Cook Islands expressed support for the draft decision. Asking for his proposals on loss and damage and human rights to be attached in the annex, the Philippines supported adoption of the draft decision.

Singapore, China, Cuba and Nicaragua urged the Presidency to help find consensus in Lima. Algeria, for the Arab Group, called for a new text to be proposed by the COP President.

Bangladesh asked the Co-Chairs to reflect specific concerns expressed by parties before adopting the text. Senegal asked for a more balanced text.

Noting the lack of consensus on the draft decision, the ADP Co-Chairs forwarded the draft decision to the COP President under their own authority. ADP Co-Chair Runge-Metzger remarked that while some speak of a divide, in the Co-Chairs’ view, parties are united in the battle against climate change, but with different perceptions on how to move forward.

ADP Rapporteur Anna Serzyzko presented, and parties adopted, the report of the session (FCCC/ADP/2014/L.4).

Parties gave ADP Co-Chairs Runge-Metzger and Kumarsingh a standing ovation in recognition of their hard work.

Pulgar-Vidal thanked the ADP Co-Chairs and announced that he would consult with parties to discuss possible solutions, and provide text to the COP closing plenary. ADP Co-Chair Runge-Metzger suspended the second session of the ADP at 1:31 pm.

COP 20 / CMP 10 CLOSING PLENARIES

COP 20 CLOSING PLENARY: On Friday, 12 December, the COP 20 closing plenary convened in the morning to adopt agreed items. The closing plenary was suspended at 1:18 pm.

On Saturday, 13 December, the closing plenary resumed at 5:20 pm to consider the Warsaw International Mechanism for Loss and Damage and matters related to finance. The closing plenary was suspended at 5:50 pm. At 11:37 pm the closing plenary briefly resumed for the introduction of the draft decision on advancing the Durban Platform for Enhanced Action (FCCC/CP/2014/L.14). The session was suspended at 11:53 pm for parties to review the text.

On Sunday, 14 December, the closing plenary resumed and adopted the decision on advancing the Durban Platform for Enhanced Action, renamed the ‘Lima Call for Climate Action’ at 1:23 am.

Parties and civil society then delivered joint COP/CMP closing statements. On the Lima Call for Climate Action, India underscored the importance of clear references to “under the Convention” and CBDR, noting “there will always be differences,” and suggesting “not leaving contentious issues to the end.”

Noting that the text “manages to strike a delicate balance between very difficult issues,” South Africa, for BASIC, said the outcome provides a solid foundation for work in 2015.

Underlining work achieved in Lima as essential for the adoption of the 2015 agreement in Paris, Bolivia, for the G-77/China, stated the agreement must treat the elements of mitigation, adaptation, MOI, and transparency of action and support, in a balanced manner and on an equal footing. He outlined as five key issues for the 2015 agreement: the principles and provisions of the Convention, in particular equity and CBDRRC, and that the agreement be under the Convention; consistency with the Convention, including differentiation between developed and developing countries; adaptation and loss and damage; provision of MOI by developed countries; and consistency with achieving sustainable development and poverty eradication.

Noting it had sought “considerable flexibility” and recognizing flexibility by other parties, the EU suggested that the initial capitalization of the GCF and the Lima Call for Climate Action provide a good direction towards an ambitious agreement in Paris.

Saying that the decisions taken in Lima had set the stage for negotiations in 2015, Mexico, for the Environmental Integrity Group: highlighted decisions on guidance to the GCF and on long-term climate finance; noted that more work remained on market mechanisms and the implementation of the Kyoto Protocol; and expressed appreciation to the organization of the first session of the multilateral assessment, noting that the Independent Assessment Report and international consultation and analysis are important processes for promoting transparency and enhancing understanding of respective national processes.

Many, including Australia, Nauru, for AOSIS, and Nepal, for the LDCs, expressed gratitude to the COP president, the people of Peru, and the ADP Co-Chairs for a successful conference.

Incoming COP 21 President, Minister Laurent Fabius, France, congratulated Minister Pulgar-Vidal for “setting an example of a great COP president with ambition, a listening ear and a spirit of compromise” and for “putting to rest the haunting ghost of Copenhagen.”

Brazil emphasized that a robust and ambitious agreement in 2015 requires continuous work, including on the nature and scope of INDCs and how they are to be incorporated in the Paris agreement, and prevention of backtracking.

Observing a “Latin American style of respectful multilateral diplomacy,” Venezuela, for the Bolivarian Alliance for the Peoples of Our America (ALBA), lauded COP 20 and noted, besides Peru as its host, Bolivia’s presidency of the G-77/China, and Venezuela’s hosting the Social Pre-COP.

China expressed gratitude for COP 20/CMP 10 President Pulgar-Vidal's leadership and expressed confidence in parties to show ambition, confidence and flexibility in 2015 to ensure success in Paris. Panama, for CfRN, expressed appreciation for the inclusion of REDD+ in the outcome.

The US thanked COP 20/CMP 10 President Pulgar-Vidal for his "leadership, commitment and generous spirit," and emphasized the need for parties: to put forward their INDCs "well before Paris" and in a clear, transparent and understandable manner; and, to make progress on developing the elements of the 2015 agreement based on the "working document" coming out of Lima.

Emphasizing the solidarity among developing countries, Malaysia, for the LMDCs, said "we worked hard to recapture a lost balance in the text." He lauded as "the spirit of Lima" a "restored" transparent and inclusive multilateral process of negotiations. Chile, for AILAC, called for a collective commitment towards low-carbon growth.

Lamenting the outcome as just another one of a series of decisions failing people and the planet, Climate Justice Now!, for ENGOS, called for climate targets within the global carbon budget and on the basis of CBDR. She declared: "we are seeds and we are growing into a forest of resistance."

Indigenous Peoples stressed the Paris 2015 agreement must contain operative language fulfilling the mandate from Cancun to fully respect human rights, including the rights of indigenous peoples, in all decisions relating to climate change, and called for direct access to indigenous peoples to financing through dedicated funds, including the GCF, and an active observer status in the GCF.

Suggesting that "the door to Paris is now open," Local Governments and Municipal Authorities said local governments need to be involved in the preparation of INDCs.

Women and Gender called for a binding, ambitious and transformative 2015 agreement that upholds human rights, gender equality and the rights of future generations.

Youth made a plea, on behalf of Pacific youth, for parties to help Pacific islands survive, stressing strong and effective loss and damage measures as "non-negotiable."

The Secretariat reported on the budgetary implications of the decisions taken at COP 20. The COP adopted the report of the meeting (FCCC/CP/2014/L.3) and a decision expressing gratitude to Peru and the people of the city of Lima for hosting the conference (FCCC/CP/2014/L.6-FCCC/KP/CMP/2014/L.4). COP 20 Vice-President Voto-Bernaes gavelled the meeting to a close at 3:04 am, on Sunday, 14 November 2014.

CMP 10 CLOSING PLENARY: On Friday, 12 December, the closing day of the Lima Climate Change Conference, the closing plenary of CMP 10 convened in the morning to adopt agreed items, following the first part of the COP 20 closing plenary. The closing plenary was then suspended at 1:18 pm.

On Saturday, 13 December, the closing plenary resumed at 5:50 pm to consider the election of officers and was suspended at 5:53 pm. On Sunday, 14 December, the closing plenary resumed at 3:04 am to close the session. The Secretariat reported on the budgetary implications of the decisions taken at CMP 10. The CMP adopted the report of the meeting (FCCC/KP/CMP/2014/L.1) and took note of a resolution expressing gratitude to Peru and the people of the city of Lima for hosting

the conference (FCCC/CP/2014/L.6-FCCC/KP/CMP/2014/L.4). CMP 10 Vice-President Voto-Bernaes gavelled the meeting to a close at 3:07 am, on Sunday, 14 November 2014.

LIMA CALL FOR CLIMATE ACTION

In its decision, the Lima Call for Climate Action (FCCC/CP/2014/L.14), the COP:

- reiterates that the work of the ADP shall be under the Convention and guided by its principles;
- recalls the objective of the Convention;
- recalls all the relevant decisions of the COP, particularly Decisions 1/CP.17, 2/CP.18 and 1/CP.19;
- affirms its determination to strengthen adaptation action through the protocol, another legal instrument or agreed outcome with legal force under the Convention to be adopted at COP 21;
- recalls Decisions 2/CP.19 and X/CP.20 and welcomes the progress made in Lima, Peru, towards the implementation of the Warsaw International Mechanism for Loss and Damage; and
- notes with grave concern the significant gap between the aggregate effect of parties' mitigation pledges in terms of global annual emissions of GHGs by 2020 and aggregate emission pathways consistent with having a likely chance of holding the increase in global average temperature below 2°C or 1.5°C above pre-industrial levels.

In paragraphs on **advancing the work of the ADP and elaborating a negotiating text for the 2015 agreement**, the COP:

- confirms that the ADP shall complete the work referred to in Decision 1/CP.17, paragraph 2, as early as possible in order for COP 21 to adopt a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all parties;
- decides that the protocol, another legal instrument or agreed outcome with legal force under the Convention applicable to all parties shall address in a balanced manner, *inter alia*, mitigation, adaptation, MOI and transparency of action and support;
- underscores its commitment to reaching an ambitious agreement in 2015 that reflects the principle of CBDRRC, in light of different national circumstances;
- urges developed country parties to provide and mobilize enhanced financial support to developing country parties for ambitious mitigation and adaptation actions, especially to parties that are particularly vulnerable to the adverse effects of climate change, and recognizes complementary support by other parties;
- acknowledges the progress made in Lima in elaborating the elements for a draft negotiating text as contained in the annex to the decision, including a footnote that states: "These elements for a draft negotiating text reflect work in progress. They neither indicate convergence on the proposals presented nor do they preclude new proposals from emerging in the course of the negotiations in 2015;"
- decides that the ADP will intensify its work, with a view to making available a negotiating text for a protocol, other legal instrument or an agreed outcome with legal force under the Convention applicable to all parties before May 2015; and

• requests the Secretariat to communicate the negotiating text, referred to above, to parties in accordance with provisions of the Convention and the applied rules of procedure, while noting that such communication will not prejudice whether the outcome will be a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all parties.

In paragraphs on **INDCs and their communication**, the COP:

- notes that the arrangements specified in this decision in relation to INDCs are without prejudice to the legal nature and content of the INDCs of parties or to the content of the protocol, another legal instrument or agreed outcome with legal force under the Convention applicable to all parties;
- reiterates its invitation to each party to communicate to the Secretariat its INDC towards achieving the objective of the Convention;
- agrees that each party's INDC towards achieving the objective of the Convention will represent a progression beyond the current undertaking of that party;
- also agrees that the LDCs and SIDS may communicate information on strategies, plans and actions for low GHG emission development reflecting their special circumstances in the context of INDCs;
- invites all parties to consider communicating their undertakings in adaptation planning or consider including an adaptation component in their INDCs;
- reiterates its invitation to all parties to communicate their INDCs well in advance of COP 21 (by the first quarter of 2015 by those parties ready to do so) in a manner that facilitates the clarity, transparency and understanding of the INDCs;
- agrees that the information to be provided by parties communicating their INDCs, may include, as appropriate, *inter alia*, quantifiable information on the reference point (including, as appropriate, a base year), time frames and/or periods for implementation, scope and coverage, planning processes, assumptions and methodological approaches including those for estimating and accounting for anthropogenic GHG emissions and, as appropriate, removals, and how the party considers that its INDC is fair and ambitious, in light of its national circumstances, and how it contributes towards achieving the objective of the Convention;
- reiterates its call to developed country parties, the operating entities of the financial mechanism and any other organizations in a position to do so to provide support for the preparation and communication of the INDCs of parties that may need such support; and
- requests the Secretariat to publish the INDCs as communicated on the UNFCCC website and prepare by 1 November 2015 a synthesis report on the aggregate effect of the INDCs communicated by parties by 1 October 2015.

In paragraphs **guiding enhanced action on, and future work of, workstream 2 (pre-2020 ambition) and basis for dynamic high-level engagement**, the COP encourages all parties to the Kyoto Protocol to ratify and implement the Doha Amendment to the Kyoto Protocol and reiterates its resolve as set out in decision 1/CP.19 (BAP), paragraphs 3 and 4, to accelerate the full implementation of the decisions constituting the agreed outcome

pursuant to decision 1/CP.13 and enhance ambition in the pre-2020 period in order to ensure the highest possible mitigation efforts under the Convention by all parties.

The COP also decides to continue the technical examination of opportunities with high mitigation potential, including those with adaptation, health and sustainable development co-benefits, in the period 2015-2020, by requesting the Secretariat to organize a series of in-session TEMs that:

- facilitate parties in the identification of policy options, practices and technologies and in planning for their implementation in accordance with nationally-defined development priorities;
- build on and utilize the related activities of, and further enhance collaboration and synergies among, the TEC, the CTCN, the Durban Forum on capacity-building, the CDM EB and the operating entities of the financial mechanism;
- build on previous TEMs in order to hone and focus on actionable policy options;
- provide meaningful and regular opportunities for the effective engagement of experts from parties, relevant international organizations, civil society, indigenous peoples, women, youth, academic institutions, the private sector, and subnational authorities nominated by their respective countries;
- support the accelerated implementation of policy options and enhanced mitigation action, including through international cooperation; and
- facilitate the enhanced engagement of all parties through the announcement of topics to be addressed, agendas and related materials at least two months in advance of TEMs.

The COP also requests the Secretariat to update, following the TEMs, the technical paper on the mitigation benefits of actions, and on initiatives and options to enhance mitigation ambition, compiling information provided in submissions from parties and observer organizations and the discussions held at the TEMs and drawing on other relevant information on the implementation of policy options at all levels, including through multilateral cooperation, and to disseminate the information, including by publishing a summary for policy makers.

The COP additionally:

- requests the ADP to make recommendations in relation to further advancing the technical examination process, including the periodic assessment of the TEMs, to COP 21;
- welcomes the Lima Climate Action High-Level Meeting convened by the COP President on 11 December 2014 and encourages the Executive Secretary and the COP President to convene an annual high-level event on enhancing implementation of climate action; and
- notes the estimated budgetary implications of the activities to be undertaken by the Secretariat.

A BRIEF ANALYSIS OF THE LIMA CLIMATE CONFERENCE

“Brick by brick my citizens, brick by brick.”

– Attributed to Roman Emperor Hadrian

Arriving in Peru, delegates were welcomed by a decidedly positive spirit. As COP 20/CMP 10 President Manuel Pulgar-Vidal observed in his opening speech, prior to the Lima Conference, the world had received a number of “good signals” from the UN Secretary-General’s Climate Summit, the initial resource mobilization of the Green Climate Fund (GCF), “historic” announcements by several major greenhouse gas emitting countries, including the EU, the US and China, as well as momentum generated from the IPCC’s Fifth Assessment Report. This spirit of “unprecedented optimism and achievement,” as described by UNFCCC Executive Secretary Christiana Figueres, was expected to help advance work on a number of key deliverables intended to provide what ADP Co-Chair Kishan Kumarsingh referred to as a “solid foundation” upon which to build a new agreement to be adopted in Paris.

In October, in an address to the ADP, Pulgar-Vidal indicated the outcomes he expected in Lima, including: a clear, structured and substantive text on the elements of the new agreement; defining the information to be submitted in 2015 as part of parties’ intended nationally determined contributions (INDCs); and a concrete plan for the pre-2020 period, including actions to ensure compliance with existing obligations, and the implementation of policy options with the greatest mitigation potential. He also emphasized the importance of confidence and trust in the process, as well as among parties. As many have learned from previous climate change meetings, no foundation for the future can be built without confidence and trust.

This brief analysis will assess to what extent these outcomes expected from Lima have been delivered, the implications of the ‘Lima Call for Climate Action’ for the negotiations towards the new climate agreement, and whether the Lima Conference succeeded in laying a solid foundation for constructing an ambitious global climate agreement in Paris, under which each country is able to find a “room.”

LAYING BRICKS

A fervent facilitator and an invisible enabler, the Peruvian Presidency spared no effort in ensuring that time during the Lima Conference was managed effectively. With most formal negotiating sessions scarcely going over the 6:00 pm mark and the Subsidiary Bodies concluding their work unprecedentedly early, delegates were able to roll up their sleeves and get down to work on the building blocks for the new agreement, the draft decision text on INDCs, and enhanced pre-2020 climate action.

Over six days, parties exchanged views on the Co-Chairs’ non-paper containing the elements for a draft negotiating text and made various proposals, which were all reflected in a revised document published on the UNFCCC website early in the morning on Monday, 8 December, by which time the text had swollen from 23 to 33 pages. Some worried that a proliferation of options, while indicating that the negotiating process is clearly party-driven, did not add to the draft negotiating text’s clarity and structure, and could complicate future work.

In the end, delegates agreed to annex this text to the COP decision on further advancing the Durban Platform with a disclaimer contained in a footnote stating that the elements for a draft negotiating text reflect “work in progress” and “neither indicate convergence on the proposals presented, nor do they preclude new proposals from emerging in the course of negotiations in 2015.” This disclaimer addressed concerns raised by many developing countries that annexing the elements text to the COP decision might preempt the legal form, structure or content of the Paris agreement and were therefore against “formalizing” any language that could potentially exclude some options from consideration in 2015, while locking in others. Limited substantive progress on the elements will no doubt put pressure on ADP negotiators meeting in Geneva in February 2015, which is expected to deliver a draft negotiating text for parties’ consideration later in the year.

MOVING WALLS IN A “DIVIDED” HOUSE

Discussions on elements for a draft negotiating text and on the draft decision advancing the Durban Platform were both underpinned by a number of broad political issues. These included differentiation, the role of the Convention and its principles and provisions in the future agreement, and the issue of legal parity between mitigation and adaptation, on the one hand, and mitigation and financial and other means of support, on the other. Many delegates pointed out that on those issues the ADP had a distinctly “divided house”—to the point that some felt trust among parties dissipating.

The question of how differentiation will be reflected in the Paris agreement permeated the ADP negotiations. For example, most developing countries, in particular the LMDCs, maintained that there should be differentiation, both in the 2015 agreement and the INDCs, in accordance with parties’ obligations under the Convention, and reflecting the principles of CBDR and equity. On the other side, the US advocated differentiation in accordance with CBDR and respective capabilities in line with varying national circumstances. The LMDCs also strongly opposed the formulation “parties in a position to do so” in relation to providing support to developing countries for the preparation and implementation of their INDCs, and to providing additional resources to the GCF, the GEF, the Technology Mechanism and the Adaptation Fund, arguing that such language disrupted Convention-based bifurcation, effectively dismantling the wall between Annex I and non-Annex I parties.

A related issue, namely that of legal parity between different components of the 2015 agreement, was also the subject of heated debate. Developing countries repeatedly cautioned against a “mitigation-centric” approach to INDCs, and urged for a balanced reflection of adaptation and means of implementation, with provision of finance taking the center stage. Of particular importance to AOSIS and the LDCs was that loss and damage be reflected as a separate element of the future agreement not only in the elements text, but also in the decision on the ADP.

Parties’ inability to reach consensus led to the adoption of a three-pronged approach, including continued negotiations under the ADP, ministerial consultations, and consultations by the COP President. After the Presidency’s consultations with negotiating groups that continued late into Saturday night—many hours after the Conference was supposed to conclude

at 6:00 pm on Friday, the ‘Lima Call for Climate Action’ was concluded. This outcome document, arguably, shifts the wall of differentiation. Although the work of the ADP “shall be under the Convention and guided by its principles” and the new agreement “shall address in a balanced manner” not only mitigation, but also adaptation, finance, technology development and transfer, capacity building, and transparency of action and support, the ADP’s commitment to reaching an ambitious agreement in 2015 is nevertheless described as reflecting CBDR and respective capabilities “in light of different national circumstances.” This formulation appears to open the door to a subjective interpretation of differentiation. Some also wondered if it modifies the interpretation of CBDR as reflecting historical responsibility, even if it avoids using the controversial terms “dynamic” or “evolving.” On the issue of parity, however, the final text provides some assurances to developing countries by giving adaptation a more prominent role in the future agreement and parties’ INDCs, as well as, and in relation to, provision of support.

The Lima Call for Climate Action also refers to the Warsaw International Mechanism for Loss and Damage in the preamble. Following the adoption of the decision by the COP, Tuvalu, for the LDCs, made a statement requesting that it be recorded in the report of the meeting. He stressed that the preambular text on the Warsaw International Mechanism, in conjunction with “*inter alia*” in the operative paragraph listing INDCs components, is, in the LDCs’ understanding, a “clear intention” that the new agreement will “properly, effectively and progressively” address loss and damage. While legally redundant, such declarations reaffirm parties’ positions and interpretations of agreed text, maintaining their relevance and visibility.

During the negotiations, an additional concern expressed by developing countries, similar to the one raised in relation to the elements text, was that a COP 20 decision on advancing the Durban Platform could be prejudicial to the outcome in Paris. In this regard, the Lima Call for Climate Action explicitly states that the INDCs-related arrangements specified in it “are without prejudice to the legal nature and content” of parties’ INDCs, or to the content of the future agreement.

TEARING DOWN THE WALL?

COP 20 was generally expected to help strengthen INDCs as a core component of the new agreement by clarifying their scope and specifying information required to facilitate their clarity, transparency and understanding. However, parties were also divided on their expectations for the text on INDCs, relating to information-related requirements, scope and communication. While the Lima Conference fulfilled these expectations to some extent, many parties and observers felt the decision has important shortcomings.

The Lima Call for Climate Action succeeds in delivering on a mandate from Warsaw to identify the “information that parties will provide when putting forward their contributions,” by referring to quantifiable information, time frames, coverage, methodological assumptions, and a subjective evaluation of fairness and ambitiousness. However, by stating that INDCs “may include, as appropriate, *inter alia*,” these various aspects, the text fails to set a minimum level of common types of information to be communicated by all parties, thus significantly

weakening the prospects of comparability across, and a meaningful aggregation of, contributions.

A major area of divergence of views related to the scope of INDCs. This debate centered on the interpretation of the Warsaw decision, which states that INDCs should be aimed “at achieving the objective of the Convention as set out in its Article 2.” Developed countries interpreted this as referring to mitigation being the only component of INDCs, while developing countries insisted on the need to include adaptation and means of implementation as well, with developing countries providing information on their means of implementation needs and developed countries providing information on their financial contributions, as a precondition of enhanced action by developing countries. As a compromise between these two views, the Lima Call for Climate Action invites parties to “consider including” an adaptation component in their INDCs, which reflects broad agreement that adaptation action requires strengthening alongside mitigation. Parties were also able to agree on recognizing the special circumstances of LDCs and SIDS by allowing them to present “strategies, plans and actions” for low-emission development. Meanwhile, all other countries are implicitly expected to do something more. This latter aspect is yet another example of built-in flexibility, which translates into a lack of a clear requirement for parties to prepare a strong, quantitative mitigation component in their INDCs. Furthermore, in relation to the scope of INDCs, parties were unable to agree on any language on finance or other means of implementation, which left developing countries disappointed. Issues related to finance, therefore, remain a fundamental area for further trust building in 2015.

Another issue on which parties disagreed was how INDCs would be communicated and what their possible *ex ante* consideration or review might look like. Many developing countries insisted that Lima should only focus on the process of communication. Some delegations, including the US, preferred a “consultative” process or period. Others, such as the EU and AOSIS, demanded a strong review that would assess the aggregate effect of INDCs against the latest climate science and what is deemed necessary to avoid dangerous climate change. Considered by some the weakest link of the Lima outcome, the decision text simply requests that the Secretariat publish the communicated INDCs on the UNFCCC website and prepare, by 1 November 2015, a synthesis report on their aggregate effect. This translates into an absence of any kind of *ex ante* review of individual contributions in 2015. Further, it also leaves parties with less than a month for possible upward adjustment prior to COP 21 in Paris in December 2015. Resulting from strong opposition by some, such as the LMDCs, to a review of their INDCs, this outcome left many disappointed. Some disenchanted observers, however, felt that, irrespective of its content, the decision would not have strong implications for global climate action, suggesting that the major factors driving the level of ambition of national contributions are in any event external to the UNFCCC process.

RAISING THE CEILING

With regard to enhancing pre-2020 ambition (ADP workstream 2), the technical expert meetings (TEMs) emerged as an area where countries could find a common cause. Relating to

the key question of how to carry work forward under workstream 2 beyond Paris, there was broad agreement that the TEMs, which have created a technical and less political space for discussions around scaling up implementation and which allow for “bringing down the brick wall of the UNFCCC” by engaging non-state actors, would be the proper vehicle. The Lima outcome sets out a clear process for building on the TEMs’ experience by providing guidance on their purpose, organization and follow-up, and seeking to further engage key institutions and mechanisms under the Convention. Views still diverged, however, on how to ensure the implementation of the Bali Action Plan, in particular with regard to the provision of means of implementation to developing countries, and enhancing mitigation efforts by all parties under the Convention. As a result, the final text does not include a proposed ‘Accelerated Implementation Mechanism’ to assess progress made in these areas—an idea originating in the conviction of developing countries that developed countries’ leadership pre-2020, which currently remains insufficient, will be essential for both addressing climate change and ensuring a successful 2015 agreement.

Discussions under the COP on long-term finance, which developing countries wanted to result in further assurances—such as quantitative milestones—on scaling up of climate finance by developed countries to US\$100 billion annually by 2020, and beyond, were also disappointing to developing countries. Yet, an undeniable success was the initial resource mobilization of the GCF, which reached its target of US\$10 billion, collecting a total of US\$10.2 billion in pledges by the end of the Lima Conference from both Annex I and non-Annex I countries. While developed countries considered it a show of commitment and something they should be recognized for, developing countries felt GCF capitalization, together with the first biennial ministerial dialogue on climate finance organized during the second week as well as biennial submissions by developed countries on scaling up climate finance, were still insufficient. Some suggested that before celebrating the GCF pledges, they would first need to see how and whether they would translate into resources for the Fund.

The first session of the multilateral assessment of developed countries’ mitigation targets, organized as part of SBI 41, reflected a similar divergence in views. Annex I countries celebrated the event for “going beyond simple reporting,” and increasing transparency and building trust, while some developing countries felt the process required further strengthening in the form of a clear “follow-up,” such as substantive conclusions for the SBI’s consideration. Notwithstanding these differences and given the positive “Lima Spirit” characterized by an open exchange of views and transparency that persisted throughout the conference, these developments may have succeeded in “raising the ceiling” of pre-2020 ambition, and thus rebuilding some of the confidence and trust for the tough year ahead.

ENABLING CONSTRUCTION

Many expected that momentum created by the political events of the previous months would contribute to an atmosphere of trust in Lima. These events included the GCF initial capitalization, the EU’s announcement of its 2030 mitigation target and, in particular, the bilateral announcements by the US

and China, on their respective mitigation targets for 2025 and 2030, as well as by the US and India, on expanded cooperation on climate change, including on phasing down HFCs. However, it soon became evident that too little time had passed for these external political events and high-level signals of change to translate into cardinal shifts in negotiating positions. Yet, some found discernible indications of a more immediate impact. For example, how CBDR and respective capabilities are defined in the Lima Call for Climate Action decision “in light of different national circumstances,” is a near-verbatim citation from the November joint announcement by the US and China. It remains to be seen if the ADP session in February will see further shifts in negotiating positions when parties have had the time to reflect on these events.

In spite of parties arriving in Peru with different expectations and widely diverging views, at the end most felt that, in the words of the South African Minister of Environmental Affairs Edna Molewa, the Lima Conference managed to strike a “delicate balance between very difficult issues” and laid “a solid foundation” for work towards Paris.

But did it really? The two key outcomes from Lima, the decision on Advancing the Durban Platform and its annex containing elements for a draft negotiating text, may have served to move the process forward and create a shared feeling of achievement and confidence in the process. However, given that key political issues, including differentiation and finance, remain unresolved, many parties are unwilling to declare the Lima outcome an absolute success.

The year of 2015 will be one that defines the true significance of the Lima Climate Conference. Many wonder if the positive “Lima Spirit” can continue in the run-up to Paris. But perhaps more importantly, the question may be if the Lima outcome can enable the construction in Paris of a “house” where all parties can coexist, while keeping in mind that in this process there is one party that does not negotiate—nature.

UPCOMING MEETINGS

5th Session of the IRENA Assembly: The fifth session of the Assembly of the International Renewable Energy Agency will discuss and decide upon issues such as the work programme, the budget, the adoption of reports, applications for membership and potential amendments to Agency activities. **date:** 17-18 January 2015 **location:** Abu Dhabi, United Arab Emirates **contact:** IRENA Secretariat **phone:** +971-2-417-9000 **email:** info@irena.org **www:** <http://www.irena.org>

ADP 2-8: The eighth meeting of the second session of the ADP will to convene in February. **dates:** 8-13 February 2015 **location:** Geneva, Switzerland **contact:** UNFCCC Secretariat **phone:** +49-228 815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

41st Session of the Intergovernmental Panel on Climate Change: This session will meet in February to discuss, *inter alia*, future work of the IPCC and lessons from the AR5. **dates:** 24-27 February 2015 **location:** Nairobi, Kenya **contact:** IPCC Secretariat **phone:** +41-22-730-8208 **fax:** +41-22-730-8025 **email:** ipcc-sec@wmo.int **www:** <http://www.ipcc.ch>

36th Meeting of the JISC: The 36th meeting of the Joint Implementation Supervisory Committee (JISC) under the UNFCCC Kyoto Protocol is expected to take place in March. **date:** 12-13 March 2015 **location:** Bonn, Germany **contact:** UNFCCC Secretariat **phone:** +49-228 815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

World Conference on Disaster Risk Reduction 2015: The World Conference on Disaster Risk Reduction will be hosted by the Government of Japan and organized by the UN International Strategy for Disaster Reduction, and is expected to agree on a post-2015 disaster risk reduction framework. **date:** 14-18 March 2015 **location:** Sendai, Japan **contact:** UNFCCC Secretariat **phone:** +41-22-91-78861 **fax:** +41-22-73-39531 **email:** wcdrr2015@un.org **www:** <http://www.wcdrr.org>

2015 Arctic Council Ministerial Meeting: This Arctic Council Ministerial Meeting will bring together ministers of the Arctic states and high-level representatives of the indigenous permanent participant organizations to set the Council's objectives for the next two years. The 2015 Ministerial Meeting will mark the conclusion of Canada's and the beginning of the United States' chairmanship, which will last from 2015-2017. The April 2015 meeting will be preceded by an event in Ottawa, Canada, on 23 April 2015 to showcase the Council's accomplishments during Canada's chairmanship. **dates:** 24-25 April 2015 **location:** Iqaluit, Canada **contact:** Arctic Council Secretariat **phone:** +47-77-75-01-40 **email:** acs@arctic-council.org **www:** <http://www.arctic-council.org>

42nd Sessions of the UNFCCC Subsidiary Bodies: The 42nd sessions of the Subsidiary Bodies to the UNFCCC and the ninth meeting of the second session of the ADP are expected to take place in June 2015. **dates:** 3-14 June 2015 **location:** Bonn, Germany **contact:** UNFCCC Secretariat **phone:** +49-228 815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

High-level Event on Climate Change: The President of the UN General Assembly will convene this high-level event, with the aim of giving momentum and adding impetus to efforts to reach a global agreement in 2015 under the UNFCCC. **date:** 29 June 2015 **location:** UN Headquarters, New York **contact:** Office of the President of the UN General Assembly **www:** <http://www.un.org/pga/calendar/>

ADP 2-10: The tenth meeting of the second session of the ADP is expected to convene in the second half of 2015. **dates:** TBC **location:** TBC **contact:** UNFCCC Secretariat **phone:** +49-228 815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

UNFCCC COP 21: The 21st session of the COP to the UNFCCC and associated meetings will take place in 2015. **dates:** 30 November - 11 December 2015 **location:** Paris, France **contact:** UNFCCC Secretariat **phone:** +49-228 815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

GLOSSARY

ADP	<i>Ad Hoc</i> Working Group on the Durban Platform for Enhanced Action
AFB	Adaptation Fund Board
AILAC	Association of Independent Latin American and Caribbean States
AOSIS	Alliance of Small Island States
AR5	IPCC Fifth Assessment Report
BAP	Bali Action Plan
BASIC	Brazil, South Africa, India and China
CBDR	Common but differentiated responsibilities
CBDRRC	Common but differentiated responsibilities and respective capabilities
CDM	Clean Development Mechanism
CERs	Certified Emission Reductions
CfRN	Coalition for Rainforest Nations
CGE	Consultative Group of Experts
CMP	Conference of the Parties serving as the Meeting of the Parties of the Kyoto Protocol
COP	Conference of the Parties
CTC	Climate Technology Centre
CTCN	Climate Technology Centre and Network
EB	Executive Board
ENGOS	Environmental NGOs
ERUs	Emission reduction units
GCF	Green Climate Fund
GEF	Global Environment Facility
GHG	Greenhouse gas
INDCs	Intended nationally determined contributions
IPCC	Intergovernmental Panel on Climate Change
JI	Joint Implementation
JISC	Joint Implementation Supervisory Committee
LDCs	Least Developed Countries
LDCF	Least Developed Country Fund
LEG	LDC Expert Group
LMDCs	Like Minded Developing Countries
LULUCF	Land use, land-use change, and forestry
MRV	Measuring, reporting and verification
NAPs	National adaptation plans
REDD+	Reducing emissions from deforestation and degradation in developing countries, including conservation
SB	Subsidiary Body
SBI	Subsidiary Body for Implementation
SBSTA	Subsidiary Body for Scientific and Technological Advice
SCF	Standing Committee on Finance
SED	Structured expert dialogue
SIDS	Small island developing states
SYR	IPCC Synthesis Report
TEC	Technology Executive Committee
TEM	Technical Expert Meeting
UNFCCC	United Nations Framework Convention on Climate Change



2. TWN

COP20 concludes with decision, after day of drama

Lima, 15 December (Indrajit Bose and Meena Raman) — A little past 1 a.m. on Sunday, 14 December, nearly 40 hours after its scheduled closure, the UNFCCC's twentieth session of the Conference of Parties (COP20) adopted the 'Lima Call for Climate Action' as the outcome of the two weeks of climate talks under the Ad Hoc Working Group on Durban Platform for Enhanced Action (ADP), a feat that was felt impossible as the talks verged on collapse.

The ADP is the body dealing with the process to arrive at a new agreement to be concluded in Paris next year under the UNFCCC, which is to take effect in 2020.

The final decision did not come easy, and several iterations of the document had to be prepared before Parties could adopt it. Previous versions of the draft decision, prepared by the ADP co-chairs, did not reflect the views of several developing country Parties and there were issues on which Parties remained deeply divided (See TWN Update 8: [‘ADP: Crisis over method of work on draft decision text’](#)).

With talks on the brink of failure, it took the COP20 President Manuel Pulgar Vidal, the Minister of Environment of Peru, to step in and assume charge.

On Friday, 12 December, ADP Co-chairs Artur Runge-Metzger (European Union) and Kishan Kumarsingh (Trinidad and Tobago), under the guidance of Vidal, had prepared a draft decision and distributed it to Parties late evening. Parties had sought more time to go through the decision and the ADP was suspended for the night (see TWN Update 23: *‘ADP: Parties to negotiate new draft text on final day’*).

On Saturday, 13 December, when the ADP convened, most developing countries spoke in a loud and resounding voice rejecting the text prepared by the co-chairs, as they said it was imbalanced and did not reflect key issues such as differentiation between developed and developing countries and principles of equity and common but differentiated responsibility (CBDR).

Other major sticky issues were the lack of any financial contribution for the post 2020 period, disagreement over the scope of the intended nationally determined contributions (INDCs) in lieu of the 2015 agreement and a process for review of the INDCs next year, failure to include issue of 'loss and damage' and very weak pre-2020 climate action. (Separate article on this exchange to follow).

In rejecting the ADP Co-chairs' draft decision, the developing countries also appealed to the Peruvian Minister to intervene and to restore balance in the decision by reflecting the concerns of developing countries. Developed countries on the other hand wanted the Co-chairs' text to be approved immediately at the plenary.

Following the reactions from Parties, ADP co-chair Metzger announced that there was no consensus in the room and "under our own authority, my co-chair and I will transmit the text to the COP President so he may lead consultations to agree on a text".

Assuming charge, Vidal said, "I assume my responsibility with clarity and dedication to take this process forward. We will achieve it together, maintaining the spirit of trust and transparency." He added that he would meet with groups of countries through the afternoon and come up with a new version of the draft text that would be "balanced". He urged countries to come with solutions when they met with him.

With the talks in crisis, what followed were closed-door meetings and negotiations of groups of countries with the COP President for the next eight hours. In these meetings, the COP President attempted to find out what Parties could live with and what their red lines were.

Meanwhile, the weather outside had taken a turn and it had become chilly as observers and other attendees waited in nervous anticipation of what the next steps would be and how would difficult issues get resolved. Many delegates were on the way to the airport or had already left. Some just slept off on their chairs and beanbags, given that negotiations had gone on until 4 am the previous day.

The COP convened again around 11.30 pm on Saturday and the draft decision prepared under the charge of Minister Pulgar was handed out to Parties. After its distribution, Parties were given a little over an hour to go through the decision in detail. Following the break, the Parties met again.

With the words, "it is so decided", the COP President gavelled the decision—without any Parties raising any objection—thus adopting Lima Call for Climate Action. The decision now was viewed as having more balance, with language on CBDR, reference to 'loss and damage' and with the scope of INDCs not being mitigation centric. Language to the effect that the INDCs would not pre-judge the Paris agreement is also there.

There would also be no ex-ante review of the INDCs prior to Paris. (Separate article on analysis of the decision to follow).

Welcoming the decision, groups of Parties gave brief statements appreciating the manner in which COP President

had handled the work and how Lima had paved the way for the Paris agreement.

(More articles to follow).

SBSTA: No resolution on market approaches talks

Lima, 16 December (Kate Dooley) – For the second year in a row there has been failure to make any progress on market and non-market-based approaches under the UN Framework Convention on Climate Change.

At the recently concluded climate talks in Lima, Peru (1-12 December) conflicts arose between those wanting to move forward on technical work, and those wanting a clear political mandate to guide the discussions.

Under the direction of the contact group co-chairs **Ms. Mandy Rambharos** (South Africa) and **Mr. Peer Stiansen** (Norway), the closing meeting for agenda items 12(a) - Framework for Various Approaches (FVA), 12(b) - Non-market-based approaches (NMA), and 12(c) - New Market Mechanisms (NMM), met on 5 December, where Parties failed to reach agreement on the options presented to them by the co-chairs. In the absence of any consensus on the way forward, the issues will be carried forward to the next session of the UNFCCC Subsidiary Body on Scientific and Technological Advice (SBSTA) in June 2015, reverting back to the outcomes reached at the last SBSTA meeting (June 2014).

The key tension revolved around some Parties saying it was difficult to define a work programme on the use of markets in the absence of clear guidance from the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP). Many Parties commented that markets are a facilitation tool – they are flexibility mechanisms to implement targets that are legally binding, and to raise ambition, yet ambition is not being raised, and

many countries that do not want a legally binding outcome, also want market mechanisms.

Brazil argued strongly to close this agenda item under the SBSTA, and China said that there needs to be a clear mandate, and that it was not possible to conduct this work without prejudice to the ADP (that is working on a protocol, legally binding agreement or outcome with legal force by 2015). Many other countries, including the United States and the European Union, took the position that markets are an important part of increased ambition, and transparency is needed to track units and avoid double counting, hence the rules and accounting rules for market approaches should be developed under this agenda item. Bolivia and the African Group noted that this agenda item is a package, so that all three sub-items, including non-market-based approaches, should be opened and closed together.

In the final contact group, the Chair of the SBSTA, **Mr. Emmanuel Dumisani Dlamini** (Swaziland), addressed Parties to highlight the urgency of making progress on this issue, and to underscore the fact that there is no further time, saying that if there is no agreement in this group, rule (of procedure) 16 applies that we move everything to the next session, and any progress made in Lima is lost. The Chair reminded Parties that SBSTA does not deal with political issues, and while there will be some who say why do we need markets at all, the Chair asserted that, “in truth, there is no life on this earth without carbon markets”.

Dlamini said further that there are many mushrooming carbon markets (including REDD+ and LULUCF), and this group is dealing with how to govern them. He said that carbon trading is a

broad thing, and it is the only thing advising us on delivery of the objective of the Convention. The Chair finished by saying he was not here to negotiate, but to encourage Parties to keep what they have worked on and to underline that there is no additional time available in any SBSTA agenda item.

Co-chair Rambharos thanked the SBSTA Chair for his guidance, which she said gives a good context for the group's work. Rambharos then opened all 3 agenda sub-items consecutively, introducing draft conclusion text to the Parties.

Rambharos outlined three separate conclusions, one for each agenda sub-item, which each followed the same format. In each draft conclusion, there were three options. Option 1 is for a decision to be forwarded to the Conference of Parties (COP) including principles for the FVA, the NMA and the NMM, and calls for submissions to further develop these; Option 2 is a procedural option to close this agenda item under SBSTA with a view to continue under the ADP; and Option 3 is for draft conclusions that continue this work programme under SBSTA next year, calling for submissions from Parties and observers and a technical paper from the Secretariat.

Brazil opened the floor to say that it prefers option 2, in line with positions it had expressed previously.

China, Bolivia, Saudi Arabia and Paraguay also expressed preference for option 2, with some noting that amendments to the text would be needed, and that in particular it was not necessary to refer to the ADP. **India** said there was not a clear mandate on which to base a decision text, and in light of the current focus in this work stream on FVA and NMM, it would prefer option 2, to close the work programme.

The **United States (US)** said that it preferred option 1, and welcomed the opportunity to further develop these agenda items, and looked forward to hearing Parties' views on the tracking and transparency of infrastructure. The US said it understands the diversity of views in the room related to market-based mechanisms, and hoped to eventually move towards convergence on an international emissions tracking transparency infrastructure.

New Zealand, Australia, Japan, Panama on behalf of the **Coalition for Rainforest Nations, Switzerland** on behalf of the **Environmental Integrity Group**, the **European Union (EU)**, and **Norway** also supported option 1, saying that further technical work will be useful and important for markets now and in the future.

South Africa, speaking on behalf of the **African Group**, supported option 3, saying further submissions will assist Parties in sharing information on the technical issues under discussion over the past few years.

Following this, several Parties said that in the spirit of compromise, they would be willing to move to option 3. The group then broke for internal consultations for 20 minutes, and on reconvening, many Parties and grouping of countries, including the US, Coalition for Rainforest Nations, Australia, the Environmental Integrity Group, and the EU, said they would like to continue discussions on this agenda item, preferably under option 3, as option 1 might not be the preferred option for some countries.

Brazil again intervened to say that it did not want to stop the work, but believed that there will continue to be differences in this contact group, and that work would progress more efficiently once a new agenda item was started under the ADP, giving clear political guidance and focus to the work.

The **US** said it was willing to move to option 3, but it could not support option 2, which would result in an insupportable delay in this work. The US expressed disappointment there would again be no outcome from this agenda item under SBSTA.

Japan said it did not want to close the work programme here because the ADP is post-2020 and this forum also needs to put in place a pre-2020 framework for the use of markets.

Bolivia, Saudi Arabia and Ecuador all expressed support for Brazil's position that this work program under the SBSTA should close so that this discussion could happen in the context of a clear political mandate.

With no consensus among Parties, the agenda item was closed with no conclusions to be forwarded to the Chair of the SBSTA.

The group had met previously during the week in an opening contact group and then two further informal consultation sessions before the closing session. The opening contact group is reported in TWN Lima News Update No. 5, and some of the key interventions from the mid-week ‘informals’ are reported below.

In informal consultations on **Tuesday 3 December**, Parties exchanged views on draft text presented by the co-chairs, with discussions centring around the purpose of the discussion on markets, and Brazil putting forward strong arguments to close this agenda item under SBSTA, and to wait until there was a legally binding instrument in place that creates a need for flexibility mechanisms.

Brazil thanked the co-chairs for the draft text, but explained its concern relating to the context in which this group was operating. Brazil noted that some Parties had mentioned that the ambition in their intended nationally determined contributions (INDCs) depends on the existence of an FVA to recognise international transfer of units. Brazil said that it is very difficult to define a work programme under the FVA in the absence of clear guidance that needs to be established under the ADP process, reminding Parties that markets are facilitation tools, they are flexibility mechanisms to implement targets that are legally binding, yet some Parties who wanted an FVA decision in Lima were not even agreeing on having a legally binding outcome of the ADP process. Brazil said for the post-2020 period, we need to agree on a legally binding outcome without which we cannot envisage the need for flexibility, suggesting that it was time to close this agenda item under the SBSTA.

China supported Brazil’s proposal to conclude the discussion, saying there needed to be a clear mandate, and that it was not possible to conduct this work without prejudice to the ADP. **Bolivia** and **Saudi Arabia** also shared the concerns of Brazil and China, saying they would like to suspend this work.

The **US** suggested that new submissions should focus on accounting and institutional arrangements of the framework and that it would like to see text come out of Lima, especially looking at accounting and double counting in the pre-2020 work. The **US** said that markets are an important part of increased ambition, but that transparency is needed. It said

emission reductions should not be double counted and double claimed, and for this regulations for markets needs to be developed.

New Zealand, Japan, Canada, Norway and others said it was important to continue with the technical work, for both pre-2020 and post-2020 use of markets.

The **EU** said that it wanted a rules-based system that is legally binding, and here we can work on technical details of regulation and we should use the time available in this agenda item to do that.

South Africa said that the FVA is linked to the ADP as well as to targets, and these links would inform the tempo at which this group could move. It said there are issues of standards and double counting to deal with, and that the aspect of information sharing needs to continue.

In the next contact group, on **Wednesday 3 December**, co-chair Stiansen opened the discussions saying that over the past day he had heard the views that this matter could be concluded here, that focused technical work on pre-2020 could be useful and that Parties were seeking clarity on environmental integrity standards and means to avoid double counting, then opened the floor for further reactions.

Brazil again reiterated its position from the day before, saying after reflecting on the text, it is more certain the best way forward is to close this work programme. Brazil said it hopes the draft elements of the agreement under the ADP in Lima will confirm the use of market and non-market approaches, which will then provide the opportunity to reconvene this discussion with a clearer way forward to discuss these mechanisms in the post 2020 context.

(The elements of the 2015 agreement under the ADP will be negotiated starting in February next year.)

The **EU** said it was important to keep working, and **Canada** said that submissions would be useful next year to make progress on transparency and what we can do about double counting (tracking, reporting, identifying credits by serial numbers etc.), and environmental integrity. **Switzerland** on behalf of the **Environmental Integrity Group** also highlighted the need to move forward on discussing

accounting rules. **New Zealand**, supported by **Australia**, said there was no reason why SBSTA could not move forward with technical work, and technical elements are needed to help support future decisions.

Panama, on behalf of the **Coalition for Rainforest Nations**, said the process to move these discussions to the ADP would be a COP decision and that it was not a matter of stopping the FVA, but moving it somewhere else and the timing.

Japan said it would like to start discussions of markets in the ADP, to elaborate Parties' views on markets in the 2015 agreement, and so in that sense it fully agreed with Brazil, but was not sure such a specific issue would be adopted under the ADP in Lima.

Chile, on behalf of the **Independent Alliance of Latin America and the Caribbean AILIC**, said it understood Brazil's suggestion to postpone discussions because the use of markets and non-market-based approaches will be included in the new agreement, but Chile said these discussions under the SBSTA were for the pre-2020 period and so should continue here.

South Africa, supported by **Bolivia**, said the issue of targets and ambition, which are expected under the ADP, have a very deep impact on the extent to which we can go deeper on technical elements here, as a market cannot function without ambition. **Saudi Arabia** on behalf of the **Arab Group** also agreed to close this process.

The **US** said there is a work programme agreed under a COP mandate and it would like to continue under this work programme until the COP gives us direction. The US said it would like to see SBSTA elaborate unit transfers and national accounting processes that are taking place, to understand unit flows pre-2020, and this work should be complementary to ICA (international consultation and analysis) and IAR (international assessment and review) processes, but extend those process where they are not sufficient to enable us to identify who is claiming which units from international reduction targets and which units are being exported where.

China said that the mandate for this work programme reaffirms that the use of the market will facilitate mitigation ambition. It asked where is such

facilitation happening? It said we started a discussion on markets to facilitate mitigation ambition, and this (mitigation) is not happening. China said it also does not want to see double counting, but the most important thing to ensure transparency is fundamental rules to help to achieve this. Trying to fix fundamental problems through technical approaches will not work. China said it was willing to exchange views on pre-2020 issues, but discussions on post-2020 are a waste of time.

Brazil said if Parties want to track units outside the Kyoto Protocol mechanisms then we should create a mandate to do that, but it did not see this as under the scope of the FVA.

Co-chair Stiansen closed the session, thanking Parties for a rich discussion noting a wide range of views – some Parties who want to decide things here and Parties who want to conclude the business of this SBSTA group in Lima.

The co-chairs then opened the NMA and NMM parts of this agenda item, with **Brazil** and **Egypt**, on behalf of the **Africa Group**, affirming they would like to close all three agenda sub-items for the same reasons. **Bolivia** agreed, but said that if re-opened, all agenda items must be opened in a balanced way.

The **US** said it supported closing the agenda item on non-market-based approaches, as it believed this is adequately covered by other work under the Convention and subsidiary bodies. It said it supports continued work on the NMM, as there is a lot of interest for a UN administered post-2020 market mechanism. There is also a lot of discussion as to how existing Kyoto Protocol flexible mechanisms will fit into such a post-2020 mechanism. The US said that if and when the ADP decides to take up this issue it will be happy to engage there, but as the speed of this work progresses slowly, we need to continue to make progress, not wait until the time such mechanisms are needed.

Senegal noted that the three items are a package, but that the African Group would prefer to keep working on these items. It raised a question related to the use of net decrease or avoidance for non-market-based approaches, when this is a term related to market mechanisms where offsetting is involved.

The **EU** and others said they were happy to continue work on the NMM on the basis of the text presented by the co-chairs, with the EU clarifying that it thinks the mandate relates to post-2020 not pre-2020.

Brazil said that the NMM was for post-2020, but unfortunately there was a door open to use units from mechanisms in the second commitment period of the Kyoto Protocol. Brazil said this was not a good door, as ambition still needs to be raised for the second commitment period, and there are still a lot of Clean Development Mechanism (CDM) projects in place that we can't even monitor, with unit prices very low. Brazil said we don't need new market mechanisms now. It said post-2020 we need a new mechanism, whatever you call it, and Brazil would be happy to talk about their new proposal under the ADP negotiations, as any guidance on new market approaches should come from the

ADP. On the length of time needed to develop new market mechanisms, Brazil noted that the CDM came first, so it took a long time to develop the modalities, but it will not take as long to develop new markets, as there is something to build on.

China said that markets rely on supply and demand. Supply and demand is a reflection of ambition. If we don't have ambition we don't need a market. Without demand, there is no need for this type of market. China raised the question of whether policy makers would spend resources designing a market that no one will utilise?

Co-chair Stiansen reminded Parties that we are also guided by a 2 C target that would see increase in ambition. The co-chairs then closed the session, encouraging Parties to work bilaterally, saying they wanted discussions to go on under SBSTA and see where there is common ground.

‘Common but differentiated responsibilities’ principle restored in COP 20 decision

Lima, 17 Dec (Meena Raman and Indrajit Bose) – The Like Minded Developing Countries (LMDC) said that the principle of ‘common but differentiated responsibilities’ (CBDR) has been restored in the Lima decision.

Malaysia, speaking for the **LMDC**, said this when it agreed to the adoption of the final decision on the outcome of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP), at the UNFCCC’s twentieth session of the Conference of Parties (COP 20) in Lima on Sunday, 14 December.

Referring to the Lima decision called the ‘*Lima call for climate action*’, Malaysia on behalf of the LMDC at the final plenary of COP 20, said that as regards the CBDR principle, “there is a clear provision (in the decision) in the operational part of the text and this read together with the preambular paragraph which requires the work of the Durban Platform to be guided by the principles of the Convention, together suggests to us cumulatively that the CBDR principle has been restored and it has been given its rightful place in the context of the Convention and the work that we are going to continue” in relation to the new agreement to be concluded in Paris next year.

[Malaysia was referring to a preamble of the decision which reads “*The Conference of Parties ... Reiterating that the work of the ADP shall be under the Convention and guided by its principles*”, as well as to paragraph 3 of the decision that “*Underscores its commitment to reaching an ambitious agreement in 2015 that reflects the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC), in light of different national circumstances.*”]

The issue of differentiation between developed and developing countries and how the principle of CBDR will be applied in the new agreement has been a major bone of contention among Parties in the course of negotiations under the ADP, with developed countries calling for the removal of the “firewall” and annexes of the Convention that currently reflect the Annex I (developed countries and countries with economies in transition) and non-Annex I (developing countries) differentiation.

The failure of the initial draft texts proposed by the ADP Co-chairs to reflect the principle of CBDR and equity was a “red-line” for the LMDC.

Malaysia for the **LMDC** at an earlier session of the ADP contact group to consider the draft decision text provided by the ADP Co-chairs on Friday, 12 December (which text was later rejected by many developing countries including the LMDC), said that “for a large number of developing countries, the provisions (in the proposed draft decision) were seen as undermining equity and CBDR and this was another red-line” which should not be crossed, “if we want to move the process forward”. It stressed that the “bifurcation established under the Convention such as Annex I and non-Annex I” has to be respected.

During the informal consultations conducted by the COP 20 President, Manuel Pulgar-Vidal (Environment Minister of Peru) with the various negotiating groups, it seems that the LMDC made clear that its number one key issue was the need to reflect the principle of CBDR and equity in the work of the ADP and its outcomes.

(The final language in the decision text, which refers to the principle of “CBDR-RC, in light of different

national circumstances” is the same as that agreed to by the United States in the US-China joint announcement on climate change on 12 November 2014. China is a member of the LMDC.)

During the final closing plenary of the COP in the early hours of Sunday, 14 December, **Malaysia**, for the **LMDC**, said that it had some worried moments the previous night. “We were presented with a text which was unbalanced. There were fears that it would be adopted on the basis of acclamation and that the ‘ghosts’ of the past would be resurrected,” referring to the previous COP sessions in Copenhagen, Cancun, Durban, and Doha.

Referring to the earlier draft of the ADP Co-chairs’ text, Malaysia said “that text represented an approach that would chip away at the fundamental construct of the Convention itself. We saw it as an attack on the core elements of the Convention. So, we set to work and in a way this provided solidarity (among developing countries) because the reactions were almost in unison (in rejecting the Co-chairs’ text). In that sense, that presentation of that text brought us together and perhaps for that we have to thank those who presented that text because the solidarity was forged and we worked till very late hours of the morning,” it added. “As far as our groups are concerned, we returned home at 6 am in the morning (on Saturday) and came back at 7.45 am (the same day). We understand that as we left, the African Group was still working. So the whole idea was to try and recapture the balance in the text which was lost.”

Malaysia said that it still had concerns with the final Lima decision. It said that there was no reference to Article 4 of the Convention (which refers to the differentiated commitments of developed and developing countries, including for providing finance and technology transfer). On the contribution of finance for post-2020 action, it said, “we asked for information on the annual quantitative targets” for the intended finance contribution of developed countries but “we did not get that.”

On the pre-2020 ambition, Malaysia said that the LMDC had called for the operationalization of paragraphs 3 and 4 of the Warsaw decision through a mechanism but all it got was a reiteration of the paragraphs to accelerate the full implementation of

previous decisions and not their operationalization. (Paragraphs 3 and 4 of the Warsaw decision refer to the implementation of decisions relating to the Bali Action Plan and the Kyoto Protocol.)

Malaysia said that there were “many features” in the Lima decision that “helped” the LMDC “cross our red-lines.” Apart from the reflection of the CBDR principle, on the scope of the intended nationally determined contributions (INDCs), it said there “is expression of a balanced approach” (with the INDCs not being just about mitigation) and also that “the ex-ante approach (in the consideration of INDCs) has been largely done away with.”

(In the earlier draft of the Co-chairs’ text there was a proposal for a dialogue to facilitate the clarity, transparency and understanding of the INDCs starting in June 2015, following the communication of the INDCs. This was commonly referred to as an ex-ante assessment. Many developing countries were concerned that such an assessment was not mandated for a decision in Lima, and that pending a resolution of the scope of the 2015 agreement and INDCs a review that is focused only on mitigation as proposed in the Co-chairs’ draft text would be premature and prejudicial to the 2015 agreement.)

Malaysia said that the “text is something we can accept” and “the unhappiness is something that is sufficiently marginalized as to warrant our applauding the adoption of this text.” Exhorting to developing countries to stand together, Malaysia said “we have forged solidarity of the developing world along the lines we had not seen before. Diverse as we are, we share a culture, we share a history... We ask, all of us, developing countries to come home together, come home to us.”

Commenting on the “process” of negotiations in Lima, Malaysia said that there “has been a restoration of the process”. “We have come back on an even keel and this is the kind of process we should think about, talk about and pursue. We also have a lot of work ahead to establish the 2015 agreement”.

(There is widespread concern over process in recent years, whereby major decisions of a contentious nature have been adopted through “huddles” of selected Parties or “gaveling” by the COP President in the final hours of COP sessions without the full and transparent participation of all Parties.)

To the developed countries, Malaysia urged “our negotiating partners not to be quick to suggest that we are not constructive in the overtures we make; in calling for the use of conference room papers, asking for line by line negotiations, or to ask for texts on the screen.” It said that developed countries should not “suggest that this is a subterfuge to block,” adding that “we are in the process of democratizing ... this multilateral process and let us do it in a spirit of equal partnership. The days of imposition are over. So let us do it in ways that an outcome that is fundamental is not alien to percepts of transparency, inclusiveness and respect. Let us banish, once and for all the ‘ghosts’ of the past and signal a return to multilateral decision-making where countries, large and small, rich and poor, take their rightful place in the community of nations. Perhaps, this is what we take away with us, that we have somewhat restored on an even keel this process of negotiations and this would be the spirit of Lima that has addressed a new dimension to the multilateral decision-making process.”

To the COP 20 President, Malaysia said that he had “ensured that the process is inclusive, transparent process. There were no tricks, no last minute take it or leave it texts. You treated us in language, tone and dialogue with a sense of respect, and we of course reciprocated.”

Bolivia spoke for **G77 and China** and stressed on five key issues for the 2015 agreement. It underscored the importance of principles and provisions of the Convention in the 2015 agreement, in particular equity and CBDR-RC and for the agreement to be under the Convention. Two, the agreement should be consistent with the Convention, including differentiation among developed and developing country Parties. Three, adaptation and loss and damage are key to the 2015 agreement and should be given their due space. Four, technology and capacity building are essential for the 2015 agreement and it must be clear that developed countries shall provide finance, technology development and transfer and capacity building support to developing countries. Five, the agreement must have an ambition to achieve sustainable development and poverty eradication.

Speaking for the **Least Developed Countries (LDC)**, **Tuvalu** made an interpretative statement,

which it wanted reflected in the report of the COP. It said that the reference to the Warsaw International Mechanism for Loss and Damage in the preamble of the Lima decision, and to the term “inter alia” in paragraph 2 of the decision (on the elements of the 2015 agreement) made clear the intention that “the Protocol, another legal instrument, or an agreed outcome with legal force to be adopted in Paris will properly, effectively and progressively address loss and damage in these legal options.” This statement of Tuvalu was greeted with wide applause in the conference hall. (Developed countries have throughout the Lima talks objected to the inclusion of loss and damage as a stand-alone element in the elements of the 2015 agreement, and the last version of the Co-chairs’ text had removed all reference to loss and damage.)

Commending the efforts of the COP President in carrying all Parties together, **Indian Minister of Environment and Climate Change, Prakash Javadekar** hoped that the meeting in Paris will also follow the Lima spirit. Reiterating that Parties had achieved consensus on differentiation and the continuity of the Convention, India said there will always be issues of differences. “The best way to resolve them will be to plan ahead and allocate three to four days for each substantive issue in 2015 and arrive at a working solution or consensus. Let us not leave all the differences for the very end and avoid last minute stretching and huddles,” said the Minister.

Minister Xie Zhenhua, Vice Chairman of the National Development and Reform Commission of **China** said that the Peruvian COP President had shown a “powerful and strong leadership” and that the Lima decision has laid a “good foundation for Paris.”

South African Environment Minister, Edna Molewa, spoke for **BASIC** countries (**Brazil, South Africa, India, China**) and said while some part of the decision could have been strengthened, it managed to strike a delicate balance between very sensitive issues. She also said that the Lima decision had laid a solid foundation for work in Paris next year.

The representative from **France** referring to the climate talks in 2009 that collapsed, said that in Paris, the “haunting ghost of Copenhagen can be

laid to rest”. (France is to host the next COP in 2015.)

Brazil said that the Lima spirit has inspired the route to Paris and that there is a basis for negotiations to begin on the new agreement.

The **European Union** said that the Lima talks were difficult and that it had shown much flexibility in the negotiations, as did other Parties too.

Speaking for the **Environment Integrity Group**, **Mexico** said that it was happy to send a clear signal that the ADP is moving forward.

The United States’ Special Envoy for Climate Change, Todd Stern said that the agreement delivers what is needed to go forward. “First, to put

forward INDCs well in advance of Paris; second, we agree to transparency requirements for the targets countries need to put forward in the first half of next year, to make sure that they put them forward in a clear and understandable manner; third, we agreed that Parties need to communicate their efforts to become more resilient and it would help to integrate adaptation into development planning; and four, we continue to make developments in the elements of the 2015 agreement. We now have a working document from which we can continue our conversations in February next year,” said Stern.

The next ADP session is scheduled to be held in February 2015 in Geneva.

Comments on the Lima COP20 decision on the Durban Platform

Penang, 18 Dec (Meena Raman) –The most important and most fought over outcome of the UN Climate Conference in Lima was a decision adopted by the Conference of the Parties (COP) which the Peruvian Minister in charge of the conference termed ‘*The Lima call for climate action*’.

This COP decision relates to the work of the Durban Platform, which is the track in the UN climate negotiations that leads to an expected new climate change agreement in Paris at the end of 2015.

This COP decision would normally have been prepared and agreed to by the group that had been negotiating the Durban Platform issues since January 2012, and then the COP itself would simply endorse the draft thus prepared.

But what was significant at Lima is that Ad Hoc Working Group on Durban Platform for Enhanced Action (ADP) could not reach any agreement on the draft decision. Indeed, a supposedly final draft produced by the Co-Chairs of the group met with widespread criticisms and outright rejection by a majority of developing countries, and had to be abandoned on the last night of the Conference.

In an emergency move, the President of the COP himself, Peruvian Environment Minister Manuel Pulgar Vidal, had to take over the process on the Durban Platform decision, and after a full day of consultations that he personally conducted, a final draft was put before the Parties and finally adopted.

The approved draft was different in some significant points from the one that was rejected a day earlier and even more so from earlier drafts that had been prepared by the Co-Chairs.

The Co-Chairs’ drafts, and the process they had overseen since March 2014, had been unpopular with a large number of developing countries which perceived them as biased in favour of positions of most developed countries. The developing countries felt that if the Co-Chairs’ drafts were adopted, they would give an early and undue advantage to the developed countries in the design of the elements and framework of the 2015 Paris agreement itself.

The wrangling over the Lima decision between developed and developing countries was clearly a proxy fight for what would be the core elements of the Paris agreement. An underlying issue is whether Parties would be treated in a differentiated manner in their obligations, as clearly set out in the Climate Change Convention, or whether (as desired by developed countries), the Parties would all be treated in a similar manner in the agreement for post-2020 actions.

This proxy fight took place through the issue of ‘intended nationally determined contributions’ (INDCs), a term that was adopted a year earlier at the 19th Conference of Parties in Warsaw.

This proxy fight over substance was accompanied by a fight over the process that was used during the ADP negotiations. Developing countries wanted text based negotiations with Parties able to make changes to draft texts placed on a screen (a normal UN method that is transparent and party-driven) while the developed countries preferred a process that was left in the control of the ADP Co-chairs, to produce draft texts, without clarity or transparency on how they were arrived at. The Co-Chairs themselves insisted on the latter method, to the frustration of the developing countries.

The 19th COP in Warsaw in 2013 adopted a decision which invited “all Parties to initiate or intensify domestic preparations for their INDCs without prejudice to the legal nature of the contributions, in the context of adopting...” the legal outcome in Paris, and to communicate them well in advance of COP 21 (by the first quarter of 2015 by those Parties ready to do so) “in a manner that facilitates the clarity, transparency and understanding of the INDCs, without prejudice to the legal nature of the contributions”.

The Warsaw decision did not prescribe the scope or nature of the ‘contributions’, whether these contributions relate to mitigation, adaptation, finance, technology transfer and capacity building, which are the items for the Paris agreement, or only to one or some of them.

Developed countries, in the course of discussions this year, wanted to confine the scope of the INDCs to only mitigation, while developing countries wanted all the elements to be covered, including on what developed countries will provide post 2020, as regards their contributions for finance and technology transfer to support the developing countries’ mitigation and adaptation actions in the post 2020 period.

The Warsaw COP also gave the ADP the mandate “to identify, by COP 20, the information that Parties will provide when putting forward their contributions, without prejudice to the legal nature of the contributions.” Thus, as pointed out by the Like-minded developing countries (LMDC), the ADP, in relation to the INDCs, had only the mandate to produce a decision in Lima that was focused on the identification of information that Parties will provide, when forwarding their INDCs.

Throughout year, there were concerted attempts by developed countries to make use of the issue of INDCs to shape the larger issue of the nature of the mitigation component of the 2015 agreement, even before the mature negotiation or conclusion of negotiations on this mitigation issue per se.

The developed countries insisted that INDCs are only about mitigation contributions and that all countries will have to forward their INDCs together with the up-front information accompanying them, by early 2015. They also proposed a system by which these intended contributions would be assessed and

reviewed (referred to as a process for an ‘ex-ante assessment’) in mid-2015 June, to see if they would be adequate in the aggregate to limit temperature rise to below 2 degree C.

Though some developing countries supported an ex-ante review, many others (especially the LMDC) were against it. The latter viewed the push by developed countries for an ‘ex-ante assessment’ ahead of Paris as being outside the Warsaw mandate. They also considered this to be prejudicial to the negotiations to be conducted for the 2015 agreement, in Paris, especially as regards how the mitigation element of the Paris agreement is to be approached; how the principle of equity and common but differentiated responsibilities (CBDR) would be applied across all the elements of the Paris agreement, including that relating to the contributions that Parties will make, as well as the up-front information relating to the contribution for the purposes of transparency.

They pointed out the imbalance of having developing countries’ mitigation “contributions” assessed (and subjected to pressure for upgrading) whereas there was to be no assessment (or even information) on how much financial and technological support the developed countries are to provide. How could developing countries be expected to submit what they can do on mitigation when they do not know whether financial support is forthcoming and if so, how much?

China, had in the October session of the ADP this year, said clearly that there can be no ‘early harvest’ by focusing only on mitigation when all elements of the 2015 outcome are “a package”. It said that INDCs cannot be focused only on ‘mitigation’, isolated from the consideration of the provision of finance, technology transfer and capacity building support. Otherwise, this would lead to a rewriting of the Convention, it stressed. This view was shared by other members of the **Like-minded developing countries (LMDC)**.

Besides the ex-ante assessment issue, a major issue of basic importance was that of “differentiation”. Developing countries across the board wanted assurances in the decision that the CBDR principle would be applied in the Paris agreement and in the INDCs. They insisted on this as a “red line.”

The final draft produced by the Co-Chairs, Kishan Kumarsingh (Trinidad and Tobago) and Artur Runge-Metzger (Germany) were viewed by most developing-country groupings as not acceptable. On Saturday, 13 December, when the ADP convened, many developing countries and their groupings criticised and rejected the draft on grounds it was imbalanced and did not reflect key issues such as differentiation between developed and developing countries, the principles of equity and CBDR; that there was lack of any financial contribution for the post 2020 period; the draft on INDCs was mitigation centric with adaptation been downgraded, a failure to include the issue of ‘loss and damage’ and a very weak reference to pre-2020 climate action.

With the clock ticking beyond the closing time of the conference, many developing countries appealed to Vidal to help resolve the deadlock, as the talks were clearly on the brink of collapse. The ADP closed without adopting a text, and the COP Presidency then took over the process, with the Peruvian Minister meeting with various negotiating groups and countries to assess their red-lines and attempting to produce a text acceptable to all.

The President’s draft decision, which was finally adopted on Sunday at 1 a.m., was viewed by developing countries as being more balanced as it dealt better with the issues of concern to them. The principle of CBDR was mentioned (it had been absent at the original decision launching the Durban Platform at COP17 in 2011), the scope of the INDCs is now open-ended; there is no provision for an ex-ante review of the INDCs and there is reference in the preamble to the Warsaw Mechanism on Loss and Damage.

HIGHLIGHTS OF THE LIMA DECISION ON DURBAN PLATFORM

Some of the key points in the ‘*Lima call for climate action*’ (the decision of 14 December relating to the Durban Platform) are set out below, together with comparisons to what was in earlier drafts of the issues in the Co-Chairs’ texts of 12 Dec (and in some cases the drafts of 8 and 11 Dec.). Comments are also provided to provide an understanding of the changes that came about and their significance. (The full final decision can be found at <http://unfccc.int/2860.php>..

Preamble 1 states: “*Reiterating* that the work of the ADP shall be under the Convention and guided by its principles...”. The earlier 12 Dec. draft merely states ‘*Guided by the Convention*’. The final draft draws reference to the principles of the Convention explicitly; this is important for developing countries which point out that among the principles are equity and CBDR.

Preamble 4 states: “*Affirming* its determination to strengthen adaptation action through the protocol, another legal instrument or agreed outcome with legal force under the Convention to be adopted at the twenty-first session of the Conference of the Parties (November-December 2015),”

There was no provision in the earlier draft that referred to strengthening of adaptation action in the new agreement. This was a major concern of developing countries which saw the developed countries pushing for a mitigation-centric agreement, with the issues of adaptation and the means of implementation being marginalised or omitted.

Preamble 5 states: “*Recalling* decisions 2/CP.19 and X/CP.20 (Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts) and welcoming the progress made in Lima, Peru, towards the implementation of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts,”

There was no reference in the 12 Dec draft to loss and damage. Developing countries had been calling for ‘loss and damage’ to be part of the 2015 agreement, while developed countries have resisted this. The LDC Group made an appeal to include this issue in the final text. At the final plenary session, **Tuvalu**, speaking for the **Least Developed Countries (LDC)**, made an interpretative statement that the reference to the Mechanism for Loss and Damage in the preamble and the term “*inter alia*” in paragraph 2 of the decision made clear the intention that the legal outcome to be adopted in Paris will properly, effectively and progressively address loss and damage.

Paragraph 1 reads: “*Confirms* that the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall complete the work referred to in decision 1/CP.17, paragraph 2, as early as possible in order for the Conference of the Parties at

its twenty-first session to adopt a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties;”

Paragraph 2 states: “*Decides* that the protocol, another legal instrument or agreed outcome with legal force under the Convention applicable to all Parties shall address in a balanced manner, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building, and transparency of action and support;”

Paragraph 3 reads: “*Underscores* its commitment to reaching an ambitious agreement in 2015 that reflects the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances;”

This is an important paragraph. There was no provision for the reflection of the CBDR-RC principle in the 12 December draft. The mention of CBDR and especially the reference that it be reflected in the 2015 agreement was seen by most developing countries as a major victory, although some countries were not pleased with the accompanying phrase “in light of different national circumstances.”

At the final plenary, the LMDC (represented by Malaysia) stated that this “clear provision in the operational part of the text and this read together with the preambular paragraph which requires the work of the Durban Platform to be guided by the principles of the Convention, together suggests to us cumulatively that the CBDR principle has been restored and it has been given its rightful place in the context of the Convention and the work that we are going to continue” in relation to the new agreement.

Paragraph 4 “*Urges* developed country Parties to provide and mobilize enhanced financial support to developing country Parties for ambitious mitigation and adaptation actions, especially to Parties that are particularly vulnerable to the adverse effects of climate change; and recognizes complementary support by other Parties;”

The 12 Dec draft, instead of “...and recognises complementary support by other Parties” had the following language: “and invites other Parties willing to do so to complement such support”; while an earlier 11 Dec. draft had the following words:

“developed country Parties and other Parties in a position to do so...” These words in the earlier drafts were seen by many developing countries as diluting the CBDR principle, with developing countries also having to contribute to financing mitigation and adaptation actions, contrary to the provisions of the Convention.

Paragraph 5 “*Acknowledges* the progress made in Lima in elaborating the elements for a draft negotiating text as contained in the annex;”

This paragraph relates to the elaboration of the elements for the Paris agreement, contained in another document, prepared by the Co-Chairs. An earlier version of the draft text of Dec 11 provided that the ADP “will intensify consideration of the elements for a draft negotiating text reflected in annex 1...” which many developing countries found problematic, as it implied that the Co-Chairs’ document, placed in an annex, would be the basis for the negotiations for the Paris agreement.

Although the annexed document referred to as ‘Elements for a draft negotiating text’ has a footnote that states that “these elements for a draft negotiating text reflect work in progress” and that “they neither indicate convergence on the proposals presented nor do they preclude new proposals from emerging in the course of the negotiations in 2015”, many developing countries did not want the annex to be given a higher status than the proposals or submissions of Parties. The final decision only acknowledges the progress of the work done under the ADP as reflected in the annexed document.

Paragraph 6 states: “*Decides* that the Ad Hoc Working Group on the Durban Platform for Enhanced Action will intensify its work, with a view to making available a negotiating text for a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties before May 2015;”

Paragraph 9 “*Reiterates* its invitation to each Party to communicate to the secretariat its INDC towards achieving the objective of the Convention as set out in its Article 2.”

The Dec. 11 version of the draft text in Option 3, provided that “Parties INDCs ...will include a mitigation contribution, and may also include contributions on adaptation, finance, technology

development and transfer and capacity-building and that the INDC of each Party will represent a progression beyond the current undertaking of that Party.”

The concern expressed by many developing countries over this option was that all Parties had to provide a mitigation contribution which was mandatory, while contributions to the other elements are not so. This signalled a mitigation-centric approach which also did not differentiate between developed and developing countries and did not make it obligatory for developed countries to forward a finance and technology transfer contribution. The formulation that was finally agreed to leaves the scope of the INDC open, without a particular stress on mitigation.

In fact, the 8 Dec. draft states that “Parties that are not ready to communicate their INDCs by the first quarter of 2015” were invited to do so “by 31 May 2015 or as soon as possible thereafter.”

The 8 Dec. draft also provided that “each party shall communicate a quantifiable mitigation component in its INDC which represents the highest level of mitigation ambition, beyond its 2020 commitment and actions....guided by the principles of equity and CBDR-RC, in the light of evolving national circumstances.”

Many developing countries, especially the LMDC and the African Group, took issue with the term “evolving national circumstances” which they said was not a term recognised by the Convention and its use amounted to a redefining of the CBDR principle, which prejudices the negotiations in Paris.

Paragraph 10 states: “*Agrees* that each Party’s INDC towards achieving the objective of the Convention as set out in its Article 2 will represent a progression beyond the current undertaking of that Party”;

This paragraph is to reflect the call by many developing countries to ensure that developed countries do not backslide on their commitments in the post 2020 time-frame.

Paragraph 12 states: “*Invites* all Parties to consider communicating their undertakings in adaptation planning or consider including an adaptation component in their INDCs”.

This paragraph reflects the call by many developing countries that their INDCs could also be or include a contribution to adaptation actions, and that INDCs should not solely be about mitigation.

Paragraph 13 “*Reiterates* its invitation to all Parties to communicate their INDCs well in advance of COP 20 (by the first quarter of 2015 by those Parties ready to do so) in a manner that facilitates the clarity, transparency and understanding of the INDCs”.

Paragraph 14 states: “*Agrees* that the information to be provided by Parties communicating their INDCs, in order to facilitate clarity, transparency and understanding, may include, as appropriate, inter alia, quantifiable information on the reference point (including, as appropriate, a base year), time frames and/or periods for implementation, scope and coverage, planning processes, assumptions and methodological approaches including those for estimating and accounting for anthropogenic greenhouse gas emissions and, as appropriate, removals, and how the Party considers that its INDC is fair and ambitious, in light of its national circumstances, and how it contributes towards achieving the objective of the Convention as set out in its Article 2.”

This paragraph relates to the information that is to accompany the INDCs. Given the use of the terms “as appropriate,” Parties can decide what information will accompany their INDCs. Concerns were raised by developing countries that the earlier draft texts did not reflect the CBDR principle as to how the information to be supplied by developed and developing countries should be differentiated. Although CBDR is not mentioned in this paragraph, its mention in paragraph 3 is taken by these countries to thus cover paragraph 6 as well.

Paragraph 16 “*Requests* the secretariat to: (a) Publish on the UNFCCC website the INDCs as communicated; (b) Prepare by 1 November 2015 a synthesis report on the aggregate effect of the INDCs communicated by Parties by 1 October 2015.”

Other than the preparation of a synthesis report by the secretariat on the aggregate effect of the INDCs, there is no mention in the final text that relates to ex-ante assessment or review of the INDCs prior to the Paris agreement.

The earlier draft of 8 Dec. made provision for the following “ex-ante” processes (in an apparent accelerated rate) to take place in 2015 after the communication of the INDCs as follows:

- To provide opportunities for seeking clarification on the INDCs;
- For Parties to submit questions to each other and for responses to be supplied within 4 weeks;
- For a workshop in June next year and at COP 21 for clarity, transparency and understanding the INDCs communicated;
- For a technical paper by the secretariat on the existing methodologies relating to land-use and use of market mechanisms;
- Organise a workshop on methodologies in June 2015;
- Technical paper by the secretariat on the aggregate effect of the INDCs;
- For observers to publicise their analyses of the INDCs on the UNFCCC website.

Developing countries, led by the LMDC, were of the view that these matters were outside the scope of the Warsaw mandate and could prejudice the negotiations for the Paris agreement and were also imbalanced since there was no similar ex-ante process (or even information) on the financial contributions that developed countries would make to support developing countries.

The decision also has **other paragraphs** on the issue of pre-2020 climate actions.

COP 20 adopts decisions on finance, loss and damage mechanism and other issues

Kuala Lumpur, 19 Dec (Hilary Chiew) – Decisions of the 20th Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC) were adopted in three separate plenary sessions.

The bulk of the decisions were adopted in the morning of 12 Dec. and decisions on finance matters and the ‘Lima Ministerial Declaration on Education and Awareness-raising’ were adopted in the late afternoon of 13 Dec., while the decision on the Durban Platform were adopted around 1:30am on 14 Dec.

Several agenda items that could not reach agreement were deferred for further consideration next year and as such, would be included in the provisional agenda of the next COP. These items are the two proposals by Parties to amend the Convention and the linkages between Technological Mechanism and the Financial Mechanism of the Convention.

Among the major decisions adopted were as follows:

Matters relating to finance

Five finance items were discussed at COP 20 and they proved to be highly contentious. As the contact group established by the COP continued to work during the first and second week, the COP President appointed two ministers to also help in the process during the final days of the meeting. The ministers were South African Minister of Water and Environment Affairs Edna Molewa and UK Secretary of State for Energy and Climate Change, Ed Davey to assist in consultation.

The agenda items were long-term finance, report of the Standing Committee on Finance (SCF), report of the Green Climate Fund (GCF), report of the

Global Environment Facility (GEF) and the 5th review of the Financial Mechanism.

Parties only managed to conclude their work on Saturday 13 Dec. and the decisions were adopted at the plenary at 5pm. Overall, Parties could not agree on a clear roadmap on scaling up finance in the pre-2020 period and on the definition of ‘climate finance’.

Long-term finance

On long-term finance, the key outcome of Lima is from paragraphs 9 to 14 of the decision which reads as follow:

“Paragraph 9: *Recognizes* that developed country Parties commit, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing countries;

Paragraph 10: *Requests* developed country Parties, in preparing their next round of updated biennial submissions on strategies and approaches for scaling up climate finance for the period 2016–2020, to enhance the available quantitative and qualitative elements of a pathway, placing greater emphasis on transparency and predictability of financial flows, as per decision 3/CP.19, paragraph 10;

Paragraph 11: *Also requests* the secretariat to prepare a compilation and synthesis of the biennial submissions on the strategies and approaches, to inform the in-session workshops;

Paragraph 12: *Further requests* the secretariat to organize annual in-session workshops through to 2020 and to prepare a summary report of the workshops for annual consideration by the

Conference of the Parties and the high-level ministerial dialogue on climate finance;

Paragraph 13: *Decides* that the in-session workshops referred in paragraph 12 above will, in 2015 and 2016, focus on the issues of adaptation finance, needs for support to developing country Parties and cooperation on enhanced enabling environments and support for readiness activities in accordance with decision 3/CP.19, paragraph 12;

Paragraph 14: *Invites* the thematic bodies under the Convention, in particular the Standing Committee on Finance, the Adaptation Committee and the Technology Executive Committee, where appropriate, to consider the long-term finance issues referred in decision 3/CP.19, paragraph 12 when implementing their 2015–2016 workplans, as an input to the in-session workshops referred to in paragraph 12 above.”

Standing Committee on Finance

On the SCF, the decision in paragraph 7, Parties “noted with appreciation the 2014 Report on biennial assessment and overview of climate finance flows.”

In paragraph 8, it invited “the relevant bodies under the Convention to take note of the summary and recommendations by the SCF on the 2014 biennial assessment and overview of climate finance flows.”

In paragraph 9, it requested “relevant technical bodies to consider the recommendations contained in the report of the 2014 biennial assessment and overview of climate finance flows as part of their ongoing deliberations related to climate finance”.

It also requested in paragraph 10 for the SCF, “as part of its ongoing work on measurement, reporting and verification (MRV) of support, and with a view to recommending improvements to the methodologies for reporting financial information, to consider the findings and recommendations of the biennial assessment in its annual report to the Conference of the Parties for its consideration at its twenty-first session (November–December 2015).”

In paragraph 11, it further requested the SCF, “in the context of its ongoing work, including the preparation of the biennial assessment and overview of climate finance flows, to further explore how it can enhance its work on the MRV of support, based

on best available information on the mobilization of various resources, including private and alternative resources, through public interventions.”

COP Guidance to the GCF

In considering the report of the GCF to the COP, the COP in its decision, gave guidance to the GCF. In paragraph 3, it welcomed “with appreciation the successful and timely initial resource mobilisation (IRM) process of the GCF that led to the mobilisation of US\$10.2bil to date by contributing Parties, enabling the GCF to start its activities in supporting developing country Parties of the Convention, and making it the largest dedicated climate.”

In paragraph 4, it requested “the GCF to ensure that the ongoing resource mobilization efforts are commensurate with the ambitions of the Fund, and *calls* for contributions by other developed country Parties, as well as *invites* financial inputs from a variety of other sources, public and private, including alternative sources,⁵ throughout the initial resource mobilization process.”

Paragraph 5 of the decision urged “the GCF, the Interim Trustee, and contributors to confirm the pledges in the form of fully executed contribution agreements/arrangements, taking note that the commitment authority of the GCF will become effective when 50 per cent of the contributions pledged by the November 2014 pledging session are reflected in fully executed contribution agreements/arrangements received by the secretariat no later than 30 April 2015 as provided for in GCF Board decision B.08/13, annex XIX, paragraph 1(c).”

Paragraph 7 welcomed “the GCF Board decision B.08/07 to start taking decisions on the approval of projects and programmes no later than its 3rd meeting in 2015.”

Paragraph 8 requested “the Board of the GCF to accelerate the operationalisation of the adaptation and mitigation windows, and to ensure adequate resources for capacity-building and technology development and transfer, consistent with paragraph 38 of the Governing Instrument.”

In paragraph 9, the decision also requested “the Board of the GCF to accelerate the operationalisation of the private sector facility by

aiming to ensure that private sector entities and public entities with relevant experience in working with the private sector are accredited in 2015, expediting action to engage local private sector actors in developing country Parties, including small- and medium-sized enterprises in the least developed countries, small island developing States and African States, emphasizing a country-driven approach, expediting action to mobilize resources at scale, and developing a strategic approach to engaging with the private sector.”

In paragraph 10 the decision further requested the Board of the Green Climate Fund, in the implementation of its 2015 workplan, to complete its work related to policies and procedures to accept financial inputs from non-public and alternative sources, the investment and risk management frameworks of the Green Climate Fund, the impact analysis on its initial results areas, including options for determining Board level investment portfolios across the structure of the Fund,⁷ and the approval process of the Fund, including methodologies for selecting programmes and projects that best achieve the objectives of the Fund

The decision in paragraph 11 requested the Board of the GCF to consider ways by which to further increase the transparency of its proceedings;

It also requested the Board of the GCF in paragraph 12, “to accelerate the implementation of its work programme on readiness and preparatory support, ensuring that adequate resources are provided for its execution, including from the initial resource mobilization process, providing urgent support to developing countries, in particular the least developed countries, small island developing States and African States, led by their national designated authorities or focal points to build institutional capacities in accordance with Green Climate Fund Board decision B.08/11.”

It also encouraged, in paragraph 13, “the timely implementation of the accreditation framework and *requests* the Board of the Green Climate Fund, in its implementation, to pay adequate attention to the priorities and needs of developing country Parties, including the least developed countries, small island developing States and African States, emphasizing the need to provide readiness support to those

national and regional entities eligible for fast-tracking that request it.”

In paragraph 14, it invited “developing country Parties to expedite the nomination of their national designated authorities and focal points as soon as possible, as well as the selection of their national and subnational implementing entities, to facilitate their engagement with the GCF.”

Guidance to the GEF

In considering the report of the GEF, the COP gave guidance to the GEF as follows.

It noted in its paragraph 2 that “the amount of funding available for the climate change focal area was reduced in the sixth replenishment period of the Global Environment Facility and that the country allocation of some countries, including some least developed countries, small island developing States, and African States has decreased as a consequence, while highlighting that funding for climate change related interventions at the Global Environment Facility has continued to increase with pilot integrated approaches.”

In its paragraph 5, it encouraged the GEF “to continue to cooperate with all its implementing and project agencies as well as recipient countries in order to improve its project cycle, taking into account the report of the fifth overall performance study of the GEF and the recommendations contained therein.”

In paragraph 6, it also encouraged the GEF “to continue to increase the overall transparency and openness of its operations, particularly with regard to the disclosure of information on the status of the implementation of projects and programmes, the project-level accountability of its implementing agencies and with respect to the timely disbursement of funds as well as the advice provided to countries on co-financing.”

Paragraph 9 of the report took note “of the policy on co-financing of the GEF and the concerns regarding the implementation of this policy as raised by some Parties” while paragraph 10 encouraged the GEF “to improve the communication of its co-financing policy so that it is better understood, and appropriately applied by accredited project agencies and the implementing agencies of the Global Environment Facility, while acknowledging the

potential impacts of this policy on developing country Parties, in particular the least developed countries, small island developing States, and African States.”

Paragraph 11 encouraged the GEF “to finalise the accreditation of project agencies and to share, in its next report to the Conference of the Parties, lessons learned and progress made in its pilot accreditation of project agencies, particularly in the least developed countries, small island developing States and African States.”

Paragraph 12 requested the GEF “to continue to work with its implementing agencies to further simplify its procedures and improve the effectiveness and efficiency of the process through which Parties not included in Annex I to the Convention receive funding to meet their obligations under Article 12, paragraph 1, of the Convention.”

Fifth Review of the Financial Mechanism

The operating entities of the Financial Mechanism of the Convention are the GEF and the GCF.

The COP decision noted that the “fifth review of the Financial Mechanism focused on the GEF owing to the fact that the GCF is still developing its operations and that therefore it was premature to review many aspects of the Green Climate Fund.”

The decision in paragraph 1 welcomed with appreciation “the expert input to the fifth review of the Financial Mechanism provided by the SCF, contained in the technical paper referred to in paragraph 3 below.”

In paragraph 2, it also encouraged “the SCF to build on the same methodology and criteria in future reviews of the Financial Mechanism.”

In paragraph 3, it acknowledged the executive summary of the technical paper on the fifth review, as contained in the annex, including the conclusions and recommendations made by the SCF.”

The decision in paragraph 4 encouraged “the operating entities of the Financial Mechanism to address, as appropriate, these recommendations in their future work, particularly with regard to the complementarity between the operating entities of the Financial Mechanism.”

The decision recognised in paragraph 5, “the general positive assessment of the performance of the GEF” but in paragraph 6, it noted, however, “that the least developed countries and small island developing States still experience challenges in accessing the resources from the GEF.”

In paragraph 7, the COP decided “to consider the timing of guidance provided by the COP to the operating entities of the Financial Mechanism, especially that guidance which has resource implications vis-à-vis the replenishment cycles of the operating entities of the Financial Mechanism, in order to ensure that key guidance is fully considered in the programming strategies and policy recommendations associated with each replenishment period.”

Warsaw International Mechanism for Loss and Damage

After days of wrangling over the composition and governance of the permanent executive committee (ExCom), Parties reached agreement on 10 December after the draft decision was transmitted to the COP for further consultation upon closing of the SB41 session.

The COP decision in paragraph 5, agreed that the ExCom shall be composed of the following:

“(a) Ten members from Parties included in Annex I to the Convention (Annex I Parties);

(b) Ten members from Parties not included in Annex I to the Convention (non-Annex I Parties), comprising two members each from the African, Asia-Pacific, and the Latin American and Caribbean States, one member from Small Island Developing States, one member from Least Developed Country Parties, and two additional members from non-Annex I Parties.”

Paragraph 6 encourages “Parties to nominate to the Executive Committee experts with the diversity of experience and knowledge relevant to loss and damage associated with climate change impacts.”

In paragraph 7, it is also decided that “members shall serve for a term of two years and shall be eligible to serve a maximum of two consecutive terms of office, and that the following rules shall apply:

- (a) Half of the members shall be elected initially for a term of three years and half of the members shall be elected for a term of two years;
- (b) Thereafter, the Conference of the Parties shall elect members for a term of two years;
- (c) The members shall remain in office until their successors have been elected.”

It is further decided in paragraph 8 that “the ExCom may establish expert groups, subcommittees, panels, thematic advisory groups or task-focused ad hoc working groups, to help execute the work of the ExCom in guiding the implementation of the Warsaw International Mechanism, as appropriate, in an advisory role, and that report to the ExCom.”

In paragraph 12, it is decided that “the ExCom shall meet at least twice per year, while retaining its flexibility to adjust the number of meetings, as appropriate while in paragraph 13, it is decided that the ExCom shall convene its first meeting as soon as practical following the election of its members commencing at the twentieth session of the Conference of the Parties but no later than March 2015, and at its first meeting shall adopt its rules of procedure and begin implementing its workplan.”

Forum and work programme on the impact of implementation of response measures

On 12 Dec., the COP decided to forward the text of a draft decision containing a four-page annex for consideration by the Subsidiary Bodies at their 42nd session in June 2015 with a view to recommending a draft decision on this matter for adoption by COP21 (in Paris next year).

The heavily-bracketed annex was the draft decision that Parties arrived at on 6 Dec. after the joint agenda item of the 41st session of the Subsidiary Body of Implementation (SBI41) and the 41st session of the Subsidiary Body of Scientific and Technological Advice (SBSTA41) agreed to transmit the matter to the COP, having failed to reach a conclusion on the matter.

At the closing of the SB41 at the end of the first week of the climate talks, COP20 President Manuel Pulgar-Vidal instructed the SBI and SBSTA Chairs to conduct informal consultations under his authority to move the issue forward. Four informal

consultations were undertaken during the second week.

In the final stock-take plenary on 11 Dec. at 6pm, SBI Chair, Amena Yauvoli (Fiji) who had personally chaired the last informal consultation on this matter earlier in the morning, conceded that despite the efforts and hard work of all Parties, there was no agreement on the most sticky issue regarding institutional arrangements to address the impact of the implementation of response measures. Parties did agree to a continuation of deliberations based on the annex at the next SBs session.

At the final informal consultation which was also attended by several heads of delegations, Parties tried to break the deadlock and focused on the contentious paragraph 6 which reads:

“Requests the subsidiary bodies to review at their [forty-fifth] sessions the work of the forum, including the need for its continuation, [or propose other future institutional arrangements] with a view to providing recommendations to the Conference of the Parties at its [twenty-second session (November-December 2016);]”

Last year, the COP19 in Warsaw also could not adopt a decision on this issue and it remains a highly-contentious subject deliberated as a joint agenda item of SB40 in June and SB41 in Lima.

(A separate article on this agenda item will follow soon.)

Development and transfer of technology and implementation of the Technology Mechanism

Parties adopted the joint annual reports of the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN) for 2013 and 2014 respectively.

[At COP19 in Warsaw, the 2013 annual report could not be adopted as developed countries were opposed to the TEC having an observer status at the World Intellectual Property (IWPO) and the World Trade Organisation (WTO)].

The impasse was resolved at SB40 in June this year in Bonn. The decision is contained in the annex of *FCCC/SB/2013/1* where the desire of developing countries of having observer status in the two international organisations outside of the Convention was not granted.

On the agenda item on linkages between Technology Mechanism and Financial Mechanism, no decision could be taken.

In its intervention at the COP plenary on 12 Dec., **China**, speaking for the **G77/China** regretted that no decision could be adopted although Parties were closed to getting an agreement. It welcomed the recommendations from the TEC on this matter, noting that the linkage is a key element for the implementation of the Convention where the end goal is to develop and use climate technologies to help developing countries to implement climate actions.

It further said as mandated by paragraph 62 of decision 1/CP18 (in Doha), the two years' effort was highly appreciated and a clear link between the mechanisms need to be established here in Lima including the creation of a funding window under the Green Climate Fund (GCF).

It also noted that the requests of developing countries during the deliberation of the matter were within the mandate but were not acceptable to developed countries although China and other developing countries had exhibited flexibility in accommodating the various concerns.

“It is, therefore, regrettable that the matter will have to wait for another year for the chance to discuss this issue and it remains unclear how much longer will it need before the issue of technology development and transfer will enjoy the support of the Financial Mechanism,” it concluded.

The Lima Ministerial Declaration on Education and Awareness-raising

The COP also adopted a decision entitled ‘The Lima Ministerial Declaration on Education and Awareness-raising’.

Through this decision, Ministers and Heads of Delegation recognised “that education, including formal, non-formal and informal education, and public awareness programmes should promote the attitudes and behaviour needed to prepare our societies to adapt to the impacts of climate change.”

The decision in paragraph 1 stressed “that education, training, public awareness, public participation, public access to information,

knowledge and international cooperation play a fundamental role in meeting the ultimate objective of the Convention and in promoting climate-resilient sustainable development.”

In paragraph 2, Parties reaffirmed their “commitment to promote and facilitate, at the national and, as appropriate, at sub-regional and regional levels, and in accordance with national laws and regulations, and within the respective capacities, the development and implementation of educational and public awareness programmes on climate change and its effects, of public access to information on climate change and its effects and of public participation in addressing climate change.”

In paragraph 3, governments were encouraged “to develop education strategies that incorporate the issue of climate change in curricula and to include awareness-raising on climate change in the design and implementation of national development and climate change strategies and policies in line with their national priorities and competencies”.

Paragraph 4 urged “all Parties to give increased attention, as appropriate, to education, training, public awareness, public participation and public access to information on climate change.”

Paragraph 6 expressed the “resolve to cooperate and engage through multilateral, bilateral and regional complementary initiatives that aim to raise awareness and enhance education on

climate change and its impacts, opportunities and co-benefits.”

Other decisions

In noting that “gender-responsive climate policy still requires further strengthening in all activities related to adaptation and mitigation as well as decision-making on the implementation of climate policies”, the COP also adopted the ‘Lima work programme on gender’ with a two-year work programme for promoting gender balance and achieving gender-responsive climate policy including effective participation of women in the bodies established under the Convention.

Parties were also informed that Morocco offered to host COP22 from 7 to 18 November in 2016.

Edited by Meena Raman

CMP 10 grapples with issues over Kyoto Protocol's second commitment period

Kuala Lumpur, 19 Dec (Hilary Chiew) – The 10th Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP10) adopted decisions in two plenary sessions on 12 and 13 Dec.

The key decisions adopted are “Implications of the implementation of decisions 2/CMP7 to 4/CMP7 and 1/CMP8 on the previous decisions on methodological issues related to the Kyoto Protocol (KP), including those relating to Articles 5, 7 and 8 of the KP”, “Report of the Adaptation Fund Board”, “Second Review of the Adaptation Fund” and “Report on the high-level ministerial round table on increased ambition of KP commitments”.

Below are highlights and decisions on the deliberation of these four issues:

Implications of the implementation of decisions 2/CMP7 to 4/CMP7 and 1/CMP8 on the previous decisions on methodological issues related to the Kyoto Protocol (KP), including those relating to Articles 5, 7 and 8 of the KP

On 12 Dec. the Subsidiary Body for Scientific and Technological Advice (SBSTA) Chair Emmanuel Dumisani Dlamini reported to the CMP plenary that although significant work was carried out on this agenda item (at the request of the CMP), it could not be concluded. The CMP, thus requested the SBSTA to continue its consideration of these implications at SBSTA42 (June 2015) on the basis of the draft decision texts available in the annex, with a view to recommending draft decisions on this matter for adoption at CMP11 next year.

Switzerland said it is in the process of ratification of the second commitment period of the Kyoto

Protocol (CP2) and is already implementing the rules for the second commitment period (CP2). It strongly opposed any statements that purposely delayed the process. It called to attention the legitimate technical difficulties faced by many countries without yet having to adopt rules to guide them and the long and resource-intensive process to update accounting rules for the CP2.

It pointed out that (work done) in Lima was near completion except for one paragraph that stood in the way. It urged Parties that are Economies-in-Transition (EIT) and other developing countries to ensure the environmental integrity of the system and to resolve the “carry-over” issue here in Lima.

It opined that only the issue of use and transfer of the units from the previous commitment period related to EIT needed to be considered at SBSTA42 while the rest of the issues could be concluded in Lima. It said Parties (referring to Annex I) need the technical guidance to be adopted this year as they would be submitting reports and that Parties made enormous progress in making the rules for the ratification of the CP2.

The contentious paragraph is included in the 18-paragraph annex attached to the draft decision and the last paragraph in bracket reads:

[Requests the Subsidiary Body for Scientific and Technological Advice, to consider, at its fortieth second session, whether the reference to assigned amount in paragraph 25 of decision 1/CMP.8 for a Party included in Annex I undergoing the process of transition to a market economy should be understood as referring to the assigned amount for

the second commitment period calculated pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, adjusted by the number of assigned amount units cancelled in accordance with paragraph 23 ter.]

Echoing Switzerland, the **European Union (EU)** expressed concerns that without a decision here in Lima, the full technical implementation of the CP2 will face challenges at this stage. Therefore, it supported the move to consider the outstanding issue in a separate discussion session (i.e. later in SBSTA42 next June).

Norway said it was most unfortunate that Parties were unable to reach agreement on this matter, noting that out of the 51-page document, only one issue remained. It had hoped to adopt the full text here but forward the outstanding issue to next year so that the (technical guidance in) decision can guide implementation of the CP2.

Australia expressed disappointment that the elaboration of the rules concerning EITs could not be agreed here. It said in Doha (COP18), Parties agreed to the Doha Amendment (that paved the way for CP2) and it had joined others in inscribing its commitment on the basis of those amendments. It urged all Parties to double their efforts to reach an agreement.

The **Russian Federation** (one of the Parties with EIT) objected to Switzerland's proposal and said that it was highly regrettable to reopen the issue and invite Parties to go into the substantive details in the 11th hour. It believed that the issue was complex and there was insufficient time to address this issue. It said it had clearly indicated support for the conclusion to move deliberations to SBSTA42, next year.

Belarus also said it could not accept Switzerland's proposal and objected to splitting of the draft decision to two parts and preferred to continue working on this issue at the next SBSTA session in Bonn.

Chairing the session, COP20/CMP10 Vice-president Jorge Voto-Bernales said that having heard the proposal by Switzerland and the interventions by Russian Federation and Belarus, he gavelled the decision for the item to proceed on the basis that the matter be further considered at SBSTA42.

Report on the high-level ministerial round table on increased ambition of KP commitments

There was no consensus on the way forward on the issue of the increasing the ambition of Parties for CP2. CMP10 Vice-president Voto-Bernales of Peru said that the item will be included on the provisional agenda for next year's CMP11 in accordance to rules 16 of the draft rules of procedure.

From the outset of the opening of the CMP meeting, the **G77-China** had requested for a contact group to deliberate this agenda item but this was rejected by Annex I Parties. Dissatisfied with the lack of ambition by Annex Parties I where none of them have declared their intention to increase their commitments during the ministerial roundtable held in June 2014, the G77-China reminded developed countries of the low targets adopted at the Doha CMP (in 2012), which was a political compromise for the sake of the multilateral process. The G77 and China said that developing countries agreed to the Doha decision on the CP2 under the pre-condition that developed countries agree to increase their ambition through a revisit mechanism.

Several rounds of informal consultations were facilitated by the COP President Manuel Pulgar-Vidal on the matter but to no avail. (Please see TWN Lima News Update No. 10)

China said increasing ambition under the CP2 of KP is crucial in providing impetus to the Doha Amendments. It regretted that due to the objection of some Parties there could be no written summary of this item, noting that the G77-China had worked very hard in requesting for a contact group on the matter. It hoped that relevant Parties will exhibit the good faith and realise their ambition targets in order to provide tangible results at the Paris conference.

Report of the Adaptation Fund Board

The 9-page decision of the CMP on the report of the Adaptation Fund Board noted "with concern the level of market prices for certified emission reductions and their expected impact on the availability of funding from the Adaptation Fund and on its ability to fulfil its mandate."

In paragraph 6 of the decision, the CMP welcomed "the target for the resource mobilization strategy set by the Adaptation Fund Board of USD 80 million per calendar year in 2014 and 2015."

Paragraph 7 encouraged “Parties included in Annex I to the Convention to provide funding to support the target referred to in paragraph 6 above and to scale up funding, with a view to the resource mobilization goal of the Board being reached from resources that are additional to the share of proceeds from Clean Development Mechanism project activities, the first international transfers of assigned amount units and the issuance of emission reduction units for activities under Article 6 of the KP.”

The decision, in paragraph 8, welcomed “the financial contributions that have been made to the Adaptation Fund in 2014 and the pledge of EUR 50 million made by Germany towards the target referred to in paragraph 6 above.”

In paragraph 10, it requested the Adaptation Fund Board, in its future reports to the CMP, “to provide further clarity on the effect of the fluctuation of the price of certified emission reductions and the impact of this fluctuation on the resources available to the Fund.”

Second Review of the Adaptation Fund Board

The decision on the second review of the Adaptation Fund Board “underlined the crucial importance of the Adaptation Fund as an essential channel for supporting adaptation action and the main promoter of direct access, together with its

focus on funding the full costs of concrete adaptation projects and programmes in developing countries.”

It also noted “with deep concern the continued issues related to the sustainability, adequacy and predictability of funding from the Adaptation Fund, given the current prices of certified emission reductions, which affect its ability to fulfil its mandate.”

In paragraph 6 of the decision, the CMP requested “the Adaptation Fund Board to consider options for developing operational linkages, as appropriate, between the Adaptation Fund and constituted bodies under the Convention, taking into consideration the mandates of the respective bodies.”

In paragraph 8, it decided “to extend to June 2017 the interim arrangements with the secretariat of the Adaptation Fund Board and the trustee of the Adaptation Fund, with a view to further consideration by the CMP of options for permanent institutional arrangements for the secretariat and trustee, including via an open and competitive bidding process and on the basis of the cost and time frame of each option and its legal and financial implications.”

ADP: Developing countries cite reasons for rejection of Co-chairs' text

Lima, 19 December (Indrajit Bose)- Six-and-a-half hours after an informal plenary session of the Ad Hoc Working Group on Durban Platform for Enhanced Action (ADP) was suspended around 4 am on 13 December, the ADP met again for its closing plenary at 10 am.

At the informal plenary earlier, a new version of the draft decision prepared by the Co-Chairs had been distributed and Parties had sought time to go through the document.

When the formal plenary session of the ADP began at 10 am on Saturday, a large number of developing countries criticized the draft decision provided by the ADP Co-chairs. Developing countries, including the Least Developed Countries (LDC), African Group, and the Like Minded Developing Countries (LMDC), rejected the text, citing serious concerns and called on the COP20 President, Peruvian Environment Minister Manuel Pulgar-Vidal to help find a way for an acceptable text.

Saudi Arabia, Venezuela, Nigeria, Algeria, Democratic Republic of Congo, Egypt, El Salvador, Solomon Islands, India, Argentina, Uganda, Cuba, Pakistan, Oman, Nicaragua, Senegal and China added their voice to the statements by the developing country groupings and said that the text could not be the basis to move discussions forward. South Africa and Brazil, while expressing their opposition to the Co-chairs' text, said they could work with the text subject to minor modifications.

On the other hand, the Chile, speaking for the Association of Independent Latin American and Caribbean states (AILAC), the European Union,

Belize, Marshall Islands, the Russian Federation, Australia, United States, Japan, New Zealand, Mexico, Switzerland, Turkey and the Republic of Korea supported the Co-chair's text.

When the ADP session was convened morning of Saturday, COP20 President, Manuel Pulgar Vidal said, "A couple of days ago, I requested you to help me, to not leave me alone. Now I say that we need to help ourselves. We are representing what the world is seeking for. I encourage you to have an outcome in which we are able to find balance." Following this request by Vidal, ADP Co-chair Artur Runge-Metzger (EU) invited delegates to consider the draft decision text as an outcome of the ADP's work.

Speaking for the **Like Minded Developing Countries (LMDC)**, Malaysia said, "We all started off from different starting points. Many of you colonized us; so we started from a completely different point and that is why one of the manifestations of differentiation is in the Convention itself. There must be a differentiation between Annex I and non-Annex I countries, and this you must appreciate because collectively this is what we concluded."

It added that they had a few key points that they had communicated to the ADP Co-chairs, time and again, through the meetings, through the negotiations, "through you the Co-chairs to the rest of the world, but these red lines were unfortunately not addressed in the text". "And for those who so gratuitously describe others who do not agree with them as people having an ego, people who would bicker needlessly, let me tell you this. Let me point

out for those of you who so flippantly categorize and psycho-analyze others, the key points of our red lines, which we have communicated, not only in the course of negotiations but as well to the presidency,” it said.

“One, this text is operating under the principles of the Convention, especially equity and CBDR; two, differentiation between Annex I and non-Annex I in intended nationally determined contributions (INDCs) is recognized and operationalized; three, there should be no introduction of new terms, such as ‘other Parties in a position to do so’, or ‘other Parties willing to do so’ under the next text. These terms and concepts are completely alien to the Convention; four, the scope of the INDCs includes all the elements: mitigation, adaptation, loss and damage, finance, technology, capacity building, transparency. It should not be mitigation centric. In particular, there has to be parallel information on financial contributions, which is required to support the developing country contributions on mitigation and other climate actions; five, the contents of the decision will not prejudice the terms and contents of the 2015 agreement; six, there should not be activities on assessment of INDCs in 2015 and a process of assessment can be considered after 2015 on terms to be agreed to; and finally, in the process to build the negotiating text for the 2015 agreement, the submissions of Parties are crucial components that will be drawn upon, said Malaysia.

“Now, we had these red lines and then the text was presented to us (referring to an earlier draft decision of the Co-chairs’ text which had various options in relation to the INDCs). We provided textual language. Now, in almost every option we indicated our preference for option 1, but then we indicated very clearly a willingness to work on option 2 and even option 3, but with modifications, with some of our ideas infused into option 2 and option 3. Now, how more compromising can one get? What else do you want us to do; go on bended knees and completely accede to your text?” lamented Malaysia.

“We provided textual language but we noted that our textual language was not recorded by anyone. Normally in a process...when you present a text and that language is going to be taken seriously, we are asked, ‘can you put it in writing?’ I offered that I could present it in writing. This offer is not taken

up. From the visual I could see there was nothing being recorded and therefore it is not surprising that we are thoroughly disappointed that our points are not taken up in the new text. It’s not a question of not compromising. Let me emphasise this again. We offered textual language in respect of all three options of all the key matters. We bent, and we bent. We can be flexible but we cannot bend flexibility to a breaking point, colleagues.”

It then gave some specific examples of the group’s disappointment with regard to the text. “The CBDR and other principles of the Convention are not adequately recognized, and especially not operationalized. And we tried to put this in and we would have present language that we have gladly put into options 2 and 3 to reflect this. It could be accepted, it could be rejected, but it cannot be dismissed out of hand. That is our complaint. That is our fundamental complaint. Two, there is no recognition of CBDR or differentiation on INDCs and the information to be submitted on INDCs. Three, terms such as ‘other countries willing to do so’ are used. Four, the finance issue is inadequately treated in the text, with no requirement for developed countries to provide information on their finance contributions. Five, the text is mitigation centric. Six, the draft decision is pre-judging the core elements of the Paris agreement. This is because of the above factors, including the absence of differentiation. There is an establishment of a mandatory system of mitigation in the text and but a lack of finance commitments in the text. Seven, there are activities on assessment in 2015 such as workshop and secretariat paper. Eight, para 4 elevates the Co-chairs’ elements non-paper to be the basis of continuing the work on elements, even though it has no legal status and there has been little discussion on it, while the views and submissions of Parties are not mentioned. We are prepared to make adjustments in this regard. We have several other points, including on the pre-2020 workstream. Our conclusion then is that it appears that the ADP process in Lima has been exhausted...it requires some surgery and we would like to engage in a process to continue to try to arrive at an outcome, but under the scalpel of the chief surgeon, the Presidency itself. So we hope then our key points can be included in any future text that could be so deftly treated by the chief surgeon, the presidency

and we are willing as we have always been to provide our ideas and language which we have ready,” it said.

Malaysia then pointed out the importance of a Party-driven process. “We would like to point out that only a genuinely member-driven process can result in a consensus. We have been strongly requesting the Co-chairs to allow and arrange a genuinely member-driven process with views and submissions of members, placed on the screen with a compiled text and in Party-to-Party negotiations. Unfortunately, the open and participatory process did start and we are so grateful for that. But it began only in the first week of Lima. We were satisfied with this process as it enabled Parties to see the common and different views and to negotiate. But time has defeated us in a sense. In our view, it is not this process that is wrong, but that this process was not given its proper chance until it was too late. We propose that the genuine member driven process be followed when the ADP resumes. The process by which the Co-chairs provide one draft after another, which does not satisfactorily reflect the various views of Parties, is unlikely to produce an outcome everyone can own and therefore succeed. We blame no one. Everyone has tried their best but these are very serious concerns. They have to be addressed when we talk about beneficial to the world and all that, you must recognize that there is a world out there, which is different from your world. Tuvalu expressed it (see below). There is a poor world. There is a dis-enfranchised world. Recognise that and let’s proceed under the Presidency in a spirit of openness to recognize the reality that faces us all,” it said, to a resounding applause.

Speaking for the **African Group**, **Sudan** said that negotiations under the ADP were taking place under a mandate. “There are some concerns that African Group has communicated. It is our view that the ADP is under the Convention and that all our work is in accordance with the principles and provisions of the Convention. This is one of the key points to arrive at a successful outcome in Paris. The second African Group red line that needs to be accommodated in Lima and subsequently is we shall not undermine the concept of differentiation, implicitly or explicitly. On the scope of INDCs, we had the hope for legal parity on all elements: mitigation, adaptation, finance, technology, capacity building and transparency. The African group’s

priorities include adaptation, finance, capacity building and technology. It is our view that these will receive equal and balanced treatment. We cannot accept hierarchy that puts mitigation over adaptation. It will be difficult for Africa to provide INDCs on mitigation if there is no INDC on finance by developed countries with a clear roadmap on the path going forward. We indicated that as part of the INDC process, as well as recognizing the parity of various elements, information should be defined for these elements. We must have greater clarity on INDCs from developed countries on means of implementation for adaptation, and on finance, technology and capacity building more generally. It is important we don't overburden developing countries with information they need to provide. We expressed our position that any consideration of information should include consideration of adaptation and support information. In the decision before us, we are concerned. It doesn't treat elements with parity. Some elements are treated as voluntary and some as obligatory. It compromises differentiation where there is an expectation of same information for all Parties. We are ready to work with you, but we are of the view that the decision impinges on a number of aspects, which will need consideration. We are assured that we can be advised on a mode of work to ensure these considerations. We seek guidance on how to arrive at a balanced text. The Africa Group will not be able to proceed on the basis presented to us,” it said.

Tuvalu for the **LDCs** said it had looked carefully at the text. “It is a text that represents many compromises. There are many elements for which we are grateful. We welcome special consideration to LDCs; we welcome reference to the elements text, but this text needs surgery. We need to put on our gloves and scalpels, and a few organs need to be inserted. ‘Loss and Damage’ has disappeared from the text and this needs to be inserted. LDC met last night and there was an overwhelming message that we need to see loss and damage in the text. This is crucial for the poor and most vulnerable. Often, these poor communities are left with nothing. They lose their crops, livestock, everything. We need a permanent arrangement to help the poor of the world to rebuild climate change. It would be a tragedy if we denied the poor. We implore not to

allow this COP to be remembered as the COP where we denied the poor,” said **Tuvalu**, to a big applause in the conference hall.

Algeria spoke for the **Arab Group** and expressed regret that the text did not take into account the concerns they had expressed earlier. “It is far from the principles and provisions of the Convention. Differentiated responsibility is absent here. It does not focus sufficiently on adaptation, which is a key issue for us. The text does not seek to differentiate commitments under Article 4 of the Convention. Technical cooperation has not been given sufficient emphasis to achieve the objective of the Convention. We cannot consider this text,” said Algeria, calling for a new text by COP20 President.

South Africa speaking for **BASIC (Brazil, South Africa, India and China)** reminded Parties that the ADP process was born in Durban and it will ensure that Parties leave Lima with a decision that lays the foundation of the 2015 agreement. “As we continue to deliberate here, global carbon emissions are rising. We support concerns raised by the African Group. The BASIC would like to raise the points also in support of Africa Group. We consider providing balance between the components of work that’s done to address climate change. Secondly, we address differentiation as described by Sudan. We also want to support how the assessment process is done. We believe with small adjustments, this text could be acceptable to all of us. We request you to allow a little bit more time for the final adjustments to be made.”

Saudi Arabia highlighted the fact it is important to face that there are differences and it is important to care for those differences in a manner where Parties’ work does not get lost. “This text does not capture the snapshot that builds on what we have over the last 20 years. If we lose all that, it will not help. We feel we have a text here that is prejudging the process. We said we wanted to see parity but we don’t see other elements. Where is the parity?” it asked.

Venezuela said this has to be a Party-led process and that Parties have two visions of reality of the world, which are very different. “This is why we speak of CBDR. There is one part of the global community that does not accept that there is differentiation and there is another part that talks of

historical responsibility. My country could be flexible in creating ideas, but what we cannot be flexible about the principles. We never said we are renegotiating the Convention. This is regrettable if this is the way we are trying to build transparency,” it said.

Egypt said that the argument that Parties were unhappy with the text did not translate into making it a fair text. The text not only pre-judges the Paris outcome, but it undermines the legal framework of the UNFCCC. “The eyes of the world are on us and the world deserves from us an outcome that is fair,” it said.

El Salvador said the decision does not take on commitments, vis-à-vis need for adaptation or loss and damage. “This does not correspond to the reality of climate change. The text does not respond to the needs of more than half of the planet that continues to get affected. We beg of all Parties present here and to the President to make one final effort. Let us all fully take on CBDR in the combat against climate change. Let us not disappoint the world,” it said.

Argentina said according to this text, the obligations will be the same for all the countries and without a clear reference to differentiated treatment; developing countries will not be in a position to implement the Convention, nor the commitments mentioned here. “Equity means we have to treat in a same way all of those who are in similar situations. A text of this nature will not be fair; above all it will not be feasible if implemented. We have submitted several options to reflect this differentiation, from the very beginning of the presentation of information for contributions but unfortunately we didn’t manage to get enough support. The challenge of this climate change agenda in developing countries is finding a balance between dealing with climate change and tackling the challenges that stem from the agenda of eradication of poverty. On this point, CBDR is a fundamental element. Furthermore, we understand differentiation is a central element to the Convention and we believe its focus should not be weakened; not subjected to reinterpretation. If we don’t respect CBDR, developing countries will run the risk of being those who will not be able to comply ever, whereas a number of us are making serious efforts to forward

this agenda. Argentina is a country, which needs clear rules in a multilateral system and in that spirit we are committed to working with the Presidency for the success of this conference,” it said.

India said that what Africa, the LDCs and the LMDC are saying must be appreciated. The concerns are genuine and the issues must be amicably resolved. No one wants to break away, said India. “We need an arrangement that recognizes all the elements of INDCs, the full scope along with provision for means of implementation. Let us not forget billions of poor because every climate action has a cost. If we do not take a balanced approach, it will be injustice to the poor. Instead of making polluters to pay, let us not make the poor to pay. We are therefore ready to sort out the issues with the COP Presidency in a balanced manner,” said India.

China said that the text remained unbalanced. The current text neither reflects the principles of CBDR and differentiation between developed and developing countries, nor the urgency for action pre-2020. The draft needs to be amended further to reflect the differentiation between developed and developing countries and to broadly express the concern of developing countries. It said it hoped that for a Lima consensus and to emerge from the deadlock, the COP President could play an appropriate guiding role to harmonise the different positions and improve the text so that the conference can have a balanced text as well as establish a good process for Paris.

Cuba said it’s committed to achieve an international agreement to fight climate change that is fair and balanced and respects the principles underlined in the Convention. It cannot mean a transfer of responsibility, it said. The document is insufficient in essential elements such as finance and differentiation and hence does not enjoy consensus. Cuba supported the idea of putting the text in the hands of the COP20 President.

Nicaragua said that “We are working under the Convention but the text is to weaken and supplant the Convention.” “We will continue to defend the Convention, which is the only climate governance system that we have. It is clear that this meeting is a reflection of our differentiated world, our differentiated reality and needs, when it comes to climate change. We have been experiencing disasters

year after year and suffering the consequences of a problem we did not create. There is no reference to an international mechanism on loss and damage; there is no consensus on differentiation. We are aware of historical responsibility as well as CBDR. From the statements in the meeting, it is clear that there is no consensus on the draft text. Going by previous experiences, we have had huddles, which is basically an agreement of the few. We will not accept that manner of proceeding,” it said.

Pakistan articulated that there are flaws in the document and detailed the issues. It sought to clarify the confusion and called for inclusivity.

Brazil said, “We understand we operate on a rules based system. UNFCCC is the law among its Parties. Its principles, provisions and structures are not a mere reference. All of our work is to find ways to implement the Convention in its entirety; not to do away portions of it or implement it selectively. We are engaged in a process to strengthen the climate change regime, not to weaken it. There is no bifurcated or binary approach in the UNFCCC. There is, however, recognition that Parties have different circumstances and levels of development. They have differing historical responsibilities and capabilities. This diversity has not precluded Parties to agree in pursuing ambition in addressing climate change in a global scale. I remind you most of the mitigation efforts today are taken upon by developing countries on a purely voluntary basis. Rather than do away with differentiation, we should harness on it to add our efforts together towards increased ambition overtime. We still live in a world of deep inequalities. Our collaboration in the UNFCCC should be based on solidarity and support for sustainable development. Differentiation is not a reference belonging to the past. It is a reality which enables Parties to recognize themselves in a fair and equitable regime. It has not hindered ambition but rather enhanced it. In this light the notion of self-differentiation is tantamount to annihilation of the UNFCCC. It will promote backtracking, dwindling ambition and ultimately the perception of an unjust regime where Parties are encouraged to pursue a less is more approach. Let me make sure collectively that the drive towards less ambition, weaker rules and consequently the relevance of multilateralism is not our chosen path. The Paris agreement will be solidly built under the Convention that will hopefully take

us into the full and global implementation phase this regime has been striving for. Having said that I would like to assure you and the COP President of our desire to work together in order to find a consensus on the basis of the proposed decision with minor surgical adjustments,” said Brazil.

Senegal said “the text is unbalanced and not satisfactory. Lima is nothing but a step to the path forward. We haven’t been able to obtain what we wanted but we cannot artificially force a conclusion on this today, when a great many delegations have left; some ministers are not here anymore. The principle of a balanced text is what should guide us.”

Nigeria stressed on the need to make adequate reference to principles and provisions of the Convention and differentiation between Annex I and non-Annex I Parties. It also called for mitigation and adaptation to be equally treated. It supported the statement by African Group and the LMDC.

Democratic Republic of Congo said parity among the six elements is missing. It is important that historical responsibility is maintained and for the text to reflect differentiation. The scope must go beyond mitigation and cover all elements. “This text is not acceptable to us,” it said.

Solomon Islands said the text had “dropped off” loss and damage. “Those states who are saying this is a compromise text, the question is can our people live with it? The answer is the draft decision has a human face to it. It leaves out the poor and the vulnerable. We would like to give hope and insert loss and damage as a standalone element. Please listen to our people,” it said.

Uganda underscored the need for a balanced text that can meet the aspirations and should not in any way attempt to rewrite or renegotiate the principles of the Convention. The text recalled the need for balanced treatment of all the Durban elements, in particular adaptation and means of implementation, with particular focus on financing of vulnerable developing countries. It said that loss and damage was missing from the text and reiterated that the issue must be an essential ingredient in the agreement.

Talking about its meeting with ministers the previous day, **Singapore** said the issues that emerged included one, a strong sense of urgency to

make progress; two, there needs to be a strong sense of trust. (*The previous day, ministers of Singapore and Norway facilitated a meeting with the ministers of countries present at COP20, under the guidance of the COP President.*) Singapore iterated that trust is required in five areas: decision to be under the Convention and guided by its principles; balance in the scope of INDCs; finance support available and no backsliding of prior commitments by the developed countries; scale of ambition should be adequate to meet the 2°C or even 1.5°C challenge; Lima should not pre-judge the future legal form or even the shape and structure or the firewall that would be an integral characteristic of the legal agreement. Singapore said there had been a serious attempt to improve the text in the five areas but “recognizes that this glass is not completely full and further adjustments are needed to make it universally acceptable to all”. Using the analogy of surgery and asking if it was necessary, Singapore added “If each of us just submits one paragraph, it will inflate the document beyond recognition,” it said and appealed to everyone to “very carefully and judiciously” offer the potential amendments to the President for consideration.

The **Republic of Korea** added that there is no time to lose and to move together since the draft decision is the outcome of common efforts. It said that whatever issues need to be addressed could be done at the next meeting.

Mexico added that Parties had the responsibility of reaching a decision and that they must continue their efforts till they reach an agreement that is beneficial for the planet as well as society. It supported the text.

Speaking for **Association of Independent Latin American and Caribbean states (AILAC)**, **Chile** said that it is clear that this is a compromise text. “Our positions are far apart. At the same time, we value what we have before us. This is a text that would make everyone unhappy. We have given up something. This is a text where we win something as well. Postponing decision today would be imposing a serious setback,” it said.

The **European Union (EU)** said that the text certainly does not reflect the views of the EU. “Many of the EU wishes were either not represented or weakly reflected. However, we need the stage to move forward to Paris to be able to reach a global

agreement in Paris. Give up a little and find common ground. We need everyone to do its part.” The EU expressed support for the text.

Speaking for the **Environment Integrity Group (EIG), Switzerland** said that the group is ready to endorse and support the text. “We have outlined our vision but have not been able to achieve the vision we aimed to. None of us is really happy. Nevertheless, EIG is ready to endorse and support the text,” said Switzerland.

Turkey said that the text does not prejudice Parties’ positions and that it can live with the text and is prepared to endorse it as is, “fully noting the reservations made by Parties”. It added that it is not in a position to support a bifurcated approach based on the current Annexes.

Belize said that it needed the ex-ante provision (in considering the INDCs), which was there in the text. “If we have to open the text, I am afraid we go into two paths. We either try to get everything or we get a least common denominator.” It supported adoption of the text. **Marshall Islands** said it is not happy with the text but supported it, highlighting that Parties do not have the luxury of time.

Australia said that there are missing parts and that it has heard the concerns. “We think these are issues we have to work collectively next year. The compromise text is the best basis to move forward now,” it said. **New Zealand** said no Party had been ignored and the text sought to steer around redlines instead. “Of course we too have textual suggestions, but I will not be making them,” it said. The text does not pre-judge and if it is not possible to accept the text as a compromise, the real risk would be that much less would be achieved rather than more, it added further.

Japan too said that the text was carefully crafted and that it does not prejudge the result of the discussion during the course of 2015. “There are parts where we are not satisfied and which do not reflect fully our views. However, as many Parties have pointed out, this is a text of compromise and we have very little time left. So Japan is willing to accept text as is,” it said.

The **United States** said that there are many things in this text that did not reflect their strongly-held views, such as on scope, differentiation and ex-ante

process or the pre-2020 forum. “We will offer new language to fix everyone of those points, but we have no time for lengthy new negotiations. We are not saying modification by the Presidency is not possible, but we must be mindful that this text represents a hard won balance and that the hour-glass is running down.” It said the success of the COP is at stake; Paris is at stake; and the future of UNFCCC as a body to address climate change effectively at the international level is also at stake. Failure to produce a decision will be seen as a major breakdown and will be seen as a serious blow to the confidence of Parties and others as we approach Paris, and indeed to the hope of Paris agreement, it added. If Parties agreed on the way forward, it would mean that for the first time, there would be a stable, durable, rules-based climate agreement with legal force that is more ambitious than ever before,” it added.

“Even if (the agreement) is not ambitious enough, it is built to last, calling for the progressive ramping up of the ambition of regular periodic cycles that is applicable to all in a genuine, non-formalistic manner that is fully differentiated. The nationally determined structure, with a principle that says we shall not go backward on ambition, and with CBDR RC represented and expressed in the light on national circumstances, so that all the interests of countries, developing countries in growth, development and eradicating poverty are fully protected. This will also be a new agreement built on the foundation of solid rules based on accountability with strong transparency, review and reporting. It will be an agreement that elevates adaptation, both from the point of view of adaptation and implementation. It would encompass a commitment for large-scale finance would send a potent signal to the global community... So let us focus now and not throw away what we have achieved and what we can achieve. Every issue that people are arguing about here is preserved in the draft elements text. You are not compromising your positions if this text stays neutral on your issues. There are many opposing points of view, for example on differentiation. Our point of view, believe me, does not prevail here in this decision but we know that it is preserved as an option in the elements text. So let us now move forward. I am quite certain that we will

live to regret it if we let perfect be the enemy of the good in Lima,” stressed the US.

Following the reactions of Parties, ADP Co-chair, Runge-Metzger said that “given that there is no consensus in the room, and under our own authority and having heard the different views in the room, my Co-chair and I will transmit the text to the COP President so he may lead consultations to agree on a text that the COP can adopt today.”

Vidal then announced that he would meet with groups of countries through the afternoon and come

up with a draft decision text. Closed-door meetings followed through the afternoon and evening and a draft text was adopted early on 14 December (See [TWN Update 24](#): ‘COP20 concludes with decision, after day of drama’).

The ADP closing meeting also saw the election of two new Co-chairs viz. Ahmad Djoghlaif (Algeria) and Daniel Reifsnyder (US). The next meeting of the ADP will be in Geneva, Switzerland in February next year.



3. ECO

eco



ECO has been published by Non-Governmental Environmental Groups at major international conferences since the Stockholm Environment Conference in 1972. ECO is produced co-operatively by the Climate Action Network in Lima, Peru during December 2014 for the COP 20/CMP 10 meetings. ECO email: administration@climatenetwork.org • ECO website: www.climatenetwork.org/eco-newsletters • Editorial/Production: Linh Do/Fred Heutte

COP20: It's All On Our Shoulders Now

We are very happy to be in Lima, and ECO is ready to get right to it. COP20 needs to deliver on enough confidence building measures to ensure climate action and a successful outcome from next year's COP in Paris. The wheels have already started turning:

- The Peruvian COP presidency has shown commitment and substantial effort to guide the negotiations onto the right track.

- The US-China climate announcement, on the heels of similar action by the EU, has injected positive impetus into the political aspect of the negotiations – and is pressuring significant laggards and defaulters, who can no longer claim inaction by the G2 to wiggle out of doing their part.

- The IPCC is shining clear light on the latest science, pointing urgently to deeper climate action as well as the fast-rising costs of delay.

- The GCF is seeing some light at the dim end of the climate finance tunnel with pledges at \$9.7 billion for initial capitalization – though that's welcome, it must not distract from the pressing need to scale up finance within the new agreement.

Are these announcements and developments enough to create the right confidence building measures across countries, cement the foundation for greater political will and achieve success in Paris? ECO surely hopes so – but let's be clear, this opening round of mitigation announcements must not be a resting place but rather a starting point that Parties will broaden and expand.

The agreement in Paris is going to rest on three key decisions here in Lima: the elements of the 2015 agreement, the iNDC upfront information requirements, and ways to ramp up pre-2020 ambition. These outcomes are going to define the contours of the new global agreement.

So let's look a bit closer. The elements text must include a long-term

continued on p. 2



Image: Lutheran World Fund/Sean Hawkey

#Fast for the Climate Today

At the Vigil for the Climate outside the Pentagonito, Christiana Figueres, executive secretary of the UNFCCC, and Manuel Pulgar-Vidal, the Peruvian Minister for the Environment and incoming COP president. The lighting of candles begins the celebration of the first year of monthly fasting by faith and environmental groups around the world in the Fast for the Climate.

Today, on the occasion of the opening of COP20, marks the largest climate fast on record, with the whole nation of Tuvalu called on to fast, and empty tables being erected round the world.

Fasters can be found in Zone C at lunchtime, and the Fast for the Climate press conference is 3 pm in Room 2.

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<http://bit.ly/GetECO>



continued from p. 1

goal of phasing out all fossil fuel emissions and phasing in 100% renewable energy as early as possible, but not later than 2050.

We also expect to see goals for public finance along with a robust and honest MRV regime for them; a global adaptation goal that enables adaptation to be mainstreamed; and a strengthened two-year work plan to immediately operationalize the Warsaw loss and damage mechanism and to ensure that loss and damage has its appropriate place within the 2015 agreement.

Not so easy, right? Well, don't worry, as always, ECO is here to help. And with that in mind, we also look forward to seeing the inclusion of an enhanced role for civil society in the text.

To be clear, we have high hopes for the iNDC text. The iNDCs should include mitigation with regular 5-year cycles of contributions, starting with countries putting forward their contributions for the 2020-2025 cycle, provision and mobilization of finance as part of countries' fair share of the global effort, and voluntary adaptation contributions.

Not only that, all current and future contributions must undergo a sound, robust equity and adequacy assessment phase to help drive up ambition and ensure that low ambition is not locked in by any country.

The first round of iNDCs will set the tone for the future. We've really got to get it right on this one – **it is no exaggeration to say the future of human civilization is weighing on all our shoulders.**

And every step counts. The effectiveness of the post-2020 agreement to be reached in Paris next year depends on the progress we make between now and 2020.

On pre-2020 finance it's simple: developed countries have to present a credible roadmap on how they are going to meet their \$100 billion promise, deliver additional pledges to the GCF (this means you, Australia, Austria, Belgium, Iceland and Ireland) and also not let the Adaptation Fund dry up.

We need finance and a full set of means of implementation and support to unlock untapped potential in countries and sectors that can deliver greater ambition for reducing emissions, as well as assisting vulnerable communities that are already facing impacts from climate change.

On mitigation, what has the latest IPCC report taught us? All countries need to increase their pre-2020 mitigation commitments, and deliver on them through real mitigation actions. As session after session has shown, climate impacts do not stick to UNFCCC timelines; the atmosphere sees what we do, not what we think.

The pressure is on but ECO is confident we can respond. We've got a lot of work to do, and there is no time to lose.

Fossil Fuel Subsidies: Nowhere to Run, Nowhere to Hide

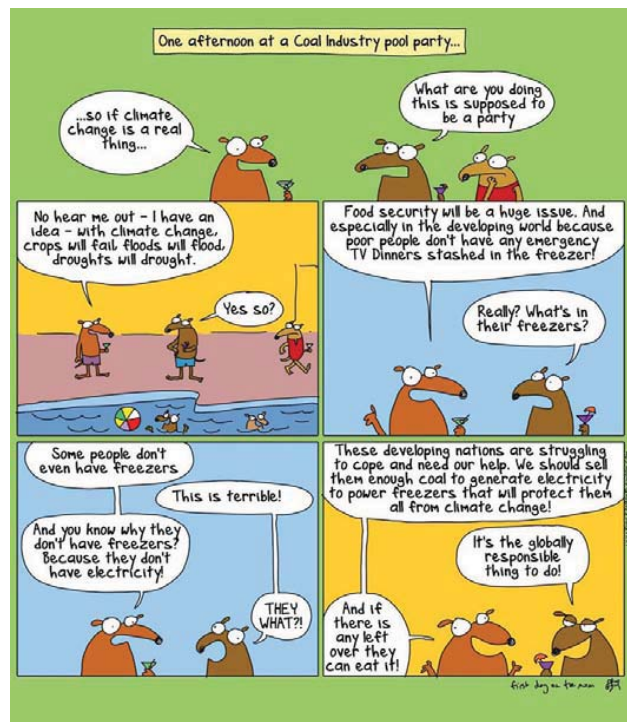
Let's start off this COP with a bit of a reality check on the progress (or lack thereof) on phasing out dirty fossil fuels – particularly in developed countries. Scientists have shown that we currently have many times more fossil fuels in existing reserves than our global carbon budget can withstand in a 2 °C scenario. Yet governments continue to subsidize the exploration and production of even more fossil fuels. So again ECO reminds about their existing commitments to phase out these subsidies.

Recently, however, there have been hopeful signs. France announced that it plans to join the US, UK and Netherlands in severely restricting export credit financing for coal projects in developing countries. Though this indeed is a welcome step, ECO suggests that such a move needs to have a clear timeline, and that these countries need to take concrete steps to phase out all fossil fuel subsidies. Next in line should be other big developed countries (take note, Germany, Japan and Poland). The spotlight on developed countries to phase out fossil fuel subsidies is getting stronger and there is no excuse for any further delay.

In addition, a crucial point. Countries must immediately phase out support for exploration of new fossil fuel reserves. A recent report estimated that the G20 spends \$88 billion per annum supporting the finding of more fossil fuels. At the same time, the IPCC and others warn that the vast majority of currently existing reserves need to be left in the ground.

It is long past time to shift all public money and investment away from the dirty fossil fuel industry that has massively contributed to the climate crisis we are in. ECO reckons there are far better ways to spend this money – do you think climate finance perhaps?

For a stimulating discussion on phasing out dirty fossil fuels, the EU Pavilion at 18.00 is the place to be today!



ECO



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ECO special edition on the Long-Term Goal

Now that the new IPCC compendium has been worked on by the world's leading climate scientists and published for all to see: What conclusions should countries draw from it? How about the need to phase out fossil fuels ASAP, starting today?

In the next two days, a Structured Expert Dialogue will assess the adequacy of the long-term global goal (i.e. keeping global warming below 2°C), possible strengthening of the goal to 1.5°C (yes please!), and the overall progress made towards achieving the goal.

On Tuesday, IPCC experts will bring in the fresh science from the Fifth Assessment Report (AR5), while on Wednesday UNEP, IEA, FAO and others will present their analysis on the matter.

A realistic understanding of where we're heading and where we should be going to avoid catastrophic impacts is fundamental for negotiating a successful deal in Paris. Therefore ECO is pleased to present this special issue on the future of our climate as assessed by the world's review panel, the IPCC.

IPCC makes a strong case for 1.5° goal

There are many who consider a 2°C limit for global temperature rise to be an unacceptable climate risk. For them it's "1.5°C to stay alive," and the new IPCC report shows that they have a serious point.

The IPCC's newly updated "Reasons for Concern" indicators (sometimes called "the burning embers," refers to a chart showing increasing risk for the key indicators in yellow, orange and red colors) show that 2 or even 3 out of 5 key risks would could be at dangerous levels with 2°C warming.

The risks play out most at a regional scale, so let's have a look at what could happen with **just 2°C warming globally (recognising that warming also varies by region):**

For Africa, of 9 key regional risks, 8 pose medium or higher risk with 2°C warming, even with high levels of adaptation. We're talking fundamentals like water stress, reduced food production and the spread of diseases.

For Small Island States, highly vulnerable to sea-level rise and high-water events, and dependent on ocean ecosystems, 2°C would be a disaster.

For Asia, risks of catastrophic flooding and lethal heatwaves would be in the medium or high range even with high levels of adaptation.

For Europe, there would be medium risks related to freshwater availability and extreme heat events even, again, with high levels of adaptation.

For Australasia, 2°C really wouldn't leave much hope for coral ecosystems, or the fish, tourism, and communities that depend on them.

For North America, 2°C would imply high or very high risks related to wildfires and droughts.

For Central and South America, 2°C with high levels of adaptation would imply high risks of flooding and landslides caused by heavy rains, and big problems for water availability in semi-arid and glacier melt-dependent regions.

For the oceans, risks related to 2°C look particularly devastating: risks are very high for "reduced biodiversity, fisheries abundance and coastal protection by coral reefs due to heat-induced mass coral bleaching and mortality increases, exacerbated by ocean acidification".

You don't even need to look into the future. Today, with less than 1°C warming, we are already witnessing:

- Greenland Ice Sheet losing ice 6 times faster (!) in 2002-2011 than just a decade earlier.
- Unprecedented high-impact climate extremes during the 2001-2010 decade (according to WMO).
- The newest findings of the fast-moving research on the West Antarctic Ice Sheet, coming in after AR5 but further refining the assessment, strongly suggests that key glaciers are crossing a point of no return, making at least 1.2 meter sea-level rise inevitable and possibly triggering the collapse of the rest of the WAIS.

What this means is that every new ton of carbon in the atmosphere is making our lives worse. And the further we drift upward from 1.5°C warming, the bigger the necessity for adaptation and compensation for loss and damage.

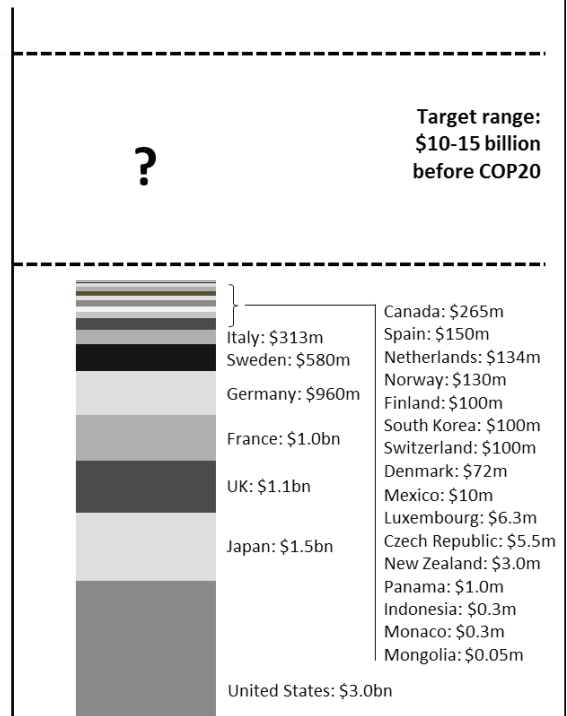
The conclusion is quite clear: we must act on the science and head for 1.5°C maximum warming instead of 2°C.

Who will let down the Green Climate Fund?

Australia, Austria, Belgium, Ireland, Iceland, Greece, Portugal and the European Union are the Annex 2 Parties yet to make their pledges to the Green Climate Fund. ECO notes the same is true for Poland, Hungary and a few others. Five years ago, developed countries had not only promised to set up the fund but, also fill it. ECO, optimistic as ever, is convinced that all of them know rather well how much in these negotiations depends on the GCF getting off to a good start. They will not let us down.

ECO stands ready to welcome any further and ambitious pledges, so that at least the lower threshold of the unofficial US\$10-15 billion target range can be crossed here in Lima. If this comes with an explicit understanding that the GCF will grow bigger over time, we have taken the first step. Parties could then focus on the second, third and fourth steps, including ministers agreeing to craft a 2020 roadmap that spells out how developed countries are going to fulfil their \$100bn promise, and to anchor climate finance in the new agreement, with collective targets and individual commitments as part of wealthy countries' fair share in the global effort.

Pledges for the Green Climate Fund (US\$)



Notes: The chart shows pledges that have been announced to the Green Climate Fund (GCF) so far. Where pledges were not made in US-Dollars, discrepancies are possible due to exchange rates used. Contributions to the administrative budget of the fund are not shown. As new pledges come in, ECO will update this chart.

Wondering How? Efficiency and Renewables are the Winning Combo!

The IPCC found that in order to get onto a 2°C pathway, there needs to be a massive shift in energy investment flows in the next 15 years. Hundreds of billions of dollars would need to be annually shifted away from fossil fuel investments, and into, first and foremost, energy efficiency, and secondarily, renewable energy.

In energy supply, zero and low-carbon energies would need to at least triple or quadruple by 2050. Out of the technology options outlined, renewable energy, particularly solar and wind energy, are the most promising trends, with most co-benefits and fewest risks.

There's enough potential in renewables to meet all of our energy needs. Renewables have advanced substantially in performance and cost-efficiency since the last IPCC report in 2007. During 2005-2012, wind and solar PV grew 5 and 25 times, respectively. They are now ready to be deployed at a significant scale. Renewable energy is also best suited to respond to the energy needs of the poorest and most vulnerable people.

None of this can be said of nuclear or Carbon Capture and Storage (CCS). The IPCC found that nuclear is a mature

technology, but it is declining in efficacy in addition to facing various barriers and risks. Excluding it from future options won't make a big difference to mitigation costs.

CCS still features in many scenarios, but isn't happening in reality. Since the AR4 in 2007, "studies have underscored a growing number of practical challenges to commercial investment in CCS", the IPCC found. By the time the AR5 went to press, not a single commercial scale CCS project in the power sector was in operation. This makes any cost assumptions on CCS (including the costs of excluding it) highly speculative.

As CCS remains no more than an abstract theory, **getting to zero carbon means phasing out fossil fuels**, and phasing in renewables.

While renewable energy and energy efficiency clearly are the winning combo, barriers still remain in their fast deployment. Here's where cooperation on technology and enabling finance is crucial.

So let's just get on with it, shall we?

SIDE EVENT INVITATION

Tuesday, 2 December 2014 – 13:15-14:45

Room: Paracas

The importance of equity in the 2015 agreement has broad support, but what an equitable agreement applicable to all actually means is both an unclear and controversial issue. Disagreement exists on the operationalisation and scope of equity, and on approaches for assessment of the INDCs.

To break the deadlock in the negotiations, CAN has made a detailed proposal for a dynamic Equity Reference Framework that is explicitly rooted in the Convention's core equity principles. This side event will further articulate the proposal and provide an opportunity for discussions on how to bring this framework into the negotiations.

Party Respondents: South Africa (confirmed), Bolivia, Brazil, China, Colombia, India (requested).

Please join!



FOSSIL OF THE DAY

Missing Money for Green Climate Fund earns first Fossil of the Day
The first Fossil of the Day at COP20 goes to Australia, Belgium, Ireland and Austria (alongside the other non-pledgers: Iceland, Greece, Portugal, and the European Union) for being the only Annex 2 countries failing so far to contribute to the GCF. After a string of encouraging initial contributions, it seems this band of Annex 2 free-riders see no need to contribute. This is not acceptable and stands to jeopardise the Paris agreement, under which all countries are expected to take action. To the free-riding ministers: Bring your chequebooks to Lima.

Carbon emission cuts are not a lose-lose but a win-win proposition for development

There is a growing realisation, supported by AR5, that emission reductions are not a zero sum game. In fact, emission reductions will have significant development co-benefits. There are two aspects to this.

Firstly, without emission reductions, the impacts of climate change would be so devastating that they could erode several decades worth of developmental gains in an instant. Several extreme weather events resulting in large-scale, high intensity disasters have shown us just that. These include three catastrophic floods in the Indian subcontinent alone including the Indus River floods in Pakistan, and the Uttarakhand, Jammu, and Kashmir floods in India in successive years. And we all remember, quite vividly, the destruction caused by Typhoon Haiyan. All of these events have occurred in quick succession in the last few years.

The developed world has not been spared either. Devastating forest fires have occurred in Australia and USA almost every year, alongside the well-known devastation caused by Hurricane Sandy. These damages are not something you can just do away with through economic growth.

Secondly, emission reductions that are realised through a co-benefit approach would result in more sustainable and resilient development. The provision of energy access, through renewable energy, to the 1.4 billion people globally who lack access to modern energy services, would result in more resilient development gains than a polluting, fossil fuel driven process. This would also make economic sense for many of the large developing economies that have been more and more concerned by the lack of energy security and the heavy import dependence of their energy systems.

Further, there would also be benefits resulting in greater job creation and diversified livelihoods, especially for the energy-deprived populations in many developing countries. The co-benefits of emissions reduction would also address various adverse effects of air pollution on human health, which are beginning to have major negative impacts on human health, for example in many developing country cities. In 2012 alone, suffocating air pollution caused by coal burning in China was responsible for 670,000 premature deaths.

Emission reductions need not lead to a loss or curtailment of development. Emissions reductions embedded in a sustainable development process will lead to better developmental outcomes in the long run.

IPCC science points to zero carbon by 2050

Ok, so we have a long-term goal of keeping global warming below 2°C/1.5°C, but what does this mean in reality? Enter the IPCC AR5 cumulative emissions budgets! This is the maximum amount of tons of CO₂ the atmosphere can take before crossing these limits.

According to the AR5, after 2010 we can only emit an additional 1,000 billion tons (Gt) of CO₂ into our atmosphere if we want a higher than 66% likelihood of limiting global warming to below 2°C. To keep warming below 1.5°C the remaining carbon budget is consequently smaller.

Since 2010 we have already spent about a tenth of this budget. Oops! Freezing our annual global emissions to current levels would use up the remaining budget completely in just 25 years, and almost one third of it would be gone by 2020. With current growing emissions we'll have used up our budget even sooner.

What does it mean? It means that peaking and starting the decline in emissions soon is fundamental for achieving the long-term goal.

It also means we're no longer in the business of managing emissions. We have to phase them out to zero, and it needs to happen fast. If you thought we had time until the end of the century, you've misunderstood the IPCC's conclusions.

What the IPCC carbon budgets imply, for CO₂ emissions (most of which come from the burning of fossil fuels), is that we need to get to zero carbon by around 2050, if we want to have high certainty of keeping global warming below 2°C and some certainty of getting below 1.5°C. Also, if we don't want to rely on technologies that only exist on paper and come with many risks.

It also means that looking for new fossil fuels - and spending billions in subsidies to support that exploration - makes no sense. We've already found too much and must leave about 80% of it in the ground.

Obviously, in the spirit of equity, which the IPCC finds is key to successful cooperation, the countries with the greatest responsibility and capability will need to phase out fossil emissions earlier, and provide support for the poorer countries.

Questions on IPCC issues

- i) How can we try and ensure that global CO₂-emissions go to zero to ensure that average temperatures do not rise beyond 1.5°C?
- ii) What can the IPCC say on the past and future cost trends of CCS and renewables? Based on existing level of technological maturity, will CCS ever be a viable option for achieving global zero emissions of GHGs?
- iii) What are the findings of the IPCC on the co-benefits (e.g. public health, economic benefits due to lower fuel prices) of low or zero carbon scenarios? How can one ensure that co-benefits are recognised and pursued?
- iv) What can the IPCC tell us on the feasibility of effective adaptation for different scenarios / temperature regimes and on limits to adaptation? How safe is a warming of 2°C for ocean ecosystems, for biodiversity, and far would it endanger the provision of livelihoods for people, especially the poor?

Questions on intelligence from other organisations (e.g. IEA, UNEP)

- a) How best can we ensure that a fossil fuel locked in future is avoided?
- b) How are the trends in prices for renewables (e.g. PV or wind) since the IPCC cut-off date? How can the achievement of renewable energy cost parity be accelerated?
- c) Which feasible options exist to eliminate the Gigaton-gap and which role a Paris decision next year could play to reduce the gap?

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Work stream 2 - It's time to act

If you have read yesterday's ECO (or the IPCC's newest report), you know why we need ADP Workstream 2 (WS2). We need to close the ambition gap ASAP to avoid the worst impacts of climate change. To stay below 1.5°C, we need to phase out all fossil fuels and phase in 100% renewable energies, with energy access for all by 2050 at the latest. To achieve this transition, we have to avoid any further lock-in into unsustainable high-carbon infrastructure.

That's why ECO was pleased that the draft decision text on WS2 calls for its continuation until 2020 and for enhancing the technical expert meetings (TEMs). The TEMs have highlighted many opportunities for additional action and their multiple benefits – particularly for deploying renewable energy and energy efficiency measures. But, how do you move from identifying options to implementing effective action on the ground in terms of reducing GHG emissions?

ECO has a few suggestions:

1. Establish a process building on the TEMs for Parties to announce which of the identified policy options they plan to implement either on their own or in partnership. This should be the objective of a regular high-level ministerial engagement - and the decision needs to say so.
2. Establish a Forum on Accelerated Implementation in June, to consider the strengthening of existing commitments, enhanced means of implementation and formulating of new NAMAs. In addition, Parties should come ready to explain which of the policy options emerging from the TEMs they are in a position to implement. Bonn would then become a forum for ideas for additional action and creating new partnerships allowing ministers to prepare ambitious announcements for Paris.

Enhanced means of implementation are necessary to drive actions. Simply "inviting" the technology and financial mechanisms to provide that support is too weak. Instead, why not "request" the GCF to prioritise, in its mitigation window, those activities that contribute to closing the pre-2020 gap and achieving a zero-fossil future. Finally, the Technology Executive Committee has mined the Technology Needs Assessments to find that the most sought after technologies in developing country energy sectors (aka the low-hanging fruit) and they are (you guessed it): renewable energy and energy efficiency. The TEC could scan the horizon specifically on innovative energy sector technologies, including preliminary assessments of the economic, social and environmental impacts of their implementations in various environments.

Financial faux pas

Yesterday the ADP contact group finally got down and dirty on the potential finance content in the Paris deal when negotiators discussed the finance section of the co-chairs non-paper. There is no point in denying that ECO was shamelessly excited to finally start the discussions on what must be an integral part of the 2015 agreement. Whilst probably not surprising to anyone that has been following the UNFCCC for more than a few minutes, it was a bit of a let down to have the first half of the session wither away in a flurry of process confusion.

When the dust had settled sufficiently for substantial talks to begin, ECO's enthusiasm was curbed further. The US led the charge by requesting all references to the adequacy, predictability and additionality of finance removed. ECO almost suspects the American negotiator was deliberately speed-talking to hide the desperately dismal nature of the suggestions.

With onset depression, ECO, listened to the Swiss delegate start off on a constructive note by pointing to the paragraphs they would like to see in the actual agreement, the ones that could be addressed in other decisions and the parts they didn't agree with. However, without warning they suddenly launched a frontal attack against the idea of an ex-ante process leading to quantified finance commitments. They were very clear that this idea was an abomination they would never suffer. ECO is, as most of our avid readers will know, convinced that quantified commitments are essential to, inter alia, provide predictability to developing countries.

And while it may be legitimate to disagree on content, ECO didn't like the Swiss bullying tactics. ECO is convinced that this kind of approach rarely leads to constructive and fruitful discussions.

ECO also witnessed Sudan questioning the possibility of climate finance being gender sensitive. ECO has no doubts about this not only being possible but also highly necessary.

While this first leg of the finance discussions ended on a less than positive note, ECO is hopeful that today's continuation will be more constructive in looking at ideas of how to ensure that wealthy countries contribute their fair share to the global effort by providing the necessary finance, as well as other necessary support.

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Is Germany changing course on coal?

Germany has a problem. Europe's biggest economy currently risks missing its national 2020 mitigation target of a 40% reduction from 1990 levels. Despite the boom of renewable energies, Germany's emissions have been on the rise again for the last two years. If you think this is due to the country's nuclear phase-out, then think again. In reality, with 27% of German electricity production originating from renewables today, this clean technology represents a higher share than nuclear power used to have. The real reason for Germany's rising emissions is the continuously low price for emission certificates in Europe's creeping Emission Trading Scheme. With no credible CO2 price signal, the burning of coal remains highly profitable for energy suppliers in Europe. In Germany, this is causing not only higher emissions but also a huge surplus of electricity.

To address this, Germany's Environment Minister Barbara Hendricks, when traveling to Lima next week, will have some news in her baggage. Today, the government presents an "Action Plan" on how to fill the emission gap and reach Germany's 2020 climate target. In this plan, following public debate, Germany is announcing an additional reduction of 22 million tonnes of CO2 from the electricity sector. Although ECO finds that

the formulation is vague and the reduction too low, the facts behind the Action Plan are clear: For the first time ever, Europe's biggest economy intends to remove a part of its coal power capacity from the grid.

ECO thinks this is an important signal to Lima: if countries want to tackle climate change, they need to phase-out coal and phase-in renewable energy technologies and increased energy efficiency. As a next step, ECO urges Germany to not only address coal emissions at home, but also credits and export guarantees for coal power plants abroad. This is not unprecedented: some days ago, France addressed this issue, as the US did before them. Moreover in the UK, no new coal power plants can be built.

Even the German industry has been surprisingly supportive here: last Sunday, the biggest German energy supplier E.ON announced the sale of its coal, gas and nuclear business and their focus on renewables, grid and energy services. The German G7 presidency should build on these developments and form a coalition of the willing to start what the climate needs: a socially responsible phase-out of fossil fuels and 100% Renewables for all, as fast as possible.

Change the system, not the climate

Peruvian civil society organisations and grassroots movements are seizing the hosting of COP20 to join efforts in elevating environmental issues on the government's agenda, particularly as part of the country's development policies.

Climate change impacts have already reached Peru. In rural areas, people in Peru are already experiencing the negative impacts of climate change such as water scarcity, thus adding to existing environmental and social challenges. Yet Peru has been praised at the same time. This is exemplified by the approval of a project, known as the 'Ley paquetazo'. The courting of extractive industries has already led to cases such as that of Maxima Chaupe, a female farmer. She was sued by Yanacocha - one of the biggest gold mining companies - for living on the land where Yanacocha was planning its Conga extraction project. Maxima and her family were not only ordered to leave the land, they were also asked to pay Yanacocha a compensation fine of about US\$2,000. Other injustices have even led to fatalities: Edwin Chota, Jorge Ríos, Leoncio Quinticima and Francisco Pinedo, indigenous awajun, were killed by illegal loggers when trying to protect their community forest near a conservation area in the Amazons of Peru.

COP20 is an important milestone on the way to Paris, but it remains a closed space for stories of people like Maxima and Edwin who claim justice and call for a new, climate-friendly and sustainable development pathway.

ECO is happy to announce two events aiming to change this: Firstly, from the 8th to the 11th of December, the Cumbre de los Pueblos (People's Summit) will take place in Lima. It will be an open space for people to attend, get informed, make proposals, and call for urgent action to be conducted by their governments. Secondly, civil society and social movement organisations are also organising the Marcha Mundial en Defensa de la Madre Tierra (People's March), which will take place on the 10th of December in Lima. Around 15,000 people are expected to participate.

Are we really going to make the poor pay for loss and damage?

It's a fool's game to think that polluters might get away with not paying for the loss and damage they have contributed to. For Typhoon Haiyan 6,300 people of Tacloban paid with their lives only a year ago, and 4 million of their friends and relatives paid with their houses. 13 million people in Kenya paid with hunger in the drought ending in 2011. And the people of the Pacific, and other low-lying regions, are paying with their land and homes. Someone has to pay for the loss and damage — the inevitable result of low mitigation ambition and inadequate levels of adaptation support provided by rich countries. At the moment it is the poor who are paying.

Clearly this is not tolerable, and Parties recognised this in Warsaw by incorporating the need for support within the functions of the Warsaw Loss and Damage Mechanism.

However, the current interim Executive Committee (ExCom) has been incapable of dealing with this obvious need in an adequate manner. As a result, finance, technology and capacity building are clearly lacking in the draft work plan - something that Parties must address. In short this means that Parties will have to decide whether a newly constituted ExCom will have the courage to deal with this gap. The COP therefore must a) provide them with a strong mandate to do so and b) endorse an ExCom constituted with proper representation of vulnerable countries - including a permanent place for AOSIS, LDCs and African countries. Parties might alternatively decide that support for loss and damage would be best dealt with at the COP level due to its highly political nature.

One thing is certain - it would be morally bankrupt to think that the poor should continue paying for the loss and damage that widely fall into the responsibility of big polluters.

Two degrees too much

The Structured Expert Dialogue (SED) of the 2013-2015 Review gained important Presidential attention yesterday. At the beginning of the meeting, COP President Vidal stated that the SED is the most important space to reconcile science and policy. He continued in mentioning the mandate of the 2013-2015 review - which is to consider the adequacy of the long-term goal and progress towards achieving it - meaning that clear answers must result from the review for the Paris decisions.

On the first task to consider, the adequacy of the 2°C limit, yesterday's meeting gave clear answers from science. If temperature increases are limited to below 1.5°C, there are more chances for adaptation.

One example is the coral reefs provide crucial sources of protein in many peoples' diets. Coping with warming of 1.5°C is already a severe challenge for corals, but they will struggle to survive with 2°C warming. Also, 'below 1.5°C' could mean a chance to protect the summer Arctic sea ice.

It's not only ecosystems or sea ice in danger with 2°C warming, but people are also vulnerable. Cultures of Arctic communities and those on low-lying lands are endangered: for them the risk is high with 2°C.

It was good to hear yesterday that the US is interested in better understanding the differential risk of a world that is 1.5°C warmer and one that is 2°C warmer. AR6 of IPCC could deliver new insights on that, and ECO hopes this is the beginning of a real willingness to act on science-led mitigation ambition.

Of course the SED did not only look at the risks of climate change but also at mitigation opportunities. The scientists state that a fundamental departure from BAU is necessary for a 2°C-trajectory. For that, there is a need for carbon removal technologies (CDR) in the second part of the century, unless we make a steep change in emissions reductions by 2050. As we don't really know what CDR is, how it works and which risks are associated with it, this is another convincing argument to begin effective and expeditious mitigation promptly.

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SWITZERLAND'S BULLY BOYS WIN FOSSIL OVER FINANCE THREAT

SWITZERLAND earned yesterday's first place Fossil of the Day for being a big bully.

Anyone who listens to civil society or climate scientists will know that we have to do much more if we want to keep temperature rise below the internationally agreed threshold of 2°C.

Predictable public climate finance that helps developing countries to scale up their climate actions is essential to get the ambition wheel turning. Switzerland, in an intervention on Tuesday, not only opposed any legally binding quantified commitments on finance, but also threatened developing countries that any such demands would jeopardise the outcome here in Lima.

Other developed countries, including the EU and the US came close to earning a fossil too as they didn't exactly paint themselves in glory either. To much disappointment, they also strongly rejected commitments on finance.

BRAZIL came in second after stating in the Framework for Various Approaches Contact Group that "there is no double counting in the CDM" (!!) As numerous scientists have documented, double-counting of emissions is a serious problem with the Clean Development Mechanism. New, robust accounting rules that stamp out such practices are seriously needed to ensure the integrity of our efforts to combat climate change. This statement undermines climate action and earned Brazil a second place fossil.

There was some hope though...

AOSIS received the Ray of the Day award yesterday for being the first group to directly support the complete phase out of carbon pollution by 2050 during this COP. What makes this statement even more powerful is that other countries added their voices to that of AOSIS, specifically AILAC and Norway. Achieving this phase out of fossil fuel emissions and a just transition to 100% renewable energy by mid-century is our only hope to stay below the 2°C threshold.

Countries also need to ensure that there is enough financial and technological support for developing countries' transition. Shifting investments and subsidies from fossil fuels to renewable energy is a good start.

HOUSTON, WE HAVE A PROBLEM

Not only is spaceship Earth badly off the 2020 trajectory needed to stay below 2°C, it is just about to drift further away from the safe pathway. That was the message yesterday from UNEP in the Structured Expert Dialogue: the gigatonne gap looks to just grow as we approach 2025 and 2030. If you consider warnings by the IPCC and others that the 2°C limit may still be too high and risky, then the situation looks even worse.

But fortunately we do have the survival kit still within our reach.

As ECO learned from the IEA, 80% of the 2020 gigatonne gap in the energy sector could be bridged with measures that have no impact on GDP in all regions (!). Energy efficiency and renewable energy are the most important survival tools in the short and longer term.

UNEP also emphasised the importance of energy efficiency, which in almost all cases is the option where you have many wins and no losses. So really, Parties? What are you waiting for? To quote the IEA presenter yesterday: it really shouldn't be that hard.

What's the course we need to plot? Zero carbon, emissions phase out and decarbonisation were much-used vocabulary yesterday. Having this long-term goal in mind, the World Bank said that this should be the basis for policy.

How long is the long-term? Well, with all GHG, we'd have to be in zero by about 2080 to 2100, says UNEP, if we are to stay within the 2°C limit. For the main culprit, CO₂, zero emissions will need to be achieved sometime between 2055 and 2070. And for a 1.5°C limit we'd obviously have to bring carbon emissions to zero even faster.

The Expert Dialogue also discussed negative emissions: the more we delay action, and the later emissions hit zero, the more negative emissions we'd have to achieve in the future to stay below 1.5°C or 2°C warming levels. ECO was pleased to finally hear a reality check conclude that the main carbon removal technology assumed in present models - biomass with CCS - is pure theory and very little is known how broadly it could actually be implemented, given the multiple barriers, problems and limiting factors that exist in the real world (ECO recommends to check out the useful info box in the UNEP report).

The reality is that IF carbon dioxide removal technologies aren't broadly available (as is generally assumed in models), emissions will have to be brought down to zero even faster.

The IEA reminded Parties that investors are looking for some clear signals from Paris. What's a safe investment? Is it (still) high-carbon or low-carbon technology?

After carefully listening to the experts, ECO is convinced even more than before that the signals the Paris agreement needs to send are: a complete phase out of fossil fuels by 2050, and a just transition to 100% renewable energy for all. And to get there in time, this fossil fuel phase out must start today.

CHANGE THE SYSTEM, NOT THE CLIMATE

**ECO apologies for printing an incorrect version of this piece yesterday. Please find the correct piece below.*

Peruvian civil society organisations and grassroots movements are seizing the hosting of COP20 by Peru to join efforts in elevating environmental issues on the government's agenda, particularly as part of the country's development policies.

Climate change impacts have already reached Peru. People in Peru are already experiencing the negative impacts of climate change such as water scarcity, thus adding to existing environmental and social challenges.

While the Presidency of the COP20 should have been an opportunity for the Peruvian government to show leadership in environmental issues, its recent national policies show that the environment has become less and less of a priority. For example, in July this year the government approved the so-called Ley 30230 (also known as 'Ley Paquetazo'), which reduces the importance of environmental standards with the aim to attract investment in the extractive industries.

The promotion of extractive industries has already led to cases such as that of Maxima Chaupe, a female farmer. She was sued by Yanacocha – one of the biggest gold mining companies – for living on the land where Yanacocha was planning its Conga extraction project. Maxima and her family were not only ordered to leave the land, they were also asked to pay Yanacocha a compensation fine of about US\$2,000. Other injustices have even led to fatalities: Edwin Chota, Jorge Ríos, Leoncio Quinticima and Francisco Pinedo, indigenous awajun, were killed by illegal loggers when trying to protect their community forest near a conservation area in the Amazons of Peru.

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FROM YOUNGO

WHAT FUTURE WILL YOU FIGHT FOR YOUR CHILDREN TO HAVE IN 2050?

HOW TO FIGHT FOR THE FUTURE AT THE UNFCCC

A guide for negotiators and ministers

Today is Young and Future Generations day. To celebrate YOUNGO has put together some simple instructions on the fight of our lifetime. You are never too old to learn and never too tired/disgruntled/bored to fight for the future.

1. We are the citizens of your countries, and we demand that you make our nationally determined contributions ambitious. We can stand to bear the responsibility of your past mistakes, but your decisions about the future need to be just and fair: these decisions affect our homes, our communities, and our lives.
2. Our life's work will be to phase out carbon emissions to zero. Your job is simple: make the commitment to a clean and just phase out of fossil fuels, and a phase in of 100% renewables starting now and to be achieved no later than 2050.
3. Don't discount our future and that of future generations. You consistently tell us you can't afford it, but we know you have your sums all wrong: you are not counting on us having a future at all. Invest today, which for industrial countries includes paying your climate debts. And get the message to your finance ministries.
4. We all know that 80% of the known reserves of oil, coal and gas have to stay in the ground. Our money would be better invested in a community-owned, low-carbon transition, including education. We want to hear you answering the question: when will our country stop extracting fossil fuels?
5. We are fully aware of the games some of you play in this process—the manipulation, and the appropriation of voices of the vulnerable, including the youth. We recognise your divide and rule tactics and want to make this clear: young people are uniting and you cannot stop us, you can only join us.

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Is There Room for Negotiations in the Climate Negotiations?

In the middle of widespread and growing dissatisfaction among developing countries with what can best be described as the “non-negotiating process” taking place here in Lima, there could be some encouraging developments on finance in the works.

Yesterday afternoon in the ADP, the co-chairs finally allowed Parties to see each other’s texts on the screen – a rather small step forward that makes ECO wonder what took so long.

The day also saw discussion on cooperation, support and finance; where South Africa launched a more significant initiative on behalf of the Africa Group (AG). After days of discussion on the finance and support sections, with little or no response to the many questions and challenges on process, the Africa Group put forward an alternative text for the finance section of the non-paper on elements.

ECO commends the Africa Group for this initiative, and thinks that Parties and the Co-chairs should accept the request that this text be used as a basis for negotiations on finance in the elements paper.

The paper is well-structured, concise, and covers most of the essential content on finance that needs to be in the Paris Agreement.

Some of the provisions that could make it a good starting point for negotiations on the content of the agreement include: the call for a collective quantified finance goal for the post-2020 period that includes a specific amount from public sources; consideration of a range of new sources of finance; a link to the amount of financing needed to achieve the agreed temperature goal; the need for continued scaling up beyond 2020; and primary but not exclusive responsibility of Annex I countries for providing support and finance.

The text is of course not the final word – it can be further improved by creative proposals on content and drafting improvements, and perhaps by drawing on some of the existing finance text in the current non-paper.

But beyond the merits of the AG’s text proposal, adopting this text as a basis of negotiation would demonstrate that the process is open to good proposals and that Parties can start to take ownership of the negotiating process and its outcomes, before time runs out.

Will the Paris Agreement have a dark side?

The ADP decision text contains a very important issue for the future of the climate regime. Yet ECO so far has the impression it might well be kept hidden in the Dark Annex Side of the decision text.

Without the ADP Decision’s Annex’s common elements for the INDCs, anything can, and probably will, be submitted as a contribution to the global fight to avoid dangerous climate change early next year. Recycling a gum wrapper or holding in a fart, perhaps?

Lima needs to agree on common complementary information so that the INDCs of all Parties can be readily reviewed and explored for all to understand what is really on the table, whether a genuine commitment to act, or mere accountancy tricks to mask shameful inaction.

This lack of transparency would serve only to further diminish trust in this process and could set a horrible precedent for the integrity of the Paris Agreement itself.

In yesterday’s ADP mitigation session, the US, EU Switzerland and Japan made what sounded like helpful noises on this issue, supporting clarifying elements. Venezuela and EU also called for accounting rules. ECO notes that although this was a mitigation negotiation, complementary information on adaptation, and finance, technology and capacity building is also needed.

Without transparency, the future looks very dark indeed.

Argentina Takes Baby Steps Towards Renewables

ECO welcomes Argentina's early moves towards achieving 8% of its power from renewable energy sources by 2017, and 20% by 2025. Many civil society organisations and grassroots movements gathered outside Argentina's National Congress to support renewable energy as this important bill was approved.

The bill proposes to accelerate the development of alternative sources of energy generation. In addition, it would create a Trust Fund for the Development of Renewable Energies (FODER) to support the financing of investment projects. Importantly, the fund would be backed by 50% of the money saved from importing fossil fuels.

ECO knows that the bill is not perfect, but it provides the opportunity for a festive and colourful campaign for public awareness toward a national strategy for renewable energies.

One thing remains clear: Argentina must show greater ambition in its national commitments and setting its targets for renewable energies – as they already have been promising this 8% since 2004.

I <3 ACCOUNTING!

Dear delegates, how much do you love accounting? We have, at most, 1000 billion more tonnes we can emit, so we'd better start to count carefully if we want to avoid a dangerous situation. It is high time that Parties start putting on their accounting hats under the ADP.

It is expected that only clear requirements for the INCDs will make counting of emissions possible and include transparent, comparable, quantifiable, multi-year mitigation targets based on historical reference levels. With Parties starting to decide on their contributions for the Paris agreement, now is an ideal starting point for discussing an adequate accounting framework. A work programme should be established under the ADP so countries can start thinking about the accounting rules that will be needed in the more complex and warmer post-2020 world.

Accounting rules also have to ensure that the use of international carbon markets under a new agreement do not undermine mitigation targets. Avoiding double counting becomes especially important if countries want to use these. Therefore, only countries with an ambitious mitigation target, well below conservatively projected business-as-usual scenarios, and in line with the 2°C degree target should be eligible to participate in international markets. Additionally, their ambition must increase over time.

ECO has never been bashful about its affection for the Kyoto Protocol's clear accounting framework. But that does not

mean all is well! ECO would like to remind Brazil and others that double counting due to CDM emissions reductions being counted towards the mitigation targets of both the host and the purchasing country could lead to well over 1000 billion tonnes more emissions in 2020.

Delegates, accounting is complicated and we are running out of time. Let's remember, nature won't fall for accounting tricks.

Can Lima Close the Gap? No, Not That One!

We all know that there are a lot of gaps – from emissions and ambition to finance and capacity – but we're sorry to inform you that there is one you may have overlooked: gender.

Gender is one of the foremost social categories in determining roles, experiences and perspectives in society. Gender gaps exist in leadership, decision-making, health, education, wages, and access to resources and finance. If climate policies and solutions are to meet the needs of women and men, girls and boys, equally – and be effective – policy-makers must understand these gendered dynamics.

A priority for the COP20 President, as laid out in his opening statement, is to build on progress in advancing gender-responsive climate policy. Under the SBI, delegates are negotiating a new framework for harmonising gender-related mandates, which exist throughout climate policy, including in mitigation, adaptation and means of implementation. A decision to establish such a framework would provide a platform to define actions, guidance and instruments, as well as steps and benchmarks, to support Parties in implementing the mandates (that they have given themselves!).

Similar "Gender Action Plans" exist under the Convention on Biological Diversity and the UN Convention to Combat Desertification, providing both precedents and examples for what Parties can make happen here in Lima.

It's simple: failing to implement solutions that take into account the critical role of women and the importance of gender equality in tackling climate change undermines climate action. That begs the question: why is it not happening? Why are some Parties (you know who you are) struggling to agree on a roadmap to support implementation of their own decisions? Why are duty bearers – governments, institutions, and policy-makers – reluctant to include gender equality in climate change policies? After 20 years, it's time for climate policy to no longer exacerbate inequalities, but to address the rights, needs, and perspectives of all individuals. It's the only way to ensure just and sustainable solutions to this planetary emergency.

5 Is the Magic Number

Currently missing from the draft ADP decision text is one of the most important elements that needs to be agreed if Paris is to avoid locking us into a high carbon world until 2030.

Options for commitment period length, including the all-important 5 years, are rightly expressed in the ADP non-paper. However, the crucially important common implementation deadline of 2025 for the INDCs is currently missing from the draft decision text's Annex on common elements for reporting on INDCs. A deadline of 2025 also needs to be included in the decision text itself; para 9 could be a suitable home.

As a complement to language on 2025 and 5-year commitment period cycles, the decision text should also request the IPCC to produce an assessment report with a 5-year time cycle so as to provide the most up-to-date information to inform each round of commitments.

Since INDCs are presumably the basis for the first commitment period, the absence of this common element could lead to a free-for-all that would make a multilateral effort to avoid the worst impacts of climate change far more difficult.

Civil Society at Your Service

The past few days have highlighted the important work that remains before Parties can reach consensus on most issues in the ADP. However, there is unanimous support for one concept – transparency. In fact, most Parties mentioned it in their interventions.

Several Parties have made a strong case for transparency's multiple virtues. Indeed, some appear to see this as a silver bullet for the new agreement that puts us on a path towards limiting global warming to below 2°C. But while ECO strongly believe in the value of transparency, it is only one way to support the substance of commitment and action.

During the ex-ante review, elements of transparency should enable the review of the adequacy of individual pledges and promote ambition. At the implementation stage, it should serve as the basis for MRV and motivate the full implementation of countries' commitments.

To help Parties to articulate processes most conducive to transparency, ECO would like to offer some suggestions:

If Parties expect such a strong role for transparency - as opposed to more robust means of accountability - then these processes build on reliable and objective information. Considering their unique expertise and practical experience, observers must be invited to provide complementary information. Doing so will contribute to understanding of the significance of the pledges tabled by Parties. Such an exchange will only contribute to trust if Parties address all questions put forward.

Additionally, the draft decision foresees the organisation of workshops in June next year to contribute to “enhancing the clarity, transparency and understanding of the aggregate effect of the INDCs.” Again, for these workshops to achieve such ambitious objectives, observers must be invited to participate actively.

Civil society, including research institutions and non-governmental organisations, has a wealth of relevant information and stands ready to fully support the transparency endeavor. ECO trusts that Parties won't want to exclude them from contributing to this crucial process.

IEA's Deja Vu

When COP20 was starting, the International Energy Agency (IEA) was also realising its 2014 review of EU energy policies. The organisation clearly struggled to express a coherent viewpoint in the review. Their historical interest in ensuring energy supply from fossils and nuclear is evident, but at the same time it correctly identifies many elements in support of an EU clean energy transformation.

The IEA has a reputation for advocating stronger energy efficiency policies, so it's no surprise that this latest report pleads strongly for a higher energy efficiency target when examining the EU's emerging 2030 framework. It is less straight-forward about the potential of renewables: the review identifies the likely implementation problems caused by eliminating nationally binding targets. But it is light on solutions, preferring to put the emphasis on removing 'market distorting' subsidies.

As befits its historical role, the IEA claims that the EU needs the development of unconventional fossil energy; use of coal, and access to fossil imports to ensure its energy security. This seems a reflexive impulse rather than being grounded in assessment of the implications for our limited carbon budget; stranded assets as the EU decarbonises, or sustaining the political power of the fossil lobby.

The IEA's narrow scope of analysis overlooks that the renewables revolution is happening at technical, market and social level. High levels of community and individual empowerment are beginning to seriously challenge ageing business models and putting politically influential oligopolies on notice. And Europe is one of the main laboratories for change globally. Success there can spur technology, policy and market developments that are of importance to developed and developing countries alike, creating power and empowerment for everyone from the most remote villages to mega-cities.

The challenge of overcoming decades – no, centuries – of investment in fossil fuels while combatting the climate crisis should not be understated. Creating a well-functioning energy system that is transparent, competitive and cost-effective is a laudable goal, but won't come without making some clear choices. This endeavour would benefit a lot from the IEA letting go some of its golden calves.

Important ... Important ... Important... Adaptation in the Paris Agreement

There's a lot of ground to cover before we will see a draft negotiation text from the non-paper, but it's encouraging to see the adaptation troops working hard. If only ECO could be as impressed by the content of countries' proposals!

Paris offers a chance to undo the long-standing problem of the international community's lack of sincerity in addressing adaptation and loss and damage. ECO has a few suggestions on how best to change course:

Adaptation as a Guiding Objective

A guiding objective of addressing adaptation (with a keen focus on building resilience) is key. Paris must acknowledge what we already know as common sense: insufficient mitigation will mean higher needs on the adaptation front, and inadequate adaptation will result in greater loss and damage.

Principles for Good Adaptation

People, communities and ecosystems most vulnerable to climate change must receive special attention when it comes to adaptation planning, implementation and finance. Governments must take a human rights approach, building on the work from COP16. Adaptation should be community-driven and guided by science. Both the LDC group and Norway suggest these principles be enforced by the new agreement.

Support for Adaptation:

The need for means of implementation for adaptation can't be brushed aside. The recent IPCC report clearly highlighted the gap between adaptation needs and the support available. To achieve climate-resilient development, public finance, appropriate technology and capacity building support are needed. The starting point for the discussion is \$50 billion of public finance as grants, or at least half, out of the \$100 billion commitment, while estimates of adaptation finance needs suggests even this amount will not be enough considering that climate change will further unfold.

Adaptation Contributions:

Various countries have opposed calling for adaptation contributions. Paris should operationalise a cycle of increased adaptation actions and support. This is against the backdrop that there is no evaluation of the existing adaptation architecture – and its implementation. It makes sense to install joint cycles for adaptation – we shouldn't throw out the baby with the bathwater.

Loss and Damage:

The IPCC has made it amply clear that the "limits to adaptation" extend as climate change occurs at a greater rate and magnitude. There are already several examples of adaptation not being possible under circumstances such as sea level rise, ocean acidification, loss of territory and biodiversity. The 2015 agreement needs to be informed by the latest scientific analysis. ECO demands that loss and damage be captured explicitly as a separate element in the agreement.

Almost all nations have agreed that addressing adaptation in Paris with political parity is "very important". Unfortunately, ECO worries that such rhetoric is increasingly sounding like a broken record.

The Stars are Aligned for the World to Take Historic Action

"The stars are aligned for the world to take historic action to transform lives and protect the planet. I urge Governments and people everywhere to fulfil their political and moral responsibilities. This is my call to dignity, and we must respond with all our vision and strength."

Did you think that was ECO speaking? No, it was actually Ban Ki-moon launching his Synthesis Report — 'The Road to Dignity by 2030: Ending Poverty, Transforming All Lives and Protecting the Planet' — on the Post-2015 development agenda in New York yesterday.

The report marks the culmination of several strands of work that started at Rio+20 in 2012. It lays out the challenge of replacing the Millennium Development Goals with Sustainable Development Goals (SDGs).

ECO is pleased that he got it right by putting climate change action at the heart of his report. So pleased, that ECO would be willing to forget about the stubbornness of some countries not wanting a climate change goal in the Open Working Group document. If only we were sure that you, dear Parties, really understood the message this time: we want a climate change goal and mainstreaming in the SDGs. Please take note of that for the next year and the 9 months of negotiations to come!

If ECO can't convince you, let the Secretary General guide you. He calls for a set of principles that, applied together, can bring about a truly universal transformation for sustainable development. For Ban Ki-moon this includes addressing "the drivers of climate change and its consequences" and keeping the door open for both climate change mainstreaming throughout the SDGs and a standalone goal.

Some of the highlights that you need to know off by heart include:
- "To respect our planetary boundaries we need to equitably address climate change, halt biodiversity loss, and address desertification and unsustainable land use."
- "Adaptation can reduce some risks and impacts of climate change. Most urgently, we must adopt a meaningful, universal climate agreement by the end of 2015."
- "An expert technical group should be tasked with developing and presenting to Member States a coherent framework that accounts for climate finance and Official Development Assistance"

Other highlights: reiteration of the need to phase out harmful fossil fuel subsidies, and also the approach to 'prosperity' which clearly states that the strength of an economy is not in gross domestic product alone but in its impact on sustainability and equality.

ECO believes that this report can build momentum towards the agreement of strong and effective SDGs and a call for greater ambition in Paris.

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MIND THE ADAPTATION \$ GAP

ECO became very dizzy from just flipping through the pages of the UNEP Adaptation Gap Report launched yesterday: even with emission cuts to keep the world below 2°C, climate change adaptation is likely to cost developing countries \$150 billion a year during 2025-2030 and could climb as high as \$500 billion by 2050.

Put this against the Climate Policy Initiative (CPI) estimates of \$22-25 billion dollars in public finance for adaptation, of which a (pathetic?) \$8 billion came as support from rich countries. It's not only that far too little gets invested in securing food production, fighting water scarcity and protecting citizens from climate-related disasters. It's also that the longer this gap is left unattended, the bigger the losses and damages from climate change will get over time.

ECO wonders if the high-level dialogue ministerial might be a great time to reflect on this gap and what steps need to be taken to close it. Obviously, the emerging call by developing countries for a roadmap that shows how developed countries will meet their promise to ramp up support to \$100 billion a year by 2020 is a very first step to closing the adaptation finance gap. Showing this pathway would create the much-needed predictability and forward-looking transparency needed, especially by the particularly vulnerable developing countries, to enhance urgent adaptation action.

Five years into the fluffy \$100 billion promise made in Copenhagen, developing countries still have no idea on the levels of public finance they can expect by 2020, or on which channels, types and instruments are to be deployed. ECO feels this is neither helping the process nor the affected communities on the ground.

Perhaps the Green Climate Fund will help? If it manages to get across at least the lower end of the \$10-15 billion unofficial target range for the initial pledges it would see, on average, \$1.25 billion a year reserved for adaptation. You hear this, Australia, Austria, Belgium, Ireland, Iceland, Portugal and Greece? *cont...*

ECO gives full credit to countries with ambitious pledges such as Sweden, and current total pledges are an important start on which one can build. Yet, from what's being heard in the corridors, ECO gets the impression that developed countries are desperately hoping to reach the \$10 billion.

ECO wonders what the significance of the small difference in level may be. ECO hopes it's not because some developed countries may attempt, by all means, to get the GCF across the \$10 billion threshold just to deflect calls for addressing the much bigger financing gap that lies beyond. ECO suggests delegates do both – acknowledge the pledges and then agree, here in Lima, to seriously get onto the road to \$100 billion a year by 2020.

NO COAL IN THE GREEN CLIMATE FUND

ECO is troubled by recent revelations about bilateral finance for coal-fired power plants being counted towards climate finance obligations under Fast Start Finance.

ECO is also concerned that the Green Climate Fund Board has not explicitly ruled out the possibility that the GCF might fund fossil fuel projects. It seems painfully obvious that something called the Green Climate Fund should not support coal-fired power plants, but the experience of Fast Start Finance clearly shows that strict rules are needed.

In May, over 250 movements and organisations from developing countries – representing people bearing the brunt of climate impacts – wrote a letter to the GCF Board. This letter was also supported by 80 northern NGOs. The letter urged the Board to make it an explicit policy that GCF funds will not be used, directly or indirectly, for financing fossil fuel projects or programs.

ECO urges the COP, in its guidance to the GCF, to require the GCF's Board to adopt an exclusion list that would prevent any Green Climate Fund money from supporting fossil fuels. The GCF's mandate for supporting a "paradigm shift" leaves no room for it to support a continued global fossil fuel addiction.



HIGH-5 FOR 5-YEAR COMMITMENT PERIODS

ECO is delighted to announce that the ADP draft decision text now contains the option for a proposed amendment for paragraph 9, which would read: “decides that all parties shall communicate a nationally determined mitigation contribution for 2025”.

This is exactly what ECO has been calling for, and the Marshall Islands was awarded the Ray of the Day yesterday for having tabled this text. ECO now urges all Parties to communicate their support for the proposal and affirm that they shall communicate an INDC for 2025.

AILAC also was positive in proposing a 2025 date, but with an indicative 2030 one alongside, as in Brazil’s proposal. ECO strongly welcomes their support for five-year commitment periods, and their concern to ensure that mitigation commitments are not locked in for the next 16 years, as sole 2030 commitments would do. However, there are concerns that once governments set a target, even if an ‘indicative’ one, it will become locked into the national psyche as the de facto actual target.

The 2°C temperature limit, for example, was an EU position going into the Kyoto Protocol negotiations and is based on IPCC Second Assessment Review science. Despite the science demanding ever more ambition, the EU has not shifted their position in nearly twenty years.

Politics mean that once a number has been put forward it can be very difficult to change. A fresh conversation each time you need to set new targets is needed to avoid this political and psychological lock-in.

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TYPHOON HAGUPIT

A CALL FOR INTERNATIONAL SUPPORT THROUGH LOSS AND DAMAGE

Imagine a country hit by three of the world’s deadliest storms of the past three years and are about to face another typhoon. No this is not the latest Hollywood blockbuster. Unfortunately this is not fiction.

Typhoon Hagupit is bearing down on the Philippines – smashing into the Eastern Samar province which was devastated by Typhoon Haiyan (Yolanda) only one year ago. In 2012 Typhoon Bopha hit the Filipino island of Mindanao and in 2011 Tropical Storm Washi killed more than a thousand people and caused massive flooding.

The Philippines has had the world’s deadliest storms of the past three years. We hope and pray that Hagupit will not fit in this category of terror. But such severe storms, and other forms of loss and damage, will be a more frequent occurrence as climate change worsens.

Delegates in Lima will face a devastating political storm if they fail the people of the Philippines, and other vulnerable people facing the worst impacts of climate change, and do not make progress on the operationalisation of Warsaw International Mechanism for Loss and Damage.

Two important elements — sufficient representation for vulnerable countries, and a subsidiary structure of a financial and technical facility for the Warsaw International Mechanism for Loss and Damage – hang in the balance in the current SBSTA/SBI text.

ECO is aware that the US, Australia, Japan, and Poland have opposed such fundamental elements of the Warsaw International Mechanism for Loss and Damage before. We trust that their support for the people of the Philippines and other vulnerable countries goes beyond sending food parcels and military clean-up, but rather supports the Warsaw Mechanism to address the problem in a systematic fashion.

Developed countries would be morally bankrupt to renegotiate the fundamentals of the Warsaw International Mechanism for Loss and Damage and wish away the finance and support elements agreed by parties at the last two COPs. ECO trusts that parties can see the advantage of agreeing upon a substantial work program for 2015 – rather than having the negotiations over the work program itself spill into 2015 in the lead up to the Paris COP.

THE TIME HAS COME

FOR A SCIENCE-BASED EQUITY REVIEW

The ADP decision on INDCs will be the key to the Lima outcome. If Parties agree to solid information requirements and meaningful review mechanisms, then we'll be on the road to success in Paris. But if Parties are not given the tools and guidance that they need to define strong, transparent, and equitable commitments, we'll be on another road altogether, and ECO will not even speculate about its likely destination.

We need INDCs that are based on the three core equity principles of the Convention:

Adequacy: INDCs must be specified precisely, and expressible as an ambitious number of tons of mitigation. If this bottom-line information is not available, then it will be next to impossible to do even the most basic assessment of the INDCs. Including assessing if we're on a pathway that will prevent dangerous climate change and limit global temperature increase to below 2°C that keeps the door to 1.5°C open.

CBDR+RC: INDCs must represent a level of effort that corresponds, at least roughly, to the national "fair share" of the country that tables it. This fair share is to be understood in terms of differentiated responsibility and respective capability, and every country should explain, in just these terms, why it considers its INDCs to meet the requirements of Article 3 of the Convention.

Equitable Access to Sustainable Development: Each INDC must, similarly, be scaled to support a future in which the right to sustainable development becomes a real and living right, one in which all countries can not only lift their people out of poverty, but also provide their citizens with sustainable living standards that can be applied to all (Article 3.4).

These strong, well-founded principles can support a strong, well-founded treaty that will endure the challenges ahead. To that end, transparency is all too important.

Several Parties mentioned the need to include equity in the Upfront Information Requirements (UIRs) in yesterday's ADP discussion. ECO believes that these three core equity principles need to be explicitly included in the UIRs, so that Parties can reflect on them when preparing their INDCs, which will ensure that they prepare them in a manner that meets their national fair shares, as they understand them.

Parties that table INDCs that are consistent with these principles will have nothing to fear when other Parties, and Observers all around the world, examine their INDCs for adequacy and equity. As they will certainly do.

Unlike dangerous climate change, the clean energy transition ahead is nothing to fear. We just heard in the Structured Expert Dialogue that, according to the IEA, 80% of the mitigation that is needed before 2020, if we're to get on a path that actually leads to a 2°C future, can be met without any net costs.

If we're brave enough to launch immediately on a global campaign to rapidly increase efficiency, cut fossil subsidies, and tighten gas and coal standards. As for the other 20%, and the larger costs ahead – on the adaptation side as well as the mitigation side – we're going to have to bear them equitably. And we're going to have to be able to review and assess ourselves to ensure that we do.

TIME TO STOP FUNDING FOSSIL FUELS

Have you ever tried climbing out of a hole with one hand whilst digging it deeper using a giant shovel with the other? Let ECO be the first to tell you: it doesn't work.

While GCF pledges start to finally near the US\$10 billion of initial funding, new analysis out today puts these pledges in a new light. Turns out Annex II countries are spending nearly 3 times as much to support the exploration for new fossil fuel reserves...with Annex II combined support for such activities at \$26.6 billion annually.

You read that right. Coming on the heels of scientific report after report telling the world that there are already some 5 times more existing fossil fuel reserves than we can afford to burn, rich countries are spending billions to support making those reserves even larger...and making the carbon bubble even bigger.

Public support for fossil fuels not only goes against basic climate science, it is a waste of public money that could go towards the critical task of helping all of us climb out of our climate hole. It's far past time countries stopped funding fossils. An obvious starting point would be to stop making our climate hole bigger by financing exploration for new fossil fuels.

REDDlock ON SAFEGUARD

Civil society, indigenous peoples, donors and the private sector all agree there is a need for further guidance on safeguards. And most Party submissions recommended further guidance on the provision of information (i.e. reporting) on how safeguards are being “addressed and respected” to ensure its “transparency, consistency, comprehensiveness and effectiveness”. Yet Parties have failed to come to agreement in what was largely a developed vs developing country split.

The G77 and China lined up to oppose any decision on safeguards. The Co-Chairs made a brave attempt to reach consensus on developing “indicative elements” for the summaries of information (safeguards reports) at SBSTA 44 in 2016, but were unable to bridge the divide. The failure here in Lima is deeply disappointing.

The REDDlock in SBSTA means it is unclear whether REDD+ will safeguard the rights of indigenous peoples and local communities, or protect biodiversity and natural forests. This increases risk, and means that it will become even more difficult to get funding for forest protection. We say NO RIGHTS, NO REDD.

REDD+ early movers are already developing their safeguards summaries, but without any guidance on what to include, they are shifting the burden to civil society to fill the void. We are prepared to do this, but we shouldn't have to. So we'll keep fighting for further guidance from the UNFCCC on safeguards. ECO doesn't want REDD+ to fail, and safeguards are critical to ensure long-term success.

The other item on SBSTA's agenda proposed by Bolivia is important in linking adaptation and mitigation, seeing forests holistically. This deserves further attention.

ECO hopes for, and will work towards, progress and an unblocking of the REDDlock.



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What We Need – Solidarity

Our Filipino colleague writes:

Before leaving for Peru, I hoped I'd see progress and unity at COP – especially given Lima's key role on the road to Paris. So far I've been disappointed, and to add insult to injury another typhoon is lashing through my birth country.

As I write, a million people are living in evacuation centres praying their houses and sources of income are not affected as badly as last year. While we don't yet know the extent of the devastation, we do know we will be counting bodies once again.

Year after year, devastating typhoons have slammed the Philippines during these negotiations. And year after year, negotiators express their sympathy and condolences – while bringing us ever closer to an unjust deal that will guarantee more extreme weather events.

And there is another perverse theme at

these climate negotiations: the continued presence and impact of the fossil fuel lobby. The WHO does not allow big tobacco to even attend their meetings, yet the UNFCCC is saturated with fossil fuel involvement. As a Filipino, this is outrageous and insulting. We pay the price for their continued influence in this process.

But as we continue to pay, we refuse to act as a poster child for devastation any longer. We are not drowning.

We are fighting.

We do not need sympathy – we need justice and solidarity. We need action now. We need an urgent pathway to a just and ambitious climate deal.

Let us not wait until it's too late.

Civil society invites all COP participants to gather for a minute of silence in solidarity with people impacted by climate change: 9:30 am in front of zone C.

High Level Finance Dialogue: Not Just Another Talk Shop, Please

Rolling into week two of COP20, ECO extends a warm welcome to Ministers and reminds that essential to success in Lima is concrete progress on climate finance. And what better time to do so than at Tuesday's High-level Ministerial Dialogue on climate finance? The Secretariat frames the Dialogue as a unique opportunity for Ministers to highlight that public finance is flowing and confirm their intention to scale it up.

Ahead of the event, however, there is a strong sense of malaise. Ambition is diminishing and the importance of defining pathways to reach 100 billion USD by 2020 is being set aside. So right here and now, let's get down to business.

Tip number 1: Draw up a roadmap to 2020

A 2020 finance roadmap is clearly essential to scaling up to reach the 100 billion level. This first step will reassure that public financial flows will not only continue but will also increase.

Tip number 2: Clarity and predictability

You've heard it before and you'll hear it again: financial flows need to be predictable in order to engage climate action effectively. Not only that, countries need to be clear on what finance is public and what is not.

Tip number 3: Spell out the details

Further reassurance can be secured by clearly spelling out the sources of finance as well as the channels and instruments to be deployed.

Building the Global Adaptation Goal

There's a lot of curiosity about the idea of a global goal on adaptation. As you know, ECO is all about clarity, so here's our short guide to this important proposition.

The global goal on adaptation should build the resilience of people and ecosystems to the impacts of climate change. Actions towards the goal must also protect human rights and address inequality, both of which are key to achieving sustainable development.

The pathway for achieving the goal must be dynamic, taking into account rising temperature levels and impacts. The goal should contribute to minimising residual impacts and loss and damage through scaled up adaptation and disaster risk reduction.

Here are key objectives for a global adaptation goal:

1. Adequacy of financial and technical resources. Adaptation is relevant to all countries, and all must develop adaptation strategies in order to deal with increasing climate impacts. However, it is the developing countries – and the most vulnerable countries in particular – that urgently need support through finance and appropriate technology. Developed nations must provide adequate and sustained support that complements the ongoing development and adaptation efforts of vulnerable developing countries. The scale of resources must be commensurate to the impacts of climate change.

2. Strengthening institutions. The global goal cannot be achieved without a strong

continued on p. 2



continued from p. 1

institution that links local, national and global efforts. All countries, and developing countries with assistance, should create or strengthen institutions enabling policy frameworks, including the implementation of National Adaptation Plans (NAPs), which contribute to building resilience. Regional and international institutions have an important role to play in terms of capacity building, enabling policies and trans-boundary issues. ECO also recommends international coherence across Disaster Risk Reduction (DRR) and the Sustainable Development Goals (SDGs).

3. Assessment and accountability. A set of clear milestones should be developed at all levels through participatory planning and involvement of relevant stakeholders. These should be based on the development status, institutional capacity and resources of countries. The capacity of regional and international institutions must also be assessed prior to developing targets and indicators. Developed nations must therefore commit to providing finance and technical support and remain accountable to these commitments. Developing countries on the other hand must use the resources in an effective, transparent and accountable manner that contributes to meeting the needs of their people, particularly the most vulnerable. A review should be conducted periodically to assess progress in conjunction with the mitigation trajectory, and close the gap to meet the adaptation goal.

Human Rights in the CDM

In June this year, the Santa Rita hydropower dam in Guatemala was approved under the Clean Development Mechanism despite grave concerns about human rights violations related to the project.

Communities in the Alta Verapaz region report that all those who were consulted on the project were actually the employees of the project. Requests for consultation from those affected by the project were ignored by the company. Even worse, conflict resulted in violence including the death of two children. In August, the company responded with a repressive operation involving more than 1500 police officers forcing indigenous families to take refuge in the mountains.

A complaint from the communities was accepted by the IFC Compliance Advisor Ombudsman, who is planning an investigation in January 2015. The financing banks are concerned and will investigate the situation in January 2015. But the CDM – intended to mobilise clean development – does not seem to be concerned.

To address this lack of safeguards, AOSIS, supported by Uganda, proposed to establish a CDM grievance mechanism to respond to issues of concern raised by stakeholders impacted by implemented projects. A grievance mechanism is the much needed step to start implementing the Cancun decision that Parties should fully respect human rights in all climate related actions. But shamefully, China, India, Egypt, Japan, Brazil and Togo want to delete the proposal.

ECO is dismayed: the Santa Rita project shows that climate action can result in human rights abuses if no accountability standards are in place. It also shows

Embracing Technology Assessment

ECO observes that the critical missing piece of the technology transfer puzzle is technology assessment. And why? Because all kinds of technology, even those we generally like, carry some level of risk. But some are much riskier than others, and that's the point.

Here's a well known example. Decades ago, lead became a common additive to gasoline despite its known properties as a human toxin. Narrow commercial interests and inadequate assessment allowed the practice to become widespread. As a result a generation or more were exposed to airborne lead and experienced health effects because basic principles of technological assessment and precaution were ignored.

In pursuing technology deployment and innovation to address climate change, we should not sacrifice safety for expediency. While the exposure to lead impacted only those countries that allowed the lead additive, technologies that have global reach can impact us all.

Here's what that means for innovative climate technologies. By mid-2013, 78 developing country Parties had prepared their Technology Needs Assessments (TNAs) reports and action plans including the technologies they need to address climate risks, and more are in the process of developing their TNAs.

This is a situation that demands technology assessment.

The first question that arises is where this should happen. The creation of a mechanism for technology assessment within the Technology Mechanism will provide a process that can assess technologies for their environmental, social and economic risks, and that process should prioritize the participation of civil society and other stakeholders. That will provide robust risk information to Parties and enable the best decisions on a broad range of technologies and insure that they are environmentally and economically appropriate and not socially rejected. And here are some important criteria.

- If there are 'unknowns' regarding the impacts of a technology, the precautionary approach should be used. The lack of full scientific certainty should not be used as an excuse not to bypass proper assessment.
- Technology Assessment should create

that all international obligations matter when addressing climate change, including the obligation to respect, protect, promote and fulfil human rights.

Dear delegates, stand by the international treaties signed by your respective countries and take the opportunity in Lima to establish a CDM grievance mechanism.

the least burden on the recipient country consistent with process integrity. Developing countries should be offered full support for the assessments they choose to undertake.

- Technology should be compatible with intergenerational equity, so as to meet our current needs and provide continuing availability for future generations.
- Assessment should be comprehensive but also based on the site-specific impact that the technology will have.
- Assessment should quantify the impact of the technology on the existing environment (including flora, fauna, cultural heritage and economy), and describe findings in detail.
- Technology assessment should be applicable to both adaptation and mitigation technologies and be included as appropriate in NAPs and NAMAs.
- Technology Assessments should be open to public inspection and submission prior to the approval of technology deployment, and should be reflected in the CTCN knowledge platform including results of the assessment as well as lessons learned.

In addition, criteria must be determined to define categories of technologies with the greatest risk. Those determinations should be based on existing work within the UN System where available, and extended with further science-based risk assessments. All of the above should be available to Parties and should be reflected in the qualifications for public finance.

Adopting Technology Assessment under these terms gives countries confidence that their technology choices will meet their low carbon strategies, while preserving choice and ensuring that countries are fully supported and enabled to conduct thorough assessments.



Oh, what a horrible dream! The Saudi delegation seem to be dreaming of a world made of men, only men . . . and a stream of pollution. Saturday's fossil went to Saudi Arabia for speaking out strongly against the recognition of gender equality in the implementation process. The European Union also fell in disgrace for supporting the withdrawal of the language. Dear, oh dear!

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Ministers: Your Guide to Success with the Text

The Christmas stores are open all over Lima and the trees and decorations are going up. Early yesterday morning, ECO got a taste of the Noche Buena feeling when the co-chairs delivered not one but two new texts.

So here we are, ready to check out the high-lights on display and note some missing ornaments. While there is both candy and coal in ECO's stocking, overall the new texts provide for cautious optimism.

The draft COP decision text zooms in on the INDCs and pre-2020 ambition (a more evocative phrase than "WS2"). On the latter point, the sentence urging developed countries to scale up their commitments to 2020 seems to have got lost. ECO thinks it rolled under the couch and can easily be retrieved and put back on the tree.

The text is also rather quiet on spelling out how to deliver the funds that we need to move pre-2020 ambition to action – the roadmap to scale up finance to \$100 billion. That one may be stuck under an armchair cushion, but it's within easy reach. Something nice on the tree, though, is that finance being included as part of the INDCs.

On the matter of countries doing their fair share, that is referenced but it's not detailed enough. We've kept the idea of assessing our commitments, but how we do it has been watered down.

For example, the ability for observer organizations to be involved with the assessment does not go far enough and should be extended to involvement in the dialogue. Let's not overlook that proper and complete assessment depends on sufficient accompanying information from Parties with their contributions, and some level of commonality to how that information is presented. A common base year and time-frame (2025 targets for all!) – surely that's not too much to hope for in this convivial season?

And here's another thought. It would not be good to bring on holiday headaches by putting

the call for robust information on the scope and content of INDCs into an annex. Let's just say that this process doesn't always have a good memory for where it puts its annexes. Countries are due to table their INDCs early next year – so it seems a good idea to decide first what should be in them and how to present them. Just like getting the right string of lights for your holiday tree.

Now on to the festive occasion of the week – the High Level Segment. Ministers should use their time here to discuss four key issues within the draft decision text – differentiation, finance, assessment and upfront information. Strategic direction on these could even result in us going home on time for the holidays. That's a present we can all look forward to!

Now we turn to the other package under the tree – the new elements text on the 2015 agreement. In many ways stronger than before, the co-chairs streamlined the text, pulling together much of the input from Parties in the first week. The question, of course, is which of the options will remain. Some are good, some are weak and some are just plain ugly – but at least the text does set them out as clear options.

On the positive side, under mitigation, the text retains a number of options for ensuring that the ultimate goal of the Paris agreement is to get to zero carbon. It invites countries to consider what this would mean for their climate action plans over the long term. It also contains several hooks to push investments away from fossil fuels, ranging from divestment to ending fossil fuel subsidies. Note to Parties: keep these but also consider the transformative change of phasing in 100% RE – that's the other side of the goal.

Next, to put this long-term goal into action we need to do more sooner and ensure that enough resources are mobilized. But there's a pretty mixed picture on finance within the text. There are options to include collective

global finance targets for both adaptation and mitigation, but the role of public finance needs to be strengthened, particularly the establishment of quantified public finance goals.

The co-chairs are presenting weak text on the adaptation goal and have failed to link adaptation to rising temperatures and the scale of finance. Developing countries are asking for loss and damage and this needs to be distinct from the treatment of adaptation within the text.

So that's our list, and yes indeed, we checked it twice. To all the arriving ministers, a fond welcome. We know Lima takes the Christmas season seriously, and with ECO as your shopping guide there are ways to secure all our wishes and get us on the right road to Paris.



Multilateral Assessment: Lessons for MRV

Unnoticed by most, a precedent was set this Saturday and Monday in Lima. Over the course of two days, the first sessions of the Cancun MRV workshops – the multilateral assessment of the first Biennial Review reports by Annex I Parties – unfolded in Plenary Cusco.

Sixteen countries and the EU bloc participated in this new transparency process, reporting progress on policies and measures in fulfilment of their Cancun pledges, and responding to questions raised by fellow negotiators.

But ECO felt a bit let down. These workshops promised to deepen the understanding of the situation of each presenting country whilst demonstrating that they are acting in good faith and working hard towards meeting their commitments.

But despite the fact that MRV primarily aims at promoting transparency and trust, the workshops were designed in something of an exclusive manner – with representatives from civil society sitting in the back of the plenary with no opportunity to contribute to the discussions.

ECO wonders who would be better placed than civil society organizations and national research institutions with relevant experience to contribute to a better collective understanding of the respective domestic circumstances and policy developments in each developed country? Yet instead of taking part in a lively dialogue over these two days, the delegates put themselves through long and technical discussions, sidelining other vital inputs.

Parties should assess the shortcomings of this event as they design the MRV processes that will apply in future under the Paris agreement. Excluding the voice of observer organizations does not encourage the best quality dialogue and obstructs ‘buy in’ and clarity on Parties’ emission reduction plans and goals.

The future MRV framework should call upon the unique expertise and experiences of civil society and research institutions. As negotiators go through the second version of the draft elements for the Paris agreement, they have a direct opportunity to strengthen future transparency mechanisms by opening up the process to all with salient expertise to contribute.



Image: Climate Action Network

Time to Get It Right on Adaptation

Yesterday morning, ECO was hardly awake when the much anticipated new ADP texts popped up. With glacial melting in Peru and yet another catastrophic typhoon in the Philippines, it was imperative to look at the adaptation and loss and damage section carefully. A number of good elements are still in there but also a few new ones are evident – for example, that loss and damage seems to be on equal footing with adaptation, and a separate section speaks to the reality that it goes beyond adaptation.

ECO likes the proposal to have new and additional finance for the loss and damage mechanism independent of adaptation budgets. Also good is the proposal for a clear adaptation finance figure, though the link to INDCs and adaptation needs is missing. It’s also good to see the inclusion of adaptation in the INDCs in conjunction with National Adaptation Plans (NAPs), but on a different legal footing than mitigation. The decision text should speak clearly on the need of finance for the preparation and implementation of INDCs.

There are a few issues where concerns remain. For example, the mere mention of a global goal on adaptation is not enough. It needs to be defined as outlined here yesterday.

Also, limiting support to adaptation in line with the long-term temperature limit could fall well short, unless parties give convincing evidence that their efforts are actually going to meet that goal. As the temperature continues to rise, leading to catastrophic impacts, we need to adapt to the real world – not so hard to imagine given the greenhouse effect in the overheated sheds at this conference.

Other good elements include key adaptation principles referencing participation, gender-sensitivity (although we would prefer gender-equitable) and taking into account vulnerable groups. But it’s hard to understand why it is only suggested in one option – surely this should be uncontested, since it was agreed by all Parties in Cancun.

What ECO definitely doesn’t like (really, really doesn’t) is the option inserted to have “no

reference to loss and damage”, which would be a slap in the face to poor and vulnerable peoples who face climate impacts on a day to day basis and have already reached the limits of adaptation.

The elements paper also misses a clear link between loss and damage and the historic emissions that have caused them.

ECO thinks that an annex to the ADP decision clearly spelling out the need for strict comparability between the different mitigation INDCs – to avoid comparing apples and oranges – is crucial. This will also help assess associated adaptation and climate risk challenges. For adaptation, the information requirements should be relevant to the context and be flexible, building on the guidance provided for National Adaptation Plans.

We need to build an agreement that delivers real hope for people who are already suffering from climate change impacts, and also future generations who deserve a just, safe and bright future.



What a drag! The Peruvian Ministry of Environment has done some impressive work as the President of COP 20.

But other elements in the government of Peru are undermining broad, national efforts to tackle climate change, and have pushed through the Ley Paquetazo which severely weakens environmental supervision – which is why Peru gets the Fossil of the Day.



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Reality Check: Human Rights and Climate Change

Today, on Human Rights Day, nearly 250 civil society organizations and 76 independent experts of the UN Human Rights Council are calling for human rights to be reflected in the UNFCCC process.

With human beings increasingly impacted by both the causes and the consequences of climate change, it's obvious that human rights are critical to an effective global solution for the current climate crisis. Yet Parties refuse to grasp what's needed to effectively protect human rights and achieve climate justice.

All Parties have existing obligations to protect human rights in the context of climate change and thus have duties to prevent further harm from climate change. This can only be done by applying a rights-based approach which ensures that human rights are taken into account in the development and implementation of climate policies, mechanisms and institutions.

Parties must also ensure civil society participation in the negotiating process, the development of national commitments and other national level policies, and the development and implementation of climate policies on the ground. Adequate access to information and effective participation increases support for climate policies and their public ownership, and

will lead to effective and sustainable outcomes at all levels.

The international community's failure to take necessary action to mitigate climate change threatens the rights – including the right to development – of vulnerable peoples and communities who are already experiencing the adverse impacts of climate change. In addition, policies such as those governing the Clean Development Mechanism, which do not include adequate safeguards or exclusion lists, have resulted in severe human rights abuses, as evidenced in the Sasan ultra mega coal power project in India, the Barro Blanco hydroelectric dam in Panama, and the Santa Rita hydroelectric dam in Guatemala.

To prevent further environmental and human harms, human rights must be taken into account in the development, implementation and monitoring of climate policies. Human rights must be embedded in the architecture of the climate regime in a manner that is consistent with Parties' existing obligations in the human rights regime. Failure to do so only undermines the quest for an effective future climate deal.

We have no time to lose: *protect human rights now.*

Differentiation on New Common Ground

After many years of delay, the core topic of differentiation is finally arriving on the high level agenda when the ADP starts the ministerial meeting discussing differentiation. There is a chance this could be a defining moment.

The negotiating process seems destined to create deadlocks, so the presence of Ministers is needed to break them open. Every creative and transformative idea will run into many roadblocks and pitfalls before it is either driven into the ground, or, on rare occasions, actually gets a fair hearing and becomes reality.

In the lead-up to this meeting, Brazil and Bolivia have put forward a number of provocative and potentially game-changing ideas that could help the UNFCCC break free from its long-standing malaise and realize the true

potential of cooperative global action.

Now, Ministers should reflect on the recent Workstream 1 submissions from Brazil ("concentric differentiation") and Bolivia on a science and equity criteria-based framework.

Brazil's "concentric" idea has led to a lot of creative thinking and engagement on how to break out of the stale binary A1/NA1 division. The value of the proposal is not in resolving the differentiation issue, but putting the thinking about that on a new footing that could be a starting point for breaking the deadlock.

In addition, there is the South African Equity Reference Framework. ECO believes that the combination of these submissions offers interesting solutions. Conceptually, the

continued on p. 2

Let's Make Pre-2020 Ambition Real

Keeping global warming below 1.5 °C compared to pre-industrial levels is critical for the survival of all Parties negotiating in Lima. That goes for the food and water security of all nations, as well as all our livelihoods. There can be no other conclusion from the new IPCC report.

To have a chance to stay under the 1.5 °C limit, we simply cannot delay action until 2020. Instead, we need to start the transition to a different and better energy future now. And that means stopping the lock-in of high-carbon infrastructure so we can phase out all fossil fuel emissions and phase in 100% renewable energy by 2050 at the latest.

Parties established ADP Workstream 2 because they know that the pre-2020 mitigation gap needs to be closed. Now we need a strong decision in Lima that will enable and ramp up this work rapidly to deliver really significant additional emissions reductions.

In this pre-2020 period, developed countries must not only deliver on their past commitments but further increase them. They also need to provide the support needed for more ambitious mitigation action in developing countries.

But we seem to be slowly losing sight of these crucial parts of WS2. There used to be a reminder in the draft text that urged Parties not to forget about those elements. But that disappeared, so developing country concerns about "shifting the burden" are increasing. ECO worries too that this could further undermine trust and make a meaningful outcome on

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Differentiation, continued from p. 1

science and equity framework of Bolivia and/or South Africa could define the entry point of a country in the “concentric circles”. In moving towards the center of the circle and more ambitious and comprehensive climate action, the Bolivian framework could provide a guideline. In this way, Brazil, Bolivia and South Africa have started defining a middle ground across the deep divide.

ECO is keen on an initial discussion focusing toward solutions which goes well beyond repeating positions and creatively addresses a way forward based on the Convention’s core equity principles – adequacy and the science of 2°/1.5°C; CBDR+RC; and equitable access to sustainable development.

Interesting ideas are emerging across the board– the LDC text in October contained many interesting ideas, and AILAC, South Africa and Brazil have innovative ideas for finance – that’s particularly important for success in Lima. We must make sure that the UNFCCC is not the place where good ideas die, but where they can prosper to create trust and a virtuous cycle of equity and ambition.

WS2, continued from p. 1

enhancing the technical expert process much more difficult to achieve.

The technical process under WS2 is quite innovative, making it possible for Parties to work together in ways which are common in the “real world” but less common within the COP walls. Let’s consider how much we all enjoy working together to achieve common objectives.

There is so much “awesome stuff” on energy efficiency and renewable energy going on out there! We can highlight the best of those initiatives – informed by clear criteria that allow us to select out the most ambitious action.

Well crafted criteria can also help avoid serious unintended consequences by building on solid technology assessment. With the proposed annual high-level meetings, we can move from merely enumerating new technical developments to tracking and promoting them. The ADP’s technical process can provide input to political decisions, which will then help boost up the best initiatives, policies and measures. The urgency of reaching scale and maintaining integrity in our climate efforts requires no less.

Good Ideas for GCF Guidance

If ECO may be so bold, here’s a wonderful idea. The COP should take advantage of the opportunity to give guidance to the Green Climate Fund, as it aims to begin distributing money by the second half of 2015. The COP could play a most helpful role in providing the following guidance, requesting the GCF Board:

- Increase the transparency and accessibility of its proceedings by immediately implementing live webcasts of all future Board meetings.
- Adopt an exclusion list policy, as part of the Investment Framework, that clearly defines what the GCF will not finance, including any direct or indirect support for fossil fuels.
- Ensure a decision-making process in the absence of consensus that is one-person-one-vote, to maintain balanced governance of the GCF, thus rejecting any link between decision-making power and the size of contributions.
- Expedite the pilot program for enhanced direct access with an view to reaching local communities, including indigenous peoples.
- Reaffirm that contributors may not target

their contributions to specific windows, in line with the Board’s discussion at its last meeting in Barbados.

• Request the Secretariat to reflect geographic and gender balance in its staffing.

It’s particularly welcome that the G77 and China are supporting webcasting of GCF Board meetings, while the US and Japan have inexplicably led a charge to block that from being included in the guidance.

ECO is disappointed and confused by this. It is unacceptable for these countries to oppose increased transparency of an important international body.

All other Parties should support the common-sense measure of live webcasting, especially the 47 signatories to the Aarhus Convention. Otherwise, perhaps they prefer to explain to the Aarhus compliance committee how their silence on this important matter complies with their legal obligation to promote participation and access to information in international forums.

Crazy, Crazy Canada

Yesterday in the Canadian Parliament, Prime Minister Stephen Harper called regulating the largest source of carbon emissions in the country, the oil and gas sector, “crazy” – twice!

What seems crazy to ECO is to expect that Parties would somehow not see the massive bait and switch the Canadian government is trying to pull.

In Warsaw a year ago, the environment minister promised during the High Level Segment that oil and gas emissions would be regulated in Canada.

During yesterday’s speech, this promise was forgotten and instead the main targets mentioned were HFCs. For the record, the oil and gas sector emits 25% of Canadian emissions, and growing quickly; HFCs contribute just 1%.

Canada’s independent environment watchdog has said that, without regulations on Canada’s oil and gas sector, the country’s Copenhagen target is officially out of reach.

Crazy indeed!

Australia Cooks the Books

As everybody is getting excited about a new climate deal, let’s not forget that we still need to ratify Kyoto’s second commitment period. Negotiations on these KP issues are technical and few people have been paying attention to them.

So dear old Australia, proud winner of multiple Fossil of the Day awards here, we are watching you! And we have noticed that you would like to redefine what “emission” means to help determine your baseline under the (in) famous Doha paragraph 3.7ter. And that you are trying to convince other Parties to agree to this little accounting trick.

Ladies and gentlemen, let’s do the numbers: This “little” accounting trick would get Australia an additional 80 million tonnes which it could emit. Add these to the more than 100 million tonnes Australia has left over from the first Kyoto period – and a whole bunch of LULUCF credits – and hey presto! Australia can significantly increase its emissions and still meet its Kyoto target.

May we remind Australia and everybody else once again that the atmosphere does not see accounting tricks, only real emissions.

This is getting bizarre . . . Australia wins the Fossil of the Day Award . . . again!

Is it lack of sleep? Is it the heat? They are making some very telling statements at this COP, statements that slip into the realm of willful ignorance.

Here in Lima, Australia says that they don’t understand the concept of a ‘long-term temperature limit’.

Continuing their slapstick approach, Australia has also stated it doesn’t really understand the idea of ‘global solidarity’ either.

Here’s a newsflash: we live in a single biosphere and we are all in this together when it comes to climate impacts.

We all do silly things, but not all the time. Now is the time for Australia to shape up and take these negotiations seriously – perhaps a refresher on the Cancun agreement on the global temperature threshold. Then their Prime Minister could visit some of the vulnerable islands off the coast of Australia and the drought and wildfire-stricken districts in their very own country.



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Dear Fossil Fuel Industry: It's over.

Dear minister,

You can't say you're in favor of the 2 degrees target and at the same time refuse to take adequate action on short, mid and long term mitigation. That just doesn't work.

Isn't it time you admit that we simply need to phase out fossil fuels from our energy system, completely? Could Paris be that moment? "Dear fossil fuel industry, it's over." Try that! Feels good.

Doing the math with the IPCC carbon budgets for both 2 and 1.5 degrees warming clearly show that we must get carbon emissions to zero by 2050. In reality, that means phasing out fossil fuels completely – which is what the Catholic Bishops called for yesterday, along with a transition to 100% renewable energy.

Getting there in time means taking action now. Here in Lima you need to agree to:

- Take more pre-2020 action, because doing it later would be harder and more costly.
- 5-year commitment periods to increase ambition in 2025 so as to avoid locking in low targets for 15 years.
- Zero carbon by 2050 as the clearest expression of the existing temperature goal.
- Provide sufficient means of implementation so that developing countries can leapfrog to provide access to clean, renewable energy for all.

ECO has more ideas for Do's and Don'ts on Pre-2020 Ambition (inside, p. 2)



Image: Climate Action Network

The Least-Cost, Least-Risk Long Term Goal

The current elements text provides options for countries to consider as the long-term goal. Curiously, only one of the options refers to the science of the Intergovernmental Panel on Climate Change.

The IPCC science is, in fact, consistent with several possible long-term goals, and in particular with several different end dates. It's just the background assumptions and choice of gases that differ.

However, there is one ironclad requirement for any goal that wishes to limit warming: CO₂ emissions must most certainly, at some point, come down to zero. The particular day of reckoning depends upon how much warming and risks we are willing to accept.

To push back the day when CO₂ emissions must drop to zero, one could, at least in theory, take on the rather daunting project of engaging so-called negative

emissions on a massive scale – a scenario that relies on largely untested and fantastically expensive technology. IPCC science indicates that doing so, while attempting to limit warming to 2 °C, would only push the day of reckoning back to somewhere around 2070 for CO₂.

However, to limit warming without relying on experimental technology that has unknown risks and potentially extreme costs, the IPCC tells us that to keep below 2 °C, global CO₂ emissions must drop to zero by 2050. Full stop.

The long-term goal to drop carbon emissions to zero by 2050 is therefore not only consistent with the IPCC science, but it is also the goal that poses the fewest environmental and financial risks, while creating many co-benefits. And in a world of uncertainty, that is precisely the kind of goal we need.

PRE-2020 MITIGATION AMBITION: JUST DO IT

Today's Lima Climate Action High-Level Meeting is the place for Parties to explain how they will start closing the mitigation gap. While that gap is huge, closing it is not as hard as it may sound. Here are a few easy pointers for developed countries, who should take the lead in the pre-2020 period: Obviously, you should start with fully implementing what you've already committed to do. This is particularly relevant for those who are backtracking on their 2020 commitments. But you will have to go beyond that. There are a few things you should simply stop doing – end all fossil fuel subsidies and block off the dirty fossil fuel pipeline – and others you should start doing. The EIA says that 80% of additional measures needed to close the pre-2020 mitigation gap would not impact GDP, and there are multiple co-benefits from reducing fossil fuel pollution (and everyone likes clean air and water). To help, here ECO has compiled a convenient list of a few of the big Don't's – things you simply must not do – in order to help save the climate. Even better, ECO has also identified many good Do's that you can start implementing now. No more excuses.

DON'T'S

United States: Stop building new fossil fuel infrastructure projects! Reject the Keystone XL pipeline once and for all. Reverse the illegal scheme allowing the Alberta Clipper pipeline to double its capacity. End the \$21+ billion per year in subsidies for the production of fossil fuels, and stop the \$6.5 billion in public support for expanding fossil fuel reserves. And, whatever you do, certainly don't relax regulations such as the crude oil export ban and the restriction on financing overseas coal stations.

Australia: Don't expand the coal mine in the Galilee Basin in Queensland. Don't turn the Great Barrier Reef into a coal export terminal (seriously!?!). And don't backtrack on your Renewable Energy Target. Finally, don't repeal progressive policies like the emissions trading scheme.

European Union: Just a few of many key items:

- **EU:** Don't spend the new "investment package" proposed by the President of the European Commission on new coal and gas power plants.

- **Germany:** Stop supporting coal projects in other countries through export credits and state guarantees by your national agencies (IPEX and Hermes).

- **Spain:** Stop Repsol's crazy offshore oil exploration in Canary Islands waters that is not only detrimental to the climate but also to biodiversity, and is opposed by local people.

Japan: Stop building new coal-fired power plants. The planned 35 coal stations, amounting to 14 GW are a terrible and short-sighted idea.

Russia: Don't allow your main gas company, Gazprom, to build a new gas pipeline to China through a World Heritage Site and a sacred place for Indigenous Peoples.

Canada: Stop permitting the on-going extraction of fossil fuels from tar sands and their associated pipelines. Don't permit British Columbia to go ahead with a whole new LNG sector, which could undercut renewable energies. Stop subsidizing fossil fuels to allow fair economic access to renewable energy producers.

DO'S

United States: Replicate the examples of cities like Seattle, Portland, San Francisco and New York that are actively reducing emissions. Take a close look at all the successful renewable energy and energy efficiency policies in many states and scale them up.

Australia: Support and replicate positive actions by cities like Sydney and local councils targeting carbon neutrality by 2020 or 2030, and the Australian Renewable Energy Agency supporting innovative community energy projects. Increase the renewable energy target and retire old, inefficient coal-fired power plants. Enact regulations that phases down HFCs in line with amendments proposed by US and others to the Montreal Protocol. Strengthen efficiency measures.

European Union: There are many actions that EU can do and that Member States can do themselves as well:

- **EU:** Fully implement the Energy Efficiency Directive (rather than just ignoring the 2020 energy efficiency target), which will reduce emissions and create massive local jobs. Cancel the over 2 billion surplus allowances in the EU ETS, and take that as a starting point for a fundamental reform of the ETS.

- **UK:** Aim for a coal phase out by mid-2020, generating health co-benefits. Prioritise energy efficiency and start a big programme retrofitting households.

- **France:** Accelerate the deployment of RE, in particular solar PV and wind. Reinstate and enhance the tax on pollution and road damage by trucks that just got cancelled. Finally, introduce a strong, wider carbon and energy tax that increases between 2015 and 2020 in a predictable manner.

- **Germany:** Fully implement and strengthen the new Climate Plan that will lead the phase out 22+Mt CO₂ from dirty coal power plants, Reform the land use sector. Finally, increase targets on the deployment of renewables.

- **Poland:** Take bold steps to transform your coal-addicted energy system to renewables. Use the solidarity mechanisms provided by the EU climate and energy framework to develop renewable energy sources and improve energy efficiency measures.

- **Spain:** Create an electricity market that favours small-scale photovoltaic electricity on a massive scale, instead of creating a market which has almost stopped photovoltaic solar in its tracks.

(continues on p. 3)

(continued from p. 2)

Japan: In the process of developing an energy strategy for 2030, put strong constraints on carbon in general (e.g. a price on carbon).

Norway: Allow your gargantuan fossil fuel-based sovereign wealth fund to invest 5% of its portfolio directly in infrastructure for production and distributions of renewable energy. Rapidly reduce the share of fossil fuels in the portfolio, starting with the most polluting sources like coal and tar sands.

Canada: Finally make good on the promise to regulate the oil and gas sector (see Wednesday's ECO) and restore federal renewable energy funding and the federal residential energy efficiency retrofit program. Encourage other states to follow Ontario and phase out coal within 6 years.

Renewable Energy, Latin American Style

Today there is a lot of attention on increasing pre-2020 ambition. Our host region provides many great examples showing what is possible. The equation is quite simple: more investment in sustainable renewable energy and less money to perverse fossil fuel subsidies equals great benefit to everyone in LAC and the entire world. They are inspiring other countries – both developed and developing – for a path towards 100% renewable energy with sustainable energy access for all by 2050 at the latest.

Brazil's electricity generation from renewables has almost doubled in ten years. Brazil's supporting mechanisms – a fixed tariff for electricity fed into the grid and the more recently introduced technology specific auctions – have led to it becoming the region's renewable energy giant.

Chile has a highly attractive investment environment for renewable energies, due to its policy set-up which includes a Law for Fostering Non-Conventional Renewable Energy.

Costa Rica has decided to go for a target of 100% renewable energy by 2021. That's an inspiring example for other countries in the region and globally.

Mexico this year passed a Programme on Renewable Energy, setting the goal of 25% electricity coming from renewables before 2018, up from 15% in 2012.

Nicaragua is the renewable energy paradise of Central America, and over the period 2008-2012 had the highest annual growth in Latin America for non-hydro renewable power generation with almost 30%.

Peru, our host country, is planning to use solar energy to provide electricity to 500,000 poor households, and has 10 micro finance institutions that support renewable energy.

Uruguay has the highest share of GDP in renewable energy among Latin American countries, a clearly articulated energy vision, supported by the necessary regulations, which will allow it to reach 100% electrification, 50% share of renewables in the primary energy supply, and 15% power generation from modern renewables by 2015.

Ending Dependency: Fossil Fuel Subsidies

As recently reported by the International Energy Agency, fossil fuel subsidies in 2012 came in at US \$544 billion – five times greater than those for renewable energy at US \$101 billion. The IMF puts the estimate at an astounding US \$2 trillion when indirect subsidies are taken into account.

Taxpayers around the world are, effectively, paying to destabilize the climate. Subsidies are granted in rich countries to their coal, oil and gas industries, and also in poor countries to make fuel for middle class car owners cheaper while worsening air pollution and taking desperately needed funds from health care, education and housing.

In Latin America, fossil fuels are cheapest in Venezuela, Bolivia and Ecuador. There are some sad ironies here – Venezuela has a Ministry which has among its mandates the implementation of “eco-socialism”; the other two have codified respect for Pacha Mama and Rights of Nature in their constitutions. Other countries in Latin America, such as Mexico, also provide billions in subsidies for the production and consumption of fossil fuels.

Subsidies generally benefit those who use the most fuel – not the poor. If the substantial resources currently devoted to these subsidies were spent on improving public services or directly transferred to the poor, the social impact would be positive.

While rich countries must take the lead in stopping exploration and production subsidies, all countries can play a role in efforts to stop funding fossil fuels. Latin America could play a leadership role in this effort. Civil society will continue to work for an end to perverse fossil fuel subsidies. But note, given the importance of access to modern energy services, social safety nets must be in place for the most economically disadvantaged.

If funds squandered on fossil fuel subsidies – especially production subsidies – were redirected to investments in energy efficiency and renewable energy as well as other much needed health and education services, we would have a double win for people and the climate.



Image: Climate Action Network

Bishops: ‘Deepen the Discourse’

Catholic Bishops from around the world came together yesterday to issue a statement calling for an end to the fossil fuel era and for global temperature increase to be kept below 1.5 °C.

While Church leaders have spoken out previously on the subject of climate change, yesterday’s statement is significant as it represents the first time a global group of Bishops have shared their thoughts on the subject in one document.

The statement calls for a ‘deepening of the discourse at COP20’ to ensure concrete decisions are taken in Paris next year, highlighting that a clear roadmap must be adopted and set out how countries will meet predictable and additional finance requirements.

The Bishops “call on all Catholics and people of good will to engage on the road to Paris as a starting point for a new life in harmony with Creation respecting planetary boundaries.”

With Pope Francis expected to release a Papal Encyclical next year on human ecology, the Bishops’ statement may signal the Catholic Church is going to become a more vocal advocate for climate justice.



China-US Youth Declaration: Steps to Greater Ambition

On the heels of the historic U.S.-China climate announcement, youth from the United States and China have combined forces to build momentum in the youth climate movement.

Building on previous collaborative work, the China Youth Climate Action Network (CYCAN) and the Sierra Student Coalition partnered on a joint statement to their heads of state detailing the youth reaction to the recent U.S.-China climate announcement. The statement expresses appreciation for the bold steps taken by both countries while also pushing for more ambitious goals, in particular the need for strong and effective policies which are socially just and scientifically sound.

The statement goes on to detail the ambitious emissions targets and policies needed to avert an irreversible climate crisis, keeping global temperature increase to 1.5 °C above pre-industrial levels.

This statement is just the beginning. The youth who are inheriting the critical problem of climate disruption are an ever stronger part of a global dialogue. The unified voices of the world’s youth promise to be there every step of the way from Lima to Paris, driving progress in their communities and pushing for a world with equitable access to clean, safe, renewable and socially just energy systems.



The US delegation might need an extra pair of spectacles because they seem to be chronically short-sighted. Despite Superstorm Sandy and Hurricane Katrina, with the support of Japan, they are trying to remove adaptation and loss & damage from the ADP decision text. Our **First-Place Fossil of the Day** award is a dead heat between the **United States** and **Japan**.

Now, a second pair of spectacles for the Polish officials who can’t see that the writing is on the wall for the coal industry. **Poland** win the **Second-Place Fossil of the Day** for ignoring the clean energy transition and proposing a range of new coal-related projects as part of a new EU 300 billion Euro stimulus package.

Spectacles won’t help with our **Third-Place Fossil of the Day** winner, **Venezuela**. This morning Venezuela’s Minister of Foreign Affairs clearly stated that “the problem of climate change is not because of the production of petrol, but for the irrational use of it”.



Our three **Ray of the Day** award winners are **Germany, Peru** and **Colombia** who all pledged vital climate finance. Germany pledged around \$60 million to the Adaptation Fund, Peru then pledged \$6 million to the Green Climate Fund, and they were then matched by Colombia who pledged an additional \$6 million.



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Assessed For Success

As Lima enters the end game, ECO stresses that the INDCs and the associated upfront information requirements are at the core of the COP20 decision. The minimum expectation of a Lima outcome (based on the core of the Warsaw mandate) is a requirement of solid information provided when the INDCs are communicated. This needs to go hand in hand with the decision on INDC scope and assessment. Let's look in turn at these three parts of the INDCs.

The scope of the INDCs is at serious risk of being unbalanced. Mitigation and finance are the absolute must-have elements, but also Parties that want to put forward information about their adaptation activities should be encouraged to do so. And Parties' fair share should be considered as the sums of domestic action and provision of support.

Assessments of INDCs need to be structured so that Parties do not feel they are being asked for more than their fair share, or that others are not doing so.

Therefore, it is essential that the assessment is of the individual equity of the INDCs, along with assessment of the aggregate effort. Furthermore, assessment will be fair only if it is based on the principles of adequacy, CBDR+RC and equitable access to sustainable development.

The assessment phase before Paris depends on the timely availability of the necessary information. That means many months before COP21. Thus, up-front information requirements must at least include details about the type of mitigation targets, their base year, and so on.

Further, information should be included on quantified financial support for mitigation, adaptation, capacity building, scale of support, timeframe of support, and more. Parties will also need to provide information supporting claims that their INDCs are, indeed, an equitable contribution toward the global effort.

And now, Parties, we need your information.

Loss and Damage: Not a Side Issue

Perhaps it's not widely known, but ECO holds an honorary Ministerial post. And so it was pleasing to receive a letter from 85 civil society organizations from around the world calling for loss and damage to be recognized in the texts coming from Lima and in the 2015 Paris agreement.

The real Ministers, of course, also received the letter (but if not, we suggest checking your junk folder and your spam settings, or your staff may have put it in the reading file right behind the Daily Programme).

As the IPCC's recent AR5 states, there are "limits to adaptation" at all levels of global average temperature increases including 1.5 and 2 °C. With the world still on a path to a 3° C increase and more, the impacts going beyond those limits will become catastrophically worse.

The issue of loss and damage is a priority concern for vulnerable countries and for discerning Ministers (such as yours truly, Minister ECO).

Vulnerable countries have not only done the least to contribute to the climate change crisis, they are also the ones suffering the greatest loss and the severest damage from its impacts.

An effective mechanism to provide financial and technical support to vulnerable developing countries and communities to address loss and damage is urgently needed.

This need will only increase as the impacts of climate change escalate in the years and decades to come.

Whilst the Warsaw International Mechanism for Loss and Damage was a good first step, and we are happy that there seems to be an agreement on the work program and the executive committee, we still want to see the 2015 decision text from Lima under the ADP emphasizing loss and damage as an independent issue.

Two Key Points

As you go about the conference on this final day, here are two key points to remember:

1. **Adaptation** must have a central place in the COP20 decision text for the 2015 agreement. It should also be included in the INDCs, albeit in a legally distinct manner from mitigation obligations and with a voluntary character. It is important to recognize the adaptation efforts of developing countries and assess the progress in terms of capacity as well as any funding gap. After Lima, detailing of global adaptation goals, principles and cycles needs to be done for the 2015 agreement, linking it with public finance and expected global average temperature increase levels.

2. **Loss and Damage** should be distinct from adaptation and be adopted as one of the key elements of the 2015 agreement. Loss and damage must be seen as being in a continuum with mitigation and adaptation, acknowledging that inadequate mitigation and insufficient adaptation lead to more loss and damage. The IPCC AR5 clearly stated that "limits to adaptation" are being reached. Therefore, loss and damage must be recognized as a separate element from adaptation in the new agreement.

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G7 King Coal

ECO likes to think of itself as an environmentalist with a spreadsheet. The practical kind that identifies what the biggest obstacle is standing between us and a 2 or better a 1.5 degree world, and tackles it head on. We did the sums and ran the mode, and here's what should be top of your lists for pre-2020 action and a central part of your INDC.

And it was President Calderon himself who reminded Ministers today that we urgently need to stop burning coal. That's the recommendation that jumps out of his New Climate Economy Report, the hefty volume found on the tables of Finance Ministers around the world. And its conclusion: rich countries need to stop building new coal-fired power stations immediately and accelerate the retirement of their old ones; whilst middle-income countries need to call a halt to new coal in 2025. And of course, coal phase-out needs to go hand in hand with a fair, managed transition for workers to a 100% renewable future.

To get the conversation going, ECO's scorecard ranks G7 countries (Canada, France, Germany, Italy, Japan, UK and US) on how they are doing in the move away from coal. We looked at eight different indicators, including how much coal each country burns overall; their coal dependency; whether coal power plant capacity is being added or closed down; how much taxpayer money is being spent on coal at home and abroad; and how stringently a country's coal-specific regulation is.

Note that we did not look at coal production, focusing instead on where coal is being burnt. But we will come back to mining another time. As big fans of transparency, we have used a range of published data sources which

we will be happy to provide, and which will make available in electronic form shortly.

So who is the G7 King Coal? It's Japan – the worst performer on four of these categories. They were closely followed by Germany as the coal runner-up. This will not be surprising to regular readers of ECO, who know that Germany's excess coal capacity is dragging the country down from reaching its climate goals. However, unlike Japan, Germany is starting to move in the right direction. It has just tabled a new plan which would put a cap on its coal consumption and close the equivalent of 8 coal fired power plants, saving 22 MtCO₂e. Japan, on the contrary, plans to build more coal capacity in the near future!

Special booby prizes are given to the UK for preparing to spend generous amounts of taxpayer money to keep struggling coal plants open. Seems they have got their coal phase-out plan back-to-front. And to Japan (again), whose Bank for International Cooperation is the world's largest public financier of coal-fired power plants. In contrast, the US policies of no funding to coal overseas are an example to follow. As is Canada's Emissions Performance Standard for new and existing power plants (countries with weak carbon prices take note – there is another way)! Canada rarely gets praise when it comes to climate and energy, so this will come as a pleasant surprise to their Government. See how good it feels? (Erm, now about those tar sands . . .)

Finally, although not a member of the G7, Denmark deserves the last word, as they are discussing a plan to phase-out coal by 2025 – a green, clean future with healthy, sustainable jobs awaits. G7 – it's over to you.

You can find the summary coal scorecard on the ECO web site.

Just Transition: To Change Everything, We Need Everyone

Representatives of the world's working people expressed outrage yesterday that the draft text in these negotiations currently excludes any reference to the need for a just transition and decent work. The Cancun and Durban COPs included that language in the decisions.

Trade unions, supported by civil society in general, explain that – in addition to requiring ambitious emissions reductions and sustainable finance – it is critical that the Paris agreement also ensures that the transition to a clean energy economy will meet the needs of working families for decent and good quality jobs and protect the livelihoods of workers in carbon-intensive sectors. ECO joins the call to restore the reference to just transition and decent work in the text.

As 400,000 marching in the streets of New York said, to change everything we need everyone.



Australia's worsening status as a climate wrecker was given even more attention with its fourth Fossil of the Day awarded today at the Lima COP20. Aussies like to win things, but most sensible Australians would be shaking their heads at this.

So what did they do this time?

Well the Australian Trade Minister who is here to 'chaperone' the Foreign Minister told big business leaders yesterday that his Government may not sign up to a new global deal if major trade competitors are not doing it too; he said Australia will not "get it in the neck".

The Untapped Potential of the Clean Transport Sector

In 2010, transport was responsible for 23% of energy-related CO₂ emissions, with about two-thirds coming from road transport. Without concerted action, this number is poised to double in the next few decades. In order to stay beneath the IPCC recommended 2 °C scenario, it is essential that climate policy and action actively include transport.

Avoid-Shift-Improve (A-S-I) strategies provide strong potential in the transport sector, through mobility solutions based on sustainable transport systems. A-S-I works by avoiding or reducing the need to travel, shifting towards more environmentally friendly forms of travel, and improving the energy efficiency of vehicle technology and transport in general.

All components of this approach have been implemented at different levels both in developed and developing countries. Actions under this approach also have the great benefit of better air quality, and less road fatalities and congestion.

For example, the bus rapid transport (BRT) system in Lima, El Metropolitano, is a classic A-S-I project, and has expanded capacity and

reduced travel times and emissions in our host city's overcrowded streets.

Yet, the manner in which transport is being discussed in COP20 signals that parties are either not aware of the contribution of transport to GHG emissions, or they do not recognize the potential contribution transport can make towards respecting the 2 °C limit. The need for improved mass transport is not often mentioned when discussing climate finance, nor is it subject to much consideration in the technology-related institutions like the CTCN.

It is imperative to rapidly boost the standing of transport in the negotiations. The best strategy would be to combine a focus on transport as an item in the UNFCCC and broader action outside this process.

Within the UNFCCC, the emphasis needs to be on the INDCs as well as pre-2020 ambition. Growing evidence on mitigation potential in the transport sector must be translated into action by both developed and developing countries. Developing countries are especially important in this regard, and will be better able to take action if finance and technology can be

tapped effectively.

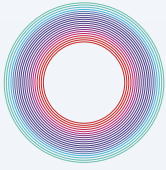
The sustainable transport community invested heavily in the 2014 Climate Summit organized by Secretary General Ban Ki-moon. This resulted in 5 large-scale commitments on land transport to act on public transport, railways, electric mobility, fuel efficiency and green freight. These commitments provide further illustration of the mitigation potential and the willingness of the transport sector to act.

In preparing for Paris it is important to raise the visibility of sustainable transport as a mitigation action.

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