

Views and approaches for 2015 outcome remain divergent

Kuala Lumpur, 3 November (Hilary Chiew) – At the last contact group meeting of the Ad Hoc Working Group on the Durban Platform for Enhanced Actions (ADP) on 25 October, Parties continued the exchange of views on the elements of mitigation including its cycle (of commitment periods) and the legal form of the new agreement.

The ADP meeting was held on 20-25 October in Bonn.

Most developing countries denounced the notion of self-differentiation, which allows Parties to determine their respective mitigation efforts, as rewriting the UN Framework Convention on Climate Change, with Brazil warning that “it will not take us to an agreement” (in 2015) and South Africa echoing that “this is aiming for the lowest common denominator”.

China was of the view that forcing developing countries to raise their ambition is tantamount to the transfer of commitments and obligations from developed countries to developing country Parties and the dilution of the principle of equity and equitable access to sustainable development.

Brazil’s concentric cycle proposal on mitigation drew substantial interest from Parties including some developed country Parties i.e. New Zealand and Canada. Bolivia said that there is a possibility for its integration with its own proposal of compound index of the global emissions budget.

Developed countries meanwhile maintain their view on self-differentiation to encourage broad participation, with the European Union strongly noting that major economies should also have economy-wide absolute targets.

At the outset, the Chair of the Subsidiary Body for Scientific and Technological Advice (SBSTA), Emanuel Dumisani Dlamini (Swaziland), was invited to brief delegates on the on-going work of the 2013-2015 Review. He said the Review is mandated by the Conference of Parties (COP) to assess the adequacy of the long-term global goal of limiting global warming to below 2C compared to pre-industrial levels, and the overall progress made towards achieving this goal, including a consideration of the implementation of the commitments under the Convention.

He informed delegates that the review, initiated in 2013 and scheduled to conclude in 2015, is a first in the history of the Convention. It is also considering strengthening the long-term global goal, referencing various matters presented by science, including in relation to temperature rise of 1.5C, and COP21 in Paris (2015) is expected to take appropriate action based on the outcome of the review.

The SBSTA and the Subsidiary Body for Implementation (SBI) established a joint contact group which is supported by a structured expert dialogue (SED), aiming to ensure the scientific integrity of the review through a focused exchange of views, information and ideas. Since its inception, SED has convened three times and considered the key contributions of Working Groups I, II and III of the Intergovernmental Panel on Climate Change (IPCC) to the Fifth Assessment Report (AR5) and information from some UN agencies, reports from Parties and other processes under the Convention. He said in Lima (COP20), SED 4 will look into the IPCC’s AR5 Synthesis Report and information from other UN Agencies.

Dlamini said at SED 2 and 3, we learned from the IPCC that climate-related impacts are already happening at the current degree of warming of 0.85C above pre-industrial level with significant adverse effects, and that increasing magnitudes of warming will only increase severe, pervasive and irreversible impacts. This, he said, is an indication that any upper limit of global warming can no longer be seen as a safety warranting guardrail for preventing any dangerous anthropogenic interference; hence the question about societally or otherwise acceptable risks of climate impacts needs to be discussed. He added that the AR5 which provides an analytical solid framework can provide a foundation for a collective agreement on how much global warming is acceptable.

Remaining on a 2C pathway requires technology development and diffusion at unprecedented scale and such efforts become more urgent for limiting warming below 1.5C as delaying action has significant implications, including in terms of considerable higher costs, technology lock-in or loss and damage, stressed Dlamini.

He pictured the science-policy interface (the SED) as a bridge “that we need to walk on it from both directions and meet in the middle.”

Presiding over the session, ADP Co-Chair Artur Runge-Metzger (the European Union) requested Parties to consider the three topics of contribution cycle, mitigation and legal form.

Tuvalu speaking for the Least Developed Countries (LDCs) said for mitigation, it would suggest two categories of countries that will inscribe numbers to the annex of the 2015 agreement that reflect current circumstances. It said the legally binding commitment is not necessarily frozen in time but can be amended by COP decisions but the amendments must be an upward movement for higher level of commitments. Countries in the category called ‘Annex A’ will be expected to implement quantified economy-wide emission reduction with standard sets for the land sector, in the international transportation sector, use the common metrics and IPCC 2006 guidelines while ‘Annex B’ countries will have greater flexibility.

It suggested that Annex A Parties establish their own national emission trading schemes as it is not convinced that an international scheme is ready for consideration but would need more

time to see if such a scheme can achieve net emission reduction. It believed all Parties should take effort to reduce deforestation and forest degradation by looking at the demand and supply of drivers of deforestation and explore further the safeguards measures. It also wanted the agreement to address the impacts resulting from response measures on emission limitation and that the forum on response measures be made a permanent institution to allow for on-going dialogue in this process.

Tuvalu believed that the measurement, reporting and verification (MRV) of commitments should be linked to the process of international assessment and review (IAR) with a technical expert team, and biennial reports for international assessment should be reviewed by the COP on a regular basis. It is also of the opinion that the MRV system devised for the new agreement is not the system devised for the intended nationally determined contributions (INDCs), adding that the INDCs should not be a precedent for a MRV in a legal agreement.

It said a five-year cycle is absolutely critical as LDCs cannot afford to wait but need certainty of actions. It said its greatest fear of the 10-year cycle of the Kyoto Protocol has been realised where the group of countries pushing for a 10-year cycle has not ratified the Doha Amendment (for the second commitment period of the Kyoto Protocol). Citing the case of one country which has not ratified the Kyoto Protocol (referring to the United States), Tuvalu said “The chain is only strong as the weakest link and we do not want to pander to the weakest link. No doubt we will hear that industry needs 10 years to plan but we say this is nonsense. Look how quickly new green technologies have entered the market place.” It further said the market can work quickly if we give the timeframe for them to response, noting that China produces more solar panels despite the World Trade Organization’s dispute, adding that the 10-year cycle is institutionalized subsidy for dirty industries. It said we should not create excuses for slow responders and reward slow movers.

On the proposal for mid-term review by those advocating a 10-year cycle, Tuvalu said experience showed how half-hearted these reviews are and they are only nice in theory. Citing the INDCs process which is based on ‘you show me yours, I show you mine’, it said strict process is needed so everybody puts on the table what they can do.

It also said we need to time our response according to the IPCC's report cycle.

On legal form, it believed that we need to lock in a legally-binding agreement and a formal protocol that consider all key elements, and annexes are enshrined and not pushed aside with COP decisions. It is not in favour of an 'opt-in and opt-out' process that just opens the door for people to escape.

Representing the Alliance of Small Island States (AOSIS), Nauru said Parties need to establish a process to aggregate and compare with the global goal. On mitigation, it said the broad context of the agreement should be science-based and consistent with getting on track with the long-term temperature goal of 1.5C and consider the outcome of the review. With the (new) protocol, it envisaged universal participation, time-bound mitigation commitment by all Parties based on common but differentiated responsibilities (CBDR) and developed countries taking the lead. It said it is important to have clarity (of mitigation commitments) by Lima (COP20) to guide preparation of the INDCs and reflected in the elements and INDCs texts.

It also said wanted Parties to consider aggregating INDCs in terms of the long-term goal before inscribing them as commitments in the protocol. It stressed that there should be no back-sliding and all developed country Parties should have QELROs (quantified emissions limitation and reduction objectives), and recognizing that developing countries will need scaled-up support to increase their ambitions.

It lamented that there was no opportunity to discuss loss and damage (at the recently concluded October session) but hope for time to address this issue that is important for the most vulnerable countries. It also found that the issue of legal form was inadequately addressed and look forward to do so in Lima.

Sudan representing the African Group said the contribution cycles should be elaborated under the INDCs which should be an integral part of the agreement text. It should include mitigation, adaptation, finance, technology transfer, capacity building and transparency of action and support to facilitate the operationalisation of Article 4.7 of the Convention. It said the contribution information should be formally communicated through the

UNFCCC secretariat followed by equity and ambitious assessment through a principle-based reference framework. It wanted the outcome of the ADP in Lima to spell out the provision defining that process.

It said the length of the cycle should not allow for lock-in of low ambition, hence a mid-term review for a cycle longer than five years and further consideration of indicative cycles. Early support for the implementation of INDCs for developing countries by developed countries is particularly important to ensure sustained and predictability of finance such as using a percentage of GDP target or percentage of climate finance flow. This, it added, will encourage mainstreaming of the financial obligation of developed countries in their national budgeting and planning processes. It saw the periodic review as the basis for ex-post assessment even though definition of the mandate of modalities could be necessary.

Panama speaking for the Independent Alliance of Latin America and the Caribbean (AILAC) said the cycle of contribution must be built on the understanding that the INDCs cover mitigation, adaptation and means of implementation which, however, must not be treated symmetrically. There should be no backsliding of the contributions and the cycle to be addressed in a specific section of the agreement with direct reference to the annex how the cycle will work in the long term. It said the agreement must explicitly mandate each Party to inscribe its contribution in a depository and subjected to ex-ante process before inscription.

For commitment and review, it proposed that the information required is agreed by COP20 in Lima, countries communicate their INDCs and rules (developed) in an ex-ante process. Because of the different nature of contribution, it said there should be different ex-ante assessment. After the assessment, the contribution can be revised if necessary and inscribed in the depository. It said Parties should enhance their reporting system and wanted an ex-post review process to evaluate each country achievement and aggregate towards the global goal while adaptation will have different treatment for this ex-post stage.

China stressed that the 2015 agreement is to enhance action on implementation of the Convention for the post-2020 period as indicated

in the title of the ADP which is Durban Platform for Enhanced Actions. Following this approach, it said, therefore, the mitigation chapter of the agreement should be arranged according to common enhanced mitigation action for all Parties and differentiated enhanced mitigation action by developed and developing countries respectively after 2020.

On the common aspect, it said there should be a provision that all Parties shall enhance their commitments and actions on mitigation in accordance with Article 4.1 of the Convention, including updating their national and regional programmes on measures related to mitigation. On the differentiated aspect, there should be a provision that all developed country Parties put forward their comparable economy-wide absolute quantified emission limitation and reduction commitments (QELRCs) without any conditions in accordance with their historical responsibilities and requirements by science.

The 2015 outcome, it said, should provide for further strengthening of developed country Parties' emission reduction targets which should be further strengthened compared to their QELRC under the second commitment period of the Kyoto Protocol or pre-2020 comparable mitigation commitments (for UNFCCC Parties that are not Parties to the Protocol). These targets, it clarified, must be emission reduction targets, not emission limitation targets any more. "Since we should enhance action after 2020, there will be no limitation but only reduction for developed country Parties after 2020," it emphasized.

Developing country Parties, meanwhile, should continue to undertake diversified enhanced mitigation action in the context of sustainable development, supported and enabled by finance, technology and capacity-building from developed country Parties.

It suggested that there could be a list of options on enhanced mitigation actions that developing countries could choose in accordance with their specific needs and special circumstances as set out in Article 3.2 of the Convention such as intensity targets, business-as-usual, low carbon strategies and mitigation plans as well as specific mitigation policies and projects in some areas.

It also wanted the agreement to include the establishment of an international institution on response measures (related to impacts on

developing countries of implementation of response measures by developed countries).

Commenting on the Co-Chairs' non-paper (on elements for a draft negotiating text for the 2015 agreement) regarding no back-tracking or back-sliding, it said it should mean all Parties should do more than their pre-2020 effort. However the starting points for the post-2020 actions by developed and developing countries are different.

On long-term goal on emission reduction, China pointed out that the non-paper failed to capture the shared vision of the Bali Action Plan enshrined in paragraphs 1 to 3 of decision 1/CP.18 which is applicable for the period till 2050.

It said commitments and enhanced action of developed and developing countries should be reflected as two different attachments to the 2015 agreement in which developed countries use the common template and developing countries through compilation of their national communications to incorporate the diversity of the enhanced actions.

It reiterated that INDCs are not an end but a tool to achieve the end to adopting the agreement, stressing that the 2015 agreement is not an INDC agreement but the arrangement for commitments and enhanced actions under the Convention for the post-2020 period.

On the cycle of contributions, China said there are two kinds of cycles in terms of implementation and ambition. The virtuous cycle sees developed countries taking the lead to substantially reduce their emissions and provide adequate finance, technology and capacity-building to developing country Parties, especially the small island developing states (SIDS), the LDCs and Africa. This, it opined, will build mutual confidence and trust where developing countries continue to enhance their actions on mitigation and adaptation, and developed countries continue taking the lead for the next decade. On the other hand, the vicious cycle happens when there is lack of ambition and even backtracking of the emission reduction and provision of support, resulting in no mutual trust but only transfer of responsibilities and blame game. (In such a scenario), developing countries lack confidence and capacities to further enhance

their actions and ambitions on addressing climate change.

China set out five aspects for raising the post-2020 ambition level:

- Full scope – all the pillars of the Convention i.e. mitigation, adaptation, and provision of finance, technology and capacity-building to developing country Parties should be addressed in a holistic and balanced manner.
- Not ‘reinventing the wheel’ – existing arrangements for review are sufficient. Therefore, the urgent and prior task is anchoring and strengthening these existing arrangements (in the agreement) and not prolong the process of the ADP negotiations.
- Differentiation – after 2020, Parties could deal with three kinds of ambition issues under the three different sub-tasks related to ambition: (i) increasing the mitigation ambition by developed country Parties, (ii) enhancing the ambition on providing finance, technology and capacity-building by developed country Parties, and (iii) further enhanced actions by non-Annex I Parties on mitigation and adaptation, including the barriers and needs of support.
- Linkage between pre-2020 ambition and post-2020 ambition – the Revisit Mechanism agreed in Doha could be the starting point of the post-2020 arrangement related to level of ambition and developed countries should revisit and increase their post-2020 emission reduction targets based on the experience from the Revisit Mechanism with a view to demonstrate their leadership. The Kyoto Protocol Revisit Mechanism is the only arrangement with legitimacy and Parties could gain experience for the post-2020 ambition by operationalising this mechanism.
- Encouraging but not forcing – the ‘ambition’ of developing countries should focus on the extent of the implementation of their enhanced mitigation actions. The key to further enhanced action by developing countries is the further provision of finance, technology and capacity-building

by developed countries. Use International Consultation and Analysis (ICA) and Nationally Appropriate Mitigation Actions (NAMAs) to help developing countries identify their needs and barriers on implementation and further actions after 2020. It is not practical to use the ‘step approach’ (proposed by the EU) to force developing countries to raise their mitigation ambitions or adjust their enhanced action on mitigation and adaptation as this would cause the transfer of commitments and obligations from developed to developing countries and dilute the principle of equity and equitable access to sustainable development.

China supported a ten-year timeframe target to ensure long-term certainty to policies and markets on low carbon development while noting the five- or ten-year debate. It said developed country Parties should submit both five-year and 10-year targets while developing countries could have diverse enhanced actions with flexible timeframe in accordance to their special circumstances. It disagreed with incorporating the cycle of mitigation into the 2015 agreement as it reckoned the most durable international regime to combat climate change is by enhancing the implementation of the Convention through further concrete and practical actions under the six elements (mitigation, adaptation, finance, technology development and transfer, capacity-building, and transparency of actions and support) and not by creating a new, ‘durable’ regime to replace the existing regime.

It, therefore, proposed four attachments to the agreement – the emission reduction targets by developed countries in the common format, the enhanced mitigation action by developing countries, the post-2020 finance targets and clear finance roadmap by developed countries, and the post-2020 policies and measures on technology and capacity-building support by developed countries. It noted that as we cannot at this stage prejudge the legal form of the agreement, we therefore could not prejudge the legal form of these attachments.

On compliance, it said the issue is related to the legal form which will be determined by the substantial content of the agreement. Therefore, it preferred to discuss the legal form and compliance issue later.

Bolivia proposed the distribution of a global emission budget among Parties for mitigation through the development of a compound index of countries' participation. It said the only way for developed countries to take the lead in combating climate change is to keep the top-down approach of the Kyoto Protocol in the 2015 agreement.

"The top-down approach implies the distribution of a 'global emission budget' between developed and developing country Parties based on the operationalisation of the principles of equity and CBDR. The emission budget can be calculated in accordance to the outcomes of the IPCC AR5 report considering how many gigatonnes shall be distributed among Parties between the period from 2015 to 2050 for keeping the temperature below the 1.5C," it said.

Although the global emission budget associated with limiting warming to below 1.5C is below 630Gt of carbon dioxide, still it imposes a significant risk to the integrity of Mother Earth, said Bolivia. Therefore, it added, this implies that we must set a limit on global greenhouse gases (GHG) emissions, including historical and future emissions. For this, we consider that we can use the RCP 2.6 (Representative Concentration Pathways) scenario of the IPCC report on mitigation.

[Representative Concentration Pathways are four greenhouse gas concentration trajectories adopted by the IPCC for the AR5. They are based on selected scenarios from four modeling teams/models working on integrated assessment modeling, climate modeling, and modeling and analysis of impacts. They describe four possible climate futures, depending on how much greenhouse gases are emitted in the years to come. These four RCPs, RCP2.6, RCP4.5, RCP6, and RCP8.5, are named after a possible range of radioactive forcing values in the year 2100 relative to pre-industrial values. Radioactive forcing is the change in the balance between incoming and outgoing radiation to the atmosphere caused primarily by changes in atmospheric composition.]

According to the Bolivian proposal, the compound index of countries' participation in the global emission budget will consider the integration of the following indices:

- Index of Historical Responsibility

- Index of Ecological Footprint
- Index of Capabilities (technological and financial)
- Index of the State of Development: including multidimensional poverty, poverty by income, and index of human development.

The compound index determines a fair share of effort for each country in order for the world to stay within the remaining emissions budget. This implies that countries that have higher historical responsibility, higher ecological footprint, higher capabilities, and higher state of development, will also have a lower share in the emissions budget. This is because of its higher historical responsibility with climate change in addition to its larger capabilities to address climate change and its higher degree of development. As a result of the calculations using this index we will be able to locate each country within a range of emissions in the global emissions budget, considering at least three categories: high share of emissions; medium share of emissions; and low share of emissions.

Bolivia also considered that there is a possibility for the integration of this proposal of the 'compound index of the global emissions budget' with the 'concentric differentiation' proposed by Brazil.

In addition, it said this index allows implementing in a comprehensive manner Article 4.7 of the Convention, which means providing support from developed countries to developing countries (through finance, technology transfer and capacity building) for using their remaining share of emissions with a view of building their sustainable development pathway and achieving poverty eradication goals.

Jordan said its understanding of the cycle is to define a timetable and steps to ensure transparency of contribution and further to promote the understanding of Parties' contribution in ensuring that the ultimate goal of the Convention and the 2C goal can be achieved through such a mechanism.

Based on this understanding, it proposed a four-step cycle: (i) formalization of procedure; steps and rules during 2014; (ii) from 2015, some countries can communicate contribution by the first quarter while others seek clarification of contribution and some start inscribing their contribution and this process continues to 2020;

(iii) in the post-2020 i.e. from 2020 to 2030, an ex-post review process could be set in the middle of the commitment cycle i.e. 2025 to review the progress on implementation of contribution and an adjustment mechanism and that the review should cover all elements; and (iv) a new cycle of contribution starts after 2030.

It believed rules should be tailored according to the diverse commitment of developed and developing countries and a review process to reflect differentiation between two groups of Parties, and their contribution should be reconsidered and adjusted in the technical and practical level and change according to national circumstances. The review mechanism must not non-intrusive and adjustment of fair contribution is done in an upward manner. Review of the implementation is to find the gaps of the actual needs of developing countries and support is put in place.

Saudi Arabia supported the views of Jordan and China. It said for the past 23 years, we had been talking to each other and designing the work from a legal point of view of what Parties can do but forgetting what is happening on the ground. It said we should seize the opportunity offered by this new process. Instead of speaking on high ground, we should give more time for implementation that is missing.

For mitigation, it stressed that Parties need to address the question of economic and social consequences arising from the impacts of implementation of response measures on developing countries by developed countries. Helping developing countries to achieve sustainable development will help them with mitigation, it said, adding that if we just talk about mitigation, we will be doing a disservice to ourselves.

Brazil agreed with most Parties that spoke about the necessity for the 2015 agreement being durable and flexible. It said anything that is too rigid by definition cannot be durable. On the cycle of the INDCs feeding into the agreement, it said it has to be a dynamic cycle, conveying the notion that it is not static and that it will get it right.

It said Brazil is going to put in a submission on how it sees this dynamic contribution cycle. However, it explained that it would be based on a 10-year cycle with a 5-year contribution term, adding that the purpose is to allow for

adjustment to enhance ambition while at the same time provide a long-term perspective for Parties.

Each cycle (of 10 years) will include a 5-year contribution term and a 5-year indicative term. Before the end of the contribution term, the indicative term will be adjusted and confirmed and another indicative term submitted. The adjustment will be made on their INDCs over the global picture and allow countries to conduct national processes to adjust their NDCs (nationally determined contributions) for the subsequent contribution and indicative terms. In this manner, it further said, before 2020, all Parties will register their 2025 and 2030 terms. "Between 2020 and 2023, the COP will conduct the first aggregate process and produce a set of decisions or recommendations to be taken into account by Parties when adjusting their NDCs. Between 2023 and 2025, Parties make adjustment to NDCs at their national level and at the international level, Parties will submit their respective 2025 (contribution) and 2020 (indicative) NDCs," it explained.

During the implementation phase, the COP will regularly assess with the view to inform Parties to adjust their NDCs in all pillars of the Convention to keeping temperature rise below 2C, the adequacy, scale and predictability of contributions for developing countries. The process, it said, will be consistent with science and equity and be guided by the registry of the means of implementation, as well as National Communications, other communications and the recent IPCC report regarding each country's share in global temperature increase.

On differentiation, Brazil is against pure self-differentiation that some Parties are looking for as this is something that will not take us to an agreement. It is of the view that we must link preserving the principles of the regime while giving it necessary dynamic to move us to a durable agreement. Referring to the idea of a 'concentric circle' in its planned submission, it said the agreement must create incentive for Parties to move to the centre of the circle which will be the economy-wide targets.

It stressed that it does not want to give the idea that it is reintroducing something new but rather is has been saying this all along but perhaps were missed or not understood by other Parties. It said it has always stated the idea of movement as this is not a regime that is static or impervious to

change, adding that discussion on differentiation is essential but the discussion must embody the idea of giving the regime the flexibilities and dynamism it needs but not rewriting the Convention.

South Africa wanted the long-term global goal of keeping temperature rise to 2C reflected in the agreement and translated into the trajectory of mitigation. It said Parties need to set a global goal for emission reduction of 50% below 1990 level by 2050 and subject it to adjustment according to what science says.

Agreeing with Brazil on the notion of self-differentiation, it said it has deep concern on the interpretation at this stage regarding the principle of self-differentiation. It cannot agree with developing stringency on mitigation commitment and yet not formalize such a system in the new agreement which is supposed to be durable. "We do not believe it will do any good to the multilateral system if we do that," it warned.

While it is glad that the EU indicated that it cannot agree with the static system now but South Africa said, however, we also cannot ignore what we have now. It said Parties are under the impression that there will be no back-sliding and to South Africa, that means no back-sliding for all Parties.

It said it seems that we are stuck with the INDCs process agreed in Warsaw (COP19 in 2013) but it is only one of the processes that can be built to get us to a place that we are comfortable that it is indeed fair. It also said it can accept that contribution is nationally-determined but there must be multilateral rules for this commitment. The agreement must also provide for setting of multi-year commitment and trajectory which must specify peaking by 2050 of developed countries and later for developing countries. It said many elements need to be included if we talk about the setting of the commitment beyond 2030.

It stressed that our mandate is to strengthen the multilateral rules-based regime. It reminded that under the ADP process, we are not developing rules but considering information for the INDCs. It recalled its submission in May that called for rules on carbon pool and market mechanism "but nothing happened". It therefore proposed that COP20 initiate the process to further develop detailed rules on land-based emission and market mechanism. It

believed that we should utilize both the flexible mechanism (CDM) and the land-based mechanism like REDD-plus and should also provide for new market-based mechanism but subjected to additionality and environmental integrity.

On the contribution cycle, South Africa regretted that the INDCs decision in Warsaw has changed fundamentally the way the future agreement will work but accept that it is a done deal. It said this approach is not creating ambition and closing the gap; instead it believed that Parties are now aiming for the lowest common denominator. Despite dire concern of this instrument, however, it believed we could still design a dynamic cycle to strengthen the multilateral rules-based regime that leads to legally binding commitments.

It said the proposal by Brazil is very interesting and in line with thinking how the contribution cycle should work. It is agreeable with the incremental process of a 10-year cycle with mid-term check and adjustment done on a regular reporting process based on science, equity and adequacy to close the (mitigation) gap. It sympathised with Tuvalu that a 10-year cycle is too long but noted that the mid-term check should involve deep assessment to allow for adjustment. It found the ex-post and ex-ante assessment of next cycles attractive. It said the incremental adjustment for the period 2030 and 2040 and individual commitment for Parties must be more ambitious.

South Africa also agreed with Switzerland that non-delivery of Parties' individual commitment will be referred to the compliance mechanism, noting that in a world of self-differentiation, the compliance mechanism will be more important. However, it said there must be a holistic approach to the compliance system with room for improvement. It sees the need for an early warning system which will be a valuable tool to alert on possible problem areas and challenges, and ensuring that these are addressed early enough. Parties, it added, can seek to resolve specific implementation problems and refer them back to the multilateral consultative process. It believed that rules of enforcement will only happen when all avenues are exhausted.

On the legal nature of the agreement, it is not convinced that commitments can have different bindingness and force, and it will not accept the

concept that transparency is equal to legally-binding.

Chile said the mitigation component must call for universal action that follows the principle of CBDR and RC (respective capabilities) and need for enhancing global effort to address increasing emissions. There must also be explicit recognition that countries with the most responsibilities and capabilities should take bold leadership. There should be no back-sliding on targets.

It is also interested in the Brazilian ‘concentric circle’ idea, adding that the AILAC countries (of which it is a member) would support to continue discussion on those parameters. It is also AILAC’s view that the agreement should include a global mitigation goal to be achieved by all Parties in line with agreeing to keeping temperature rise to 1.5C or 2C, and the goal is translated into a forward-looking target.

It said it is critical to provide Parties with long-term guidance to support transformation to low-carbon economy as well as catalyzing actions and increasing ownership by countries.

In the mitigation section of the ‘protocol’, Chile said all Parties must commit to an aggregate global goal to create a durable, long-lasting, legally-binding commitment. Mechanisms that allow Parties to comply, such as market and non-market mechanisms, should be part of it.

Chile wanted the legal form to be addressed in Lima, adding that it supports a legally-binding ‘protocol’ for the Paris agreement that is tailored to individual commitments, that is legally-binding for all Parties.

It echoed South Africa that transparency is not a substitute for legal form and that the definition of a compliance mechanism is central to serve as serious deterrence against free-riding, and will build trust of long-term effectiveness of the climate regime.

Bhutan said the presentation of trajectory of actions and inactions and other unfulfilled commitment is a real concern. It said it has little role in the cause of climate change but remains firmly committed to fulfilling its commitment under the Convention. To meet a 1.5C target, it said, ambitious emission reductions are required not only from Annex I but also some level of actions from some developing countries. Under the principle of CBDR, it has aligned its

development plan to a carbon-neutral development by assuring that its emissions do not exceed what its forest can sequester. It is committed to maintaining 60% of forest cover and it would need international support to realize its climate-resilient and carbon neutral plan to adapt to climate change successfully.

Singapore said Parties are now trying to plan the post-2020 regime and we must logically set out the timeline to make decisions on the two documents (referring to the non-paper on elements for a draft negotiation text and the INDCs draft decision text) and cautioned against draft texts that put Parties in a huddle, in reference to the Warsaw decision that resulted in the INDCs instrument.

It would support a series of cycle of contribution to increase ambition over successive cycles and not discuss ambition at every cycle. It said it will do well with domestic cycles without others forcing it, adding that those asking for a longer cycle is not seeking to weaken commitment but is in fact the contrary.

It said the average policy cycle is seven years and is the amount of time needed to engage and consult stakeholders in making sure policies achieve results. It said Singapore’s economy survive on processing goods and services with 0.3% emission and is dependent on companies and therefore would need them to survive. To persuade them to shift to lower emission will take time or risk having them not coming on board, it cautioned. It asked that colleagues understand that changing policy is not something that governments can simply dictate, noting that pushing too hard may end up with governments losing power.

On the legal form, it is willing to consider how it will best capture all the needs of Parties without undermining universal participation. It would like to explore other forms of transparency on non-mitigation aspects, to ensure there is momentum (of deliveries).

Iran said historical responsibilities, equity and CBDR must be reflected in the mitigation element of the 2015 agreement. Differentiation between developed and developing countries is key and the enhanced commitment of Annex I must show ambition rather than back-sliding in increased, binding and economy-wide quantified emission reduction. Developing countries, it said, will undertake national enhanced national

mitigation ambition with support, nationally determined in accordance to their special needs and circumstances.

It pointed out that equally important to the mitigation element is the provision of support to developing countries in the area of the impacts of response measures. It wanted MRV of climate finance, adaptation, technology transfer and capacity-building activities which developed countries must provide to developing countries. All actions are related to technology which Parties must operationalise in the post -2015 outcome document. It said the Lima COP must clarify how developing countries will be supported under the agreement.

On contribution cycle, Iran said at the outset this issue is not in the mandate of the Durban decision and should not be discussed. If Parties are to reach a modality on this matter, it said, such cycle must apply to all elements and not just mitigation, and it must be linked to other replenishment cycles so developing countries will have a clear picture of the resources they can expect to support implementation of climate actions.

Aligning with Nauru and Tuvalu, **Marshall Islands** said INDCs represent the preparatory phase of a legally-binding agreement and is therefore time-bound. It heard strong support for no back-sliding and is of the view that the post-2020 ambition must be progressively strengthened with increase in types, scopes and scale.

It wanted a common timeframe or end date for mitigation commitments so that Parties can put forward their efforts and create the cycle for key political moments when we are expected to take the next step. It said it is highly irresponsible to lock-in commitment for 2030 some 15 years away.

Nigeria said the ADP work in Lima needs to be properly organized to ensure that we resume negotiation in open plenary session where the Co-Chair present the draft negotiation text. It said adaptation is key to successful adoption of any treaty and without any critical consideration and the means to implement adaptation, it is not sure if we are going to get to anywhere. With regards to mitigation, it said there is need for ambitious scale of emission reduction and urged Parties to ratify the Doha Amendment (for the second commitment period of the Kyoto

Protocol). It expect developed country Parties to provide finance for the preparation of INDCs and that the principles of CBDR must guide the work of Parties.

Timor Leste expressed its concern that some Parties wanted mitigation to apply to all Parties with the same manner. It questioned if the CBDR principle is applied and if LDCs' circumstances are being considered. It said Timor Leste will have a low carbon development pathway that is addressed in NAMAs but it is not quantifiable as demanded but could agree with qualitative emission target approach as proposed by Japan. It wanted developed countries and others with high emissions to take the lead in mitigation and that there should be measures in place for regular review of the commitments. It also urged the Co-Chairs to review their decision in deleting the objective of keeping temperature rise to 1.5C from the document.

For **South Korea**, mitigation is a key element along with other components for determination of the contribution cycle. It wanted long-term goal contribution to emission reduction that is consistent with the agreed limit of 2C based on IPCC's recommendation. To achieve our common goal, it said an INDC of a 10-year cycle will be durable for various reasons – (i) to accommodate different capability and circumstances of most countries as for most countries, commitment of mitigation is still a new adventure; (ii) longer term needed to ensure coherence of policies such as energy supply and mix; (iii) predictable policies to send long-term signal to investors to facilitate their investment in low-carbon investment; and (iv) mid-term review for adjustment or modification of the cycle.

The **European Union** said it preferred a protocol that requests all Parties to the agreement to maintain their mitigation commitment at all time and it is annexed to the agreement and is legally-binding. The agreement applies to all in the same year to promote mutual trust and should contain simplified procedures in a timely manner without need for formal ratification.

It added that the decision should set out regular review of mitigation ambition and emphasized clarity and driven by ambition and science. Highlighting that the EU leaders had endorsed (on 23 October) a binding domestic GHG reduction target of 40%, it said the group will

work toward 2030 to provide certainty for business and the time scale will not lock in a low level of ambition.

It said the key issue is less around the date of 2025 and 2030 but how to make the 5-year review work, which is fundamental. It said the length of the commitment period and review period is not the same. In that context, it emphasized that the EU will have an economy-wide carbon budget so any review and trajectory over that period will be visible. Other Parties, it added, should also spell out the full period because the trajectory is the one that counts. It stressed that we will need quantifiable commitment by all major economies, hence China's suggestion will not work.

Pointing out that the Co-Chairs' reflection note did not specify that mitigation of all Parties should be revealed in the same year, it said Parties will need that for further action and we need to draw lessons from the Kyoto Protocol on what works and what does not work.

Responding to Brazil and South Africa, it said all Parties need to transform and INDCs will allow them to do so. It said the EU is fully committed to an agreement that upholds CBDR and RC. Parties' obligations, it added, should involve reality in a fair and dynamic way to keep us on track and that national circumstances had changed in the past decade and the agreement should take this into account.

On the self-differentiation approach, it said each Party selects its commitment type, level and as ambitious as possible but they would have to defend their national circumstances. The INDC that Parties put forward should represent progression in scope and that subsequent period has to be more ambitious and the notion of progression will be subjected to MRV. Major economies, it said, should have economy-wide absolute targets.

Switzerland disagreed with China's view on the differentiated starting point (between developed and developing countries) as it is against the principle of no back-sliding. It said each country has to have specific starting point and has to do more. With regards to cycle of contribution, it said the pre-2020 cycle simply cannot continue after 2020, adding that there will be no third (commitment period of the) Kyoto Protocol, but there will be something new.

On the length of commitment period, it said it is important to have a common starting point every five years where the new commitment period begins and in every five years, each Party has the obligation to hand in a 10-year commitment period which can be corrected. It followed the EU on what has to go into the agreement and what can be adopted as COP decisions, i.e. each Party submits its commitment to be followed by a new cycle every five-years and an ex-ante assessment process. The COP can adopt simplified decisions which can be adjusted so there will be no need for a full ratification process.

It is ready to engage on the legal form and said it expects a legally-binding instrument with legally-binding commitments and a compliance mechanism. It said the legally-binding nature of the agreement should be reflected in an annex but not differentiated with categories (of countries) and the compliance mechanism will be tied to the legally-binding commitment.

Norway said to reach the 2C target we need an operational target to have a common goal and direction of travel and stick to it. We need clear direction on the magnitude of reduction so it would propose for the agreement to have net zero emission by 2050 as an operational goal to be consistent with the latest IPCC report, and this is easy to communicate and easily understood for businesses and the general public.

It said Parties should not include conditions of support when making a commitment but this will not preclude additional action that will indeed be supported. Emission reduction commitments should be quantified in the agreement especially for countries with reasonable capacity to develop quantifiable targets.

On the need for differentiation, it said nationally determined actions can be flexible but targets must address equity, adequacy and ambition. Ex-ante assessment process of INDCs is necessary to inform if we could achieve the target. It believed the UNFCCC secretariat should do more than compile the INDCs as we need to know how many tonnes of GHG the new agreement will reduce and tell us if we are on the right track.

New Zealand is looking for an agreement that encourages Parties to join and that means they

have to be confident that what is asked is feasible to deliver. It said Parties talked about space of nationally determined actions and it reckoned that the space is perhaps to find a landing zone on the inter-linkages between nationally determined and top down rules which it called 'bounded flexibilities'. It means Parties will agree to a broad parameter that will be reflected in the legally-binding agreement.

New Zealand said there could be some synergy between the EU's idea of increasing scope over time and Brazil's description of concentric differentiation. It said the rules should be set at the level we aspire to while accommodating some flexibilities for national circumstances. It saw the discussion on committing a set of benchmarks from which Parties will improve and aligned over time as a positive formulation to ensure no back-sliding.

It agreed with Singapore that Parties might be deterred if INDCs are legally-binding and punitive and some Parties will feel the need to be conservative rather than stretching beyond what they are sure they can deliver. It said the agreement also needs a mechanism to ensure that commitments can be updated and avoid re-ratification.

It said New Zealand is a strong supporter of an international rules-based regime, noting that transparency is not equal to legally-binding. To put legally-binding into effect, it proposed a model where Parties are fully buttressed by a legally-binding agreement. They would be held to submit and maintain a schedule without any gap, to give details of (their commitments) and be obliged to report and be subjected to international review.

It is attracted to a five-year review period and wanted to hear from Switzerland how a common starting date will work. It is also interested in the Brazilian proposal and AOSIS call for coordination of the contribution cycle to the IPCC assessment cycle.

Japan said all Parties should be obliged to submit quantifiable INDCs and major economies are expected to submit quantified economy-wide targets while those with small emissions can present qualitative data. It believed that INDCs should not be a legally-binding document but rather supported by stronger policies and measures and these flexibilities will enable international actions.

On the cycle of contribution, it supported the EU proposal for a 10-year cycle ending 2030. In considering the length of cycle of mitigation, it said we need to give signals to businesses and all stakeholders that the agreement is durable. Concern about the long period can be taken care by well-designed mid-term review.

Australia saw the cycle of contribution as an important part to make the agreement durable with MRV and flexibilities for purpose of revisiting contribution collectively. It understood that there are proposals for new types of processes but it is concerned about capacity to undertake all these processes. It said a system built for tracking post-2020 commitments is missing, noting that it must be built on continuous improvement for all Parties.

Canada said in terms of actual mitigation component, the INDCs are fundamentally on mitigation but it does not downgrade the importance we attached to other elements which would be dealt with under other processes. INDCs have to be unconditional so we can assess individual contribution. It said the agreement needs to ensure no double-counting in the market mechanism. It is agreeable with the notion of self-differentiation through INDCs.

It is open to the Brazilian proposal and it will also go back to capital to talk about the proposed five-year and 10-year cycles. It said it is a legal obligation for everyone to bring forward their INDCs but it is not binding at the international level which will caused a serious obstacle as in delays for formal ratification.

The United States wanted the agreement to provide for broad participation, full reflection of each country's capabilities and as their capabilities increase, and effective implementation to be achieved in the context of a durable agreement.

It said the agreement should contain the following 6 points:

- Each Party requested to submit a schedule of its NDC that it intends to implement, maintain and enhance thereafter
- Harmonised cycle of commitment that refers to a common timeframe
- Contribution should be specific and quantifiable except for LDCs
- Each country has core elements that are

unconditional but supplemented with conditional elements

- Each Party needs to report regularly on progress in a schedule with specific guidelines set out in a COP decision and work over this in coming months, and specific accounting on land-use and market mechanism
- Provision for review of mitigation contributions to be set forth in Paris with a single system for all Parties.

In contrast to the Kyoto Protocol, the US said, there will not be 195 Parties by Paris so there should be a mechanism to reflect the situation as part of the agreement and a schedule for the right formal way to reflect individual actions. It

shared aspiration that Parties will have upward direction of travel where Parties are not back-sliding but in fact moving beyond their current action is a dynamic system where each Party successive contribution must be increasingly ambitious.

Responding to the Brazilian proposal of a concentric circle, it said it is not sure if it is anything new or is it just a new shape. It believed that it is important that Parties update their contributions at regular, harmonized periods with upfront information, and that there is formal consultation and review of annual progress. It is supportive of a five-year period for greater implementation cycle and find the (2020 to) 2030 timeframe too long.