



International Partnership  
on Mitigation and MRV

## Summer School 2014

Of the International Partnership on Mitigation and MRV

*“Intended Nationally Determined Contributions:  
preparation and implementation”*

Punta Cana, Dominican Republic, September 3<sup>rd</sup> to 10<sup>th</sup>, 2014



## Documentation



*Presidencia de la República Dominicana*  
Consejo Nacional para el Cambio Climático  
y el Mecanismo de Desarrollo Limpio

**giz** Deutsche Gesellschaft  
für Internationale  
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On behalf of:



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for the Environment, Nature Conservation,  
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of the Federal Republic of Germany



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## Glossary

ADP	Ad-Hoc Working Group on the Durban Platform for Enhanced Action
BAU	Business As Usual
BMUB	German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety
BR	Biennial Report
BUR	Biennial Update Report
CBDR-RC	Common But Differentiated Responsibilities and Respective Capabilities
CDM	Clean Development Mechanism
COP	Conference of Parties
CO <sub>2</sub>	carbon dioxide
DR	Dominican Republic
ETS	Emissions Trading Scheme
EU	European Union
GCF	Green Climate Fund
GDP	Gross Domestic Product
GEF	Global Environment Facility
GHG	Greenhouse Gas(es)
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GWP	Global Warming Potential
IAR	International Assessment and Review
ICA	International Consultation and Analysis
IKI	International Climate Initiative
INDC	Intended Nationally Determined Contribution
IPCC	Intergovernmental Panel on Climate Change
KP	Kyoto Protocol
LEDS	Low Emissions Development Strategy
LULUCF	Land Use, Land Use Change and Forestry
MRV	Measurement, Reporting & Verification (or measurable, reportable and verifiable)
NAMA	Nationally Appropriate Mitigation Action
NAPA	National Adaptation Plan of Action
NC / NatCom	National Communication
NGO	Non-Governmental Organization
REDD+	Reducing Emission from Deforestation and Forest Degradation
SBSTA	Subsidiary Body for Scientific and Technological Advice
UK	United Kingdom
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
UNFCCC	United Nations Framework Convention on Climate Change
WRI	World Resources Institute



## 1. Introduction

**The International Partnership on Mitigation and MRV** was launched at the Petersberg Climate Dialogue in May 2010 in Bonn (Germany), by South Africa, South Korea and Germany. The overall aim of the Partnership is to support a practical exchange on climate change mitigation-related activities and MRV practices through capacity building and knowledge management between developing and developed countries.

To this end, the activities of the Partnership contribute to the design and effective implementation of:

- Intended Nationally Determined Contributions (INDCs)
- Low-Emission Development Strategies (LEDS) and Plans
- Nationally Appropriate Mitigation Actions (NAMAs) and
- Measurement, Reporting and Verification (MRV) systems

The Partnership seeks to foster mutual learning between peers, identify best practices, establish a shared mitigation-related knowledge base, and disseminate lessons learnt by bringing together climate experts from more than 50 developing and developed countries. The International Partnership on Mitigation and MRV helps build capacity to promote mutual learning and networking among its approximately 60 member countries, more than half of which are developing countries. As part of the capacity-building, the Partnership offers one seven days workshop every year, either in summer or autumn.

The **Partnership's 2012 Autumn School** (Berlin, Germany, October 2012) focused on issues related to measurement, reporting and verification (MRV). Twenty-four policy-makers, practitioners and negotiators from 23 developing and developed countries met to further their knowledge and exchange experiences. The objective of the Autumn School was to empower participants to implement national processes for institutionalising MRV systems and to act as multipliers in their countries. The participants developed concrete steps for implementing MRV systems in their respective countries and shared existing good practice and lessons learned in working groups. For more detailed information go to <http://mitigationpartnership.net/autumn-school-%E2%80%98mrv-%E2%80%93-93-today-tomorrow-and-future%E2%80%98-berlin-15%E2%80%9323-october-2012>

The **Partnership's 2013 Summer School** (Hanoi, Viet Nam, August 2013) brought together 24 representatives from developed countries and developing countries who work at the interface between the technical, organizational and political levels of mitigation actions. It focused on „tracking progress and MRV for greenhouse gas emission reductions“, this topic being discussed in the international climate negotiations as one of the main elements for a new climate regime. For more detailed information go to <http://mitigationpartnership.net/summer-school-tracking-progress-and-mrv-greenhouse-gas-emission-reductions-viet-nam-august-2013>

**This year's Summer School** was hosted by the Dominican Republic. It took place from September 3rd to 10th, 2014, in Punta Cana, Dominican Republic. Once more, the topics discussed by the 28 participants (thereof 23 representatives from developing countries) were of high relevance both for the international climate negotiations as well as for domestic processes related to the implementations of decisions already taken or possibly to be taken at the negotiations. This year, the participants discussed how to prepare and implement Intended Nationally Determined Contributions (INDCs). The Parties to the UNFCCC decided on its last Conference of Parties in Warsaw (COP 19) at the end of 2013 that all countries should prepare such an INDC which is likely to become, in some not yet determined form, part of the new agreement that will be adopted in Paris at COP 21 in 2015. The new agreement will be applicable to all parties, taking into account their common but differentiated responsibilities and respective capabilities.

The participants used the 7 days of the Summer School to exchange and mutually learn from each other about their domestic INDC processes. They extensively explored this new instrument of the international climate negotiations, discussed possible domestic processes for its preparation and determined what up-front information would need to be provided with the contributions in order to create transparency for other countries and for the international community to be able to assess



whether the accumulated contributions by all countries will be enough to meet the below 2°C objective. The participants benefited amply from the experience of their peers who are currently in similar processes of preparing their INDCs. In a very trustful atmosphere the country representatives also touched upon politically more sensitive issues and enhanced their understanding of them.

All Summer Schools link the domestic work of practitioners with the UNFCCC negotiations and allow for representatives from developing and developed countries to exchange experiences and elaborate their own approaches. Whilst not all open questions can be answered during the Summer Schools, the participants take advantage of a space outside the negotiations to discuss the topics in detail and learn about different options, common challenges and possible solutions as well as arguments in favor of those. This opportunity is highly appreciated by the participants and the Summer Schools thus contribute to the decision making processes in the participants' home countries as well as at the international negotiations.



## 2. Objectives

This year's Summer School had the following objectives:

- The participants understand the importance of INDCs including up-front information on INDCs. They know which elements INDCs can be made up of and understand what steps need to be taken to prepare an INDC.
- The participants exchanged experiences with their peers on domestic processes regarding the preparation of INDCs as well as the implementation of mitigation actions and their MRV systems, particularly in a situation where a country has to achieve a given mitigation target and account for it.
- The participants use the time at the Summer School to discuss possible provisions of the new global agreement, particularly regarding MRV and accounting requirements.
- The participants are prepared to act as multipliers, transferring the acquired knowledge and sharing new ideas in their home countries.





### 3. Participants

Participants of the Summer School were representatives from ministries (e.g. Ministries of Environment, Energy, Climate or Foreign Affairs), (government) agencies (e.g. Climate Change Council of the Dominican Republic, etc.), and other institutions. The group was made up of implementers, policy makers as well as climate negotiators.



The following countries were represented at this year's Summer School:

- |                      |                  |                  |
|----------------------|------------------|------------------|
| • Argentina          | • Egypt          | • Mexico         |
| • Belgium            | • European Union | • Peru           |
| • Chile              | • Georgia        | • South Africa   |
| • China              | • Germany        | • Switzerland    |
| • Colombia           | • Indonesia      | • Thailand       |
| • Costa Rica         | • Kenya          | • United Kingdom |
| • Dominican Republic | • Lebanon        | • Viet Nam       |

### 4. Working methods

This year's Summer School of the International Partnership on Mitigation and MRV put an even stronger focus on the exchange of experience between participants than the first two Summer Schools. The participants engaged in lively discussions, exchanged experiences with their peers and shared lessons learnt. In addition, they were also able to draw on the expertise of international experts from the World Resources Institute (WRI), UNDP, Ecofys, CAOS, and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The topics were discussed in the order presented in the following table:



Wednesday 3 September	Thursday 4 September	Friday 5 September	Saturday 6 September		Monday 8 September	Tuesday 9 September	Wednesday 10 September
Recent debates on ADP	Ambition	Excursion: Laundry Sustainability Center Santo Domingo	Up-front information on INDCs	Day off	Domestic implementation of contributions	MRV and Accounting	The 2015 agreement
The 2015 Agreement	Preparation of INDCs		Assessment of INDCs				Wrap-up

## 5. Participants' expectations and specific interests

In summary, these expectations covered:

- Learning from the experiences of others.
- Technical issues: what's included in the INDCs.
- Process issues: how to proceed, how to involve various actors etc.
- Implementation and MRV issues.

Expectations among participants included:

- To have more clarity on the process of INDCs, and to learn from the experience of other countries.
- To impart experience, and learn how to be ambitious and move the process forward.
- To find out participants views on the scope of INDCs, particularly regarding additional aspects beyond mitigation.
- To learn what would be useful for countries to put in the GIZ guidebook for preparing INDCs.
- To learn from other countries about the processes they're designing to reach an INDC for 2015, including the challenges faced, and how arguments at a domestic level can be strengthened.
- To compare experiences around parameters to be used for the INDCs, and how INDCS will adapt to a global agreement.
- To understand the INDCs processes and regime from an MRV perspective.
- To learn from other countries about how INDCs might include adaptation, capacity building etc. and how MRV will be done.
- To listen and exchange views and take advantage of having delegates from around the world.
- To reach a common understanding about the terminology and modalities of INDCs.
- To increase capacity to prepare an INDC back home, and listen to the experiences of other countries.
- To learn what and how we could include other elements in the agreement, and how to measure these other elements.
- To learn how to improve coordination among government agencies for the purpose of the INDC and other climate programs.
- To discuss how to make the INDC targets ambitious, practical and achievable.
- To learn what's in and out of scope/focus under the INDCs.



## 6. Further information

More detailed information, as well as photos and presentations from the Summer School can be found on the Partnership website: <http://mitigationpartnership.net/summer-school-2014-intended-nationally-determined-contributions-indcs>. The participants of the Summer School may register for the login area [here](#). By doing so, they can download further background material and share their experience with peers.



## 7. Main findings

### Day 1 – Introduction and the 2015 agreement

The first day of the Summer School was dedicated to introducing the topic, discussing the elements of the new agreement that is scheduled to be adopted in 2015 and learning about the views of different countries. These elements could include a long term global goal (e.g. an international carbon budget in line with scientific requirements to stay below 1.5 or 2°C), comparable ambition of mitigation contributions, finance/support, capacity building, and technology transfer, the acknowledgement of non-state actors and sub-national actors' efforts, dispositions on adaptation, and a compliance regime. The agreement including national commitments might have an evolving character and become more ambitious over time. It should be applicable to all countries, taking into account common but differentiated responsibilities and respective capabilities. The participants mentioned the possibility for the agreement to have both fixed (the architecture) as well as flexible elements (such as level of commitments and, to an extent, MRV procedures) - "bones and meat". The global climate change architecture can thus emerge and be composed of the actual 2015 Agreement, a roadmap for decisions to be agreed upon by subsequent COPs.

### Day 2 – Ambition and the preparation of INDCs

On the second day, participants discussed the issue of ambition of mitigation efforts. It was noted that current efforts will not be enough to bridge the emission gap mapped out in the „UNEP Gap Report“ but that it is still technically possible to stay below the 2°C objective. Bringing the concepts of ambition and equity to a more tangible level of understanding turned out being still a key challenge.

Different approaches to compare countries' ambition level were discussed as well as how this ambition level can be increased and if a mechanism can be established to increase the ambition level.





A measure to quantify ambition and incentives for a 'race to the top' were proposed. Some of the ways that were mentioned as being helpful for raising a country's ambition level include good domestic MRV systems, the provision of support through initiatives like the NAMA Facility, pressure by non-state actors (NGOs, media, etc.) or by peers, the shedding of light on co-benefits, a regular "cycle of commitments" and their assessment as well as a high level of transparency and comparability between countries' efforts. In general, countries can increase their ambitious targets while keeping it realistic and achievable in an iterative process. Experiences from various countries showed that the process of preparing an INDC usually starts from identifying "Business As Usual" (BAU), then identifying opportunities, and finally determining different levels or a range of emissions reductions.



Equity, however, is far more complex to be framed in measurable indicators and remains most likely a quality emerging in a dialogue process among Parties. A straight-forward formula for assessing a country's equitable share in the global efforts to mitigate climate change will therefore probably not be found in the short term. As a way out, a narrative on equity and ambition can be included by countries in their INDCs, and furthermore transparency is key to make ambition comparable and equity tangible. Equity can emerge as outcome of an extensive communication process.

Still on the second day, the participants discussed the preparation of Intended Nationally Determined Contributions. The process of preparation of an INDC can involve the following steps (among others): analysis (compilation of information), evaluation of costs and needs or gaps, the identification of co-benefits, the prioritization of actions, stakeholder engagement and political endorsement, a national assessment of the own ambition level as well as the packaging and presentation of the INDC. There are, however, some quite important challenges to be addressed. These include the access to data (current and former), time constraints, limits to capacities and financial and human resources, a lack of understanding of what an INDC should include, a lack of clarity on what compliance and accountability mechanisms will look like and a lack of coordination mechanisms and allocation of responsibilities.

### **Day 3 – Excursion day**

On Friday, the group went on a field trip to a laundry operated by the „Grupo Punta Cana“, which is a group of enterprises that owns resorts, foundations and the airport in Punta Cana. The laundry is operated on biomass and optimized for efficiency. The group also visited the Sustainability Center of the „Grupo Punta Cana“ and was given a presentation on their sustainability projects including coral reef restoration.



After that, the group continued to Santo Domingo, where they met representatives of other donor agencies working in the field of environmental and climate protection. The meeting took place at the „German House“ and the group was greeted by the German Embassy.

#### **Day 4 – Up-front information and the assessment of INDCs**

The next day participants continued to discuss INDCs. Regarding up-front information, it was found that this is crucial to understand countries' contributions, in order to build trust, track global and domestic progress and to evaluate and compare ambition levels. It was found that up-front information may include, inter alia, the following: target type, sector coverage, metrics and methodologies used, gases covered, the selection of a base year or a base line, a target year, a percentage reduction, information on the policies to be used and the MRV system to be applied, the treatment of the LULUCF sector, any use of market mechanisms etc.

The assessment of INDCs was considered important by the participants in order for the international community to analyze whether we are on track to meet the below 2°C objective and explore whether the level of ambition of individual contributions can be raised. Although no ready-made solution for the assessment of INDCs could be made out, it was noted that the process may be different before and after COP 21 in Paris, also given time and resource implications of having the Paris deadline. One option is for the post-2020 framework to include a regular “cycle of commitments”. Given the difficulty and importance of the subject, the international community could also consider setting up a space for exploring how to more effectively assess the ambition and equity level of the contributions that includes methodological development.



## **Day 5 – Domestic Implementation of Commitments**

Regarding the implementation of commitments and its domestic implications, participants noted there is still a need of capacity and institution building to ensure the implementation of commitments and MRV/accounting. In order to be able to achieve their own targets, it was considered extremely helpful by the participants for a country to have, inter alia, a long term vision, an assertive institutional structure including high level political support, a legal framework, policies that incentivize change, an enabling environment, a good stakeholder engagement, a dedicated budget and MRV systems - including precise indicators - for emissions, policies and actions to reduce emissions and support received, particularly financial flows.

## **Day 6 + 7 – MRV and Accounting**

During the last two days, the Summer School participants looked at possible MRV requirements for the new agreement. They emphasized that it is important for the post 2020 regime to build upon lessons from current MRV requirements and include elements to which all parties should aspire, taking into account their CBDR+RC. They observed that there are already some commonalities between MRV requirements for developing and developed countries, which provide a starting point for the way forward. However, they also observed gaps which are predominantly related to capacity issues, which become the greatest barrier to an enhanced common MRV framework. When designing the MRV requirements of the new agreement, participants considered it is important to strike a balance between additional requirements (frequency and level of detail) and their benefit. Initial costs in setting up the MRV system were seen to be a barrier that can be removed by the provision of up-front support and suitable capacity building. When discussing a possible accounting mechanism of the new agreement, it became clear that there is still no definition of 'accounting' in the context of emissions. However, a working definition was laid out by Yamide Dagnet from the World Resources Institute, according to which accounting rules define „what counts“ and lay out a clear framework for assessing countries' progress and achievements toward their target. Thereby accounting enables the comparison of allowable emissions to accountable emissions.

## **8. Summary of Proceedings**

This chapter summarizes the individual sessions of the Summer School, focussing on important points made and conclusions. Most presentations can be found at the Website of the International Partnership on Mitigation and MRV: <http://mitigationpartnership.net/summer-school-2014-intended-nationally-determined-contributions-indcs> .

### ***Day 1: Wednesday 3 September 2014***

#### ***Introduction and background on recent debates on ADP***

**Input: Recap and main takeaways from last year's Summer School – Johanna Bergmann, consultant**

The Summer School 2013 focused on Tracking Progress and MRV for greenhouse gas emissions reductions. Some of its main findings included:

- MRV can be seen as a lamp on mitigation actions.



- A GHG inventory is a necessary starting point to develop emissions scenarios and accounting baselines.
- A wide range of modelling processes exist and can produce different results.
- There is a wide range of options for NAMAs.
- A strong government agency is needed to coordinate NAMA development.
- Criteria are needed to prioritise NAMAs.
- Existing NAMAs have a mix of financing options, showing the potential for this for future NAMAs.
- Implementing countries expect significant financing from donors, but donors want to see implementing countries contribute too.
- Many MRV options at various levels are available to build on for NAMAs.
- There are many types of pledges but it is important to make pledges as easily comparable as possible.

### **Input: High level comments “on the way to Paris” under the UNFCCC – Brian Mantlana, South Africa**

The „Ad-hoc Working Group on the Durban Platform for Enhanced Action“ (ADP) was set up at COP 17 in Durban “to develop a protocol, another legal instrument or an agreed outcome with legal force” applicable to all parties, to be adopted in 2015 and to come into force in 2020. There are two workstreams in the ADP, the first focussing on the new agreement (post 2020 legal instrument), and the second on progressing concrete options to close the emissions gap before 2020 (2015-2020).

The interpretation of the language and principles of the Convention creates some disagreements within the ADP process. These disagreements are more complex than a „simple“ divide between developed and developing countries. There are, e.g., differing views on how the pillars of the Bali Action Plan might be taken up in the new agreement. Also, the legal form of the agreement still needs to be worked out. Many questions regarding the new global climate architecture are still unanswered.

Technical workshops have been useful to work out solutions. The 2014 agenda of workstream 1 is focusing on information requirements for the INDCs and the elements of a draft negotiating text. There have been incremental breakthroughs. However, workstream 2 receives little attention compared to workstream 1, and it is not clear how all the information can add up to action before 2020.

### **Discussion on the negotiations, facilitated by Brian Mantlana, South Africa**

During the discussion it was pointed out that most „incremental breakthroughs“ (or „baby steps“) in the UNFCCC architecture have been achieved by establishing a better understanding of what other countries are capable of doing and can commit to.

It was pointed out that there is no firm consensus on any element of the agreement as yet. However, a number of Parties tend to agree that there is a need for rules to ensure Parties achieve what they say. There is also a general agreement that some countries will not be able to do as much as others.

The finance element is important for the new agreement and for raising the level of ambition. However, countries differ to a great extent in their needs. While some countries will need funding to increase their level of ambition, others will need creative methods or capacity building to do more.

The discussion also made reference to the “mitigation tent” idea, which acknowledges the negotiations’ focus on mitigation with other aspects like adaptation closely linked to it. There was consensus that INDCs must include mitigation goals. Nevertheless, many countries pointed out that they will need to include adaptation as well, because the mitigation benefits need to be linked to actions with local (adaptation) benefits. Therefore these countries would like to include such actions and linked adaptation impacts in their INDC. There seem to be shades of understanding on how





issues such as finance and adaptation might be considered in the negotiations and, in particular, in the new agreement.

Regarding workstream 2 of the ADP, it was noted that its vision (increasing the ambition level before 2020 to meet the 2°C target) is clear but that it remains unclear how its operationalization will look like.

## ***The 2015 Agreement***

### **Group work: Which elements are likely to be included in the 2015 agreement? What can be decided/detailed afterwards? – Gonçalo Cavalheiro, consultant**

The participants were divided into four groups and were given time to come up with elements that are likely to be included in the 2015 agreement. Their responses were then presented to the whole group.

**Group 1** pointed out the six elements that will need to be in the 2015 agreement, as laid out in the Durban decision: mitigation, adaptation, capacity-building, technology transfer, transparency of action and support. Other elements under these could be a new finance and incentive mechanism, a global carbon budget, a global MRV system for adaptation, comparability of ambition levels, and the recognition of non-Parties' efforts. The question remains whether more tools are needed or the existing UNFCCC architecture is sufficient.

Though a 'wish list item', a global carbon budget would present any gap in ambition very clearly and make it legally binding at an international level to close it (and so parties would have to find a way to do so).

**Group 2** discussed which elements would be the 'bones' of the agreement (legal form, core elements, duration etc.) and the flesh (elements requiring more flexibility e.g. INDCs). Mitigation will be the core element of the agreement. Rules such as MRV could form part of both the core and the annex. How adaptation might look like in the agreement is still a big question. To address finance, developing countries could present their contributions indicating how much they can do with their own resources and what more they could contribute with support. Countries need to know what they're signing up to, so clarity on elements such as finance and compliance would assist countries to define their contributions.

**Group 3** mentioned some of the bigger picture elements that should be reflected in the agreement. These include a balance between the different pillars, a high level of ambition, applicability to all, acknowledging common but differentiated responsibilities and respective capabilities (CBDR-RC), support for developing countries, and lead coming from developed countries. Other possible inclusions: mitigation, market mechanisms, CDM / sustainable development, and long-term goals. With regards to adaptation, existing institutions and mechanisms could be strengthened (such as the Cancún framework and the Adaptation Fund), and common metrics for adaptation could be developed. Regarding means of implementation and finance, these need to be robust, and the Green Climate Fund will be key. MRV and a transparency framework should be applicable to both action and support (finance).

**Group 4** observed that contributions need to be comparable and take the CBDR-RC principle into account. This will require a common metric to aggregate the contributions to calculate any emissions gap. Up-front information is required to have clarity of international and national action and there could be common goals (2°C goal for mitigation, indicators on adaptation, and another goal on means of implementation). The agreement should be rules based and markets could also be included in the agreement.

A participant noted work on adaptation indicators being undertaken by the GEF and World Bank – the latter used in an insurance system for farmers in the case of extreme weather, drought etc.

There seemed to be a general agreement on that the 'bones' of the agreement are long-term. They need to be decided on in 2015, and address the six elements of the Durban decision. The 'flesh' can then be worked out in 2015 or later, but will be flexible.





## Input: Elements for the 2015 agreement? Lessons from the KP negotiations – Gonçalves Cavalheiro

Gonçalo Cavalheiro gave an insight into the process of negotiations leading to the Kyoto Protocol and its commitments. In the run-up to the Kyoto Protocol (KP), targets were proposed both very early and very late (or never) in the process. At the beginning, targets proposed would be the same for all countries (i.e. -5%, -15% or -20%). Almost all countries were in favor of uniform targets. However, objection by some countries led to the discussion of various other approaches, none of which was adopted. In the end, the targets were not decided until the last day, without any public discussion. Countries simply dictated their own „nationally determined“ target to the UNFCCC, which typed them into the table in front of the podium.

To facilitate the discussion on the 2015 agreement, the ADP co-chairs have put together a non-paper consolidating parties' view to identify areas of agreement to form the bones of the new agreement (with the details to be worked out). The non-paper approach can be useful to identify which elements will still be there at the end of COP 20 in Lima.

## Open mic: My country's perspectives and expectations on the 2015 agreement

**Samir Tantawi from Egypt** stressed that the ADP is a party driven approach process that needs to be fully inclusive and transparent, taking into account the provisions of the Convention and its principles like CBDR.

INDCs represent the effort each country is willing to make to fight climate change in a balanced and global context. He noted that developed countries should provide finance, capacity building and technology transfer for the preparation and implementation of developing countries' INDCs, and that they should take on economy wide mitigation targets. On the other hand, developing countries should have contributions in relation to mitigation actions including aspects related to adaptation and loss and damage, and they should be subject to the provision of support. The contributions should also be assessed in terms of support needed or provided.

The 2015 agreement is seen to be under the Convention. It therefore needs to respect its provision and annexes, including the differentiation of developed and developing countries. The Agreement should include, inter alia, definitions of terms to minimize ambiguity, INDCs, an ex-ante assessment mechanism for INDCs to inform the adequacy of efforts by Parties, as well as a global goal for adaptation. The agreement should develop multilateral rules, informed by fairness and relative capacities.

**Romina Piana from Argentina** pointed out that contributions should be consistent with the Convention, including its principles of CBDR and equity. This reasoning leads to a differentiation of contributions between Annex I and non-Annex I countries. Annex I countries should have economy-wide contributions. Annex II countries should support developing countries with finance and technology transfer. Non-annex I countries should have commitments on adaptation and mitigation. Their level of ambition will depend on the support received from developed countries. Argentina thinks the six elements of Durban (mitigation, adaptation, finance, capacity building, technology transfer, transparency of action and support) should be equally reflected in the agreement. The transparency and clarification of the contributions is seen to be one of the main challenges for the 2015 agreement. With respect to adaptation, the new agreement should include a loss and damage mechanism and ensure the provision of adequate support. With respect to the transparency of action and support, MRV requirements of the new agreement should be differentiated for developing countries and developed countries.

Argentina is currently working on its contribution. The main challenges faced in this process include data availability, technical and institutional capacity, and the establishment of a robust MRV system.



One of the next steps will be to determine the cost of mitigation and adaptation contributions and what support will be required.

**Dina Spörri from Switzerland** emphasized that the agreement must be a durable instrument applicable to all, acknowledging the evolving nature of responsibilities, capabilities, needs, special circumstances and specific conditions. It should be under the Convention, include mitigation, adaptation and support, with the same general rules applying for all parties though with different depths. She stated that mitigation commitments should be quantifiable and unconditional (though the agreement should foster additional efforts), and include all sectors relevant for the atmosphere including the land sector. There should be increased robustness and no regression, and a provision for a review of the adequacy of aggregate ambition. The agreement should also include provisions for common rules on accounting, reporting and review, with differentiated depths for different countries. In order to track progress, it needs to contain a review of implementation of commitments.

Adaptation will involve commitments of all parties to cooperate to enhance resilience and prepare for integrated adaptation action. National adaptation plans should be fostered in the agreement and a regular reporting on efforts, sharing of progress and experiences should be required, again differentiated in depth for different countries.

Support will involve a commitment of all parties to provide resources to implement the agreement. Countries in a position to do so should commit to cooperate and support countries in need. This can include capacity building, technology transfer, and climate finance from various sources. Parties will need to commit to stimulate private and public sector finance. The agreement should also contain provisions on regular reporting and verification on support.

During the **discussion**, it was pointed out that including adaptation in INDCs allows countries to show they are doing work in this space. Many countries provide funds to adaptation measures despite of other national priorities. The recognition of this work is considered important, in addition to showcasing the ongoing and planned mitigation efforts. It remained unclear, however, what adaptation-related elements of contributions would contribute toward, globally (in the sense that a mitigation contribution contributes to meeting the 2°C goal).

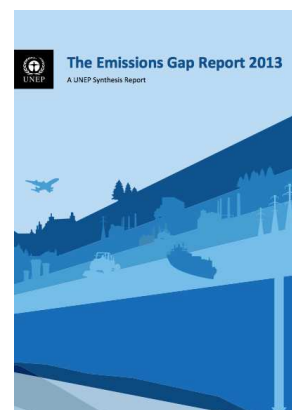
## Day 2: Thursday 4 September 2014

### *Ambition*

**Brief input and facilitated discussion: What do we understand as “ambitious” contribution? What does “ambition” mean in light of the UNEP gap report and the below 2 degree objective? – Gonalo Cavalheiro and Alexa Kleysteuber**

Alexa Kleysteuber (formerly UNDP, now AILAC) stated that ambition in the context of climate change mitigation means reaching the common goal of keeping the global average temperature increase below 2 degrees Celsius compared to the pre-industrial average level, which corresponds to the objective of the Convention to stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. However, efforts to this point have not achieved this goal.

The United Nations Environment Program (UNEP) has repeatedly published a report showcasing the expected evolution of global emissions until 2020 taking into account pledges that have been made by countries and assuming that these pledges will be met. This level of emissions is then compared to the level of emissions needed to meet the 2°C target. The latest „UNEP Emissions Gap Report“ from 2013 showed that even if pledges are fully implemented, the emissions gap in 2020 will be 8–12 Gt CO<sub>2</sub>e per year. The Emissions Gap Report also states that it is still technically possible to close the gap,





through strict accounting rules, moving from conditional to unconditional pledges, increasing the scope of current pledges, and further national and international actions. Postponing mitigation efforts has several implications including higher climate risk and higher financial costs of mitigation and adaptation efforts.

Alexa Kleysteuber also mentioned the latest Assessment Report (AR5) of the IPCC. It states that at current rates, we will exhaust the carbon budget to limit warming to below 2°C within the next 20 to 30 years. According to the IPCC, we will need to cut our GHG emissions by 40 to 70 % between 2010 and 2050, with emissions falling towards zero or below by 2100.

She concludes that all countries need to act ambitiously to achieve the 2 degree goal and avoid irreversible climate effects as well as higher costs later on. By acting ambitiously, countries can take advantage of opportunities from low-emissions development. She also observes that ambitious and transformational action by developing countries is more likely to receive support

Some of the challenges to achieve sufficient levels of ambition mentioned by Alexa include the absence of a global top-down enforcement mechanism of ambition and the compatibility of ambition with equity and CBDR-RC. She pointed out that to overcome these challenges, it will be important for countries to include a narrative in their INDCs on how their contribution is in line with the objective and the principles of the Convention and why it is equitable and fair.

### Discussion

During the discussion it was observed that countries will not have to reinvent the wheel to come up with INDCs. They can draw upon a lot of existing material, including climate change plans, development plans, and other UNFCCC processes. It was further stressed that a country's MRV system(s) will help support and explain why a particular INDC has been decided. It was further stated that up-front information and transparency is key, and could be considered a process in itself to ensure it is given the importance required and to make sure contributions are comparable.

It was also mentioned that NGOs and intergovernmental organisations are doing various assessments to show what contributions of various countries mean e.g. are they equitable? Though not legally binding, these assessments could feed into the UNFCCC process and/or influence enhanced action as countries will know this information is out there, there'll be the capacity to 'name and shame' underperformers. Upfront information will need to allow a comparison between pledges to assess ambition. This is why countries should tell the story of their ambition level in the upfront information (emissions trajectories, GDP growth, political processes: how these influence what they put on the table, etc.).

The participants also came up with a number of ways to raise ambition. These include shining a light on what is already happening across the world so countries can learn from each other, and scaling-up initiatives like the NAMA Facility set up by the German and UK governments to support the implementation of NAMAs.

There was discussion around how maps of climate scenarios (e.g. as used in Chile and Peru) incorporating specific mitigation actions can be used in developing the INDC. They can highlight limits and possibilities for ambition in a country. It was noted that maps are an across-the-board exercise involving inputs from many sectors. This can allow consultation, which is important to have strong political acceptance of INDCs.

There was also discussion around how political will is necessary to increase ambition, and how social and economic indicators may limit or allow ambition increases. Over a longer timeframe ambitious action will have economic benefits but there are many barriers to long-term decisions as short-term pain is often required. In this context, it was articulated that there is hope that INDCs will create a more flexible regime that will finally achieve the targets that mitigation efforts of the last 20 years have not yet achieved.



## Presentation of Country Cases on ambition level

**Steven Zhang from China** introduced China's domestic mitigation actions which include lowering CO<sub>2</sub> per unit of GDP by 40-45% by 2020 relative to 2005 level, and reducing the use of fossil fuels as a proportion of total energy (i.e. carbon intensity). Provincial targets have also been set and various indicators are used to measure progress. The national system will be scaled up in 2016.

**Mónica Echegoyen from Mexico** presented Mexico has aspirational goals of 30% GHG emissions reduction by 2020 compared to the baseline, 35% of electricity generation from renewable resources by 2024, and 50% of GHG emissions reduction by 2050 compared to 2000 levels. These goals are aspirational because they require financial and technological support. The National Climate Change Strategy sets out actions for the next 10, 20 and 40 years. As an example of increased ambition, in addition to implementing its climate change goal, Mexico is reducing short-lived climate pollutants, and has a mix of MRV approaches under an overarching system. The national inventory is being updated through a bottom-up approach. A carbon tax was introduced in January 2014 with a carbon market expected by the end of the year. Mexico has 38 NAMAs, 2 of which are currently being implemented. Federal government action contributes only one third of the country goal. The rest will need to be achieved by the private sector and sub-national entities. Mexico is in the process of collecting information from the private sector, local governments and NGOs to give a broader picture of where the country stands.

**Gustavo Jimenez from Costa Rica** presented Costa Rica's goal to be carbon neutral by 2021. Cooperation between internal and external, public and private stakeholders is key to success. It is also key to align relevant national policies and plans (i.e. development plan, climate change strategy etc.). The country should have an allocated budget for climate change activities, without necessarily expecting that funding will come from outside. Costa Rica's first NAMA has been approved. It aims to produce low carbon coffee. The process of developing an INDC will involve an assessment of sector-based national policies and various climate and economic scenarios.

**Moisés Álvarez from the Dominican Republic** explained that in his country, the Climate Compatible Development Plan sets out the country's low emissions development strategy. Analysis has been done to show the country's business-as-usual emissions and sector-based carbon abatement potential. The DR has committed at COP 18 in Doha to an absolute reduction of 25% GHG emissions reduction by 2030, compared to 2010. The National Development Strategy to 2030 also includes climate change indicators including CO<sub>2</sub> emissions, nationally protected areas, annual deforestation rate and water use efficiency. The 2013-2016 Public Sector Plan also includes climate action indicators, including registered projects under the CDM, projects in validation process and implemented NAMAs. 6 sectors have been identified for bold climate action: The power sector holds one third of the country's abatement potential. Action in the transport sector will reduce the country's dependence on fuel imports. The forestry sector can attract international funding and create sustainable employment. The tourism, cement and waste sectors have been found to hold easy-to-implement mitigation actions and can yield an additional 10% of abatement potential.

## Group work: What is "ambition" and what are the different elements of ambition? How to assess ambition?

The participants were divided into four groups and were given time to come up with a definition of ambition and elements that need to be taken into account to assess the ambition level of a country. Their responses were then presented to the whole group.

**Group 1** pointed out that ambition can be assessed both at the national and the international level. At national level, various ministries and stakeholders will determine the ambition of a country's INDC. Elements to be considered include capacity, support, and social and economic consequences of various actions. At international level, INDCs will be compiled, aggregated and reviewed.

**Group 2** said ambition is a process of continuously increasing engagement towards the global good (or best). The elements of ambition include science, policy, commitments, capabilities, stakeholders,



needs of populations, timeframes, purpose and vision, and scale. Scientific, technical and political tools can assess ambition. Assessors may include international organisations and think tanks, the scientific community, multilateral agencies, peer review and international dialogue. Civil society / lobbyists will also pass their judgement on ambition levels. Beyond policy, capacity building can contribute to ambition (or knowledge of ambition).

**Group 3** emphasized that ambition at a global level is needed to reach the 2 degrees goal and close the emissions gap. At a national level, a national inventory and technical analysis is important to inform on ambition levels. Elements of ambition to consider include timeframes, costs and benefits, technical and political dimensions, possible starting points, different levels and the ability to scale up, and political viability. National bodies may lack the capacity to assess ambition, but could be supported by donor agencies and NGOs. Co-benefits could be assessed as part of the up-front information.

**Group 4** observed that CO<sub>2</sub> intensity levels can be used as a benchmark or an indicator of a country's ambition level. It was suggested to compare the relative change of emissions, ie not the emissions of countries, not the change of emissions of countries, but the change in the change of the emissions of countries, mathematically speaking the second derivation. And then it was discussed how this could be an internationally comparable measure for individual sectors of which the top runner in emissions intensity can be the benchmark for the same sectors in other countries. The initial differences in the relative change of emissions could determine the waiting period how long countries will have time to match the top runner emissions intensity in their domestic sector. Additionally, best-practice policies can be implemented and aggregated. Implementing these best practice policies could be directly linked to receiving support (at sub-national or national level), with ownership of activities an important consideration. Co-benefits should also be assessed. Starting points and timelines will help to define ambition, as will comparability of contributions.

### *Preparation of INDCs*

Having stated the importance of INDCs in the context of a country's ambition level, the afternoon of day 2 was dedicated to the process of preparing INDCs.

#### **Input: Setting the scene – The relevance of INDCs for the 2015 agreement – Brian Mantlana, South Africa**

Brian Mantlana from South Africa introduced the topic by talking about the process of how INDCs were introduced to the climate negotiations. COP17 in Durban set up the process to have a new global agreement by 2015. To this end, the Ad-Hoc Working Group on the Durban Platform for Enhanced Action was established. The term INDC was first put forward in 2013 at COP19 in Warsaw. The expression “contribution” came about as an agreement by parties with some sensitivity around the word “commitments”.

Brian Mantlana also pointed out that there are different views regarding the scope of INDCs. While most developed countries propose that INDCs only relate to mitigation actions, have a robust and transparent MRV mechanism and that all parties including developing countries should commit to emission reduction targets, some developing countries feel that INDCs should include mitigation, adaptation, finance, technology development and transfer, capacity building, as well as the transparency of actions and support. Similarly, he pointed out that there are different views regarding the finalisation of INDCs. One sees both assessment and formalisation occurring in 2015. Another one sees formalisation happening in 2015 and assessment in 2016.

Despite a lack of understanding as to the elements of an INDC, Brian Mantlana observed that there is common agreement that mitigation goals should be included. Adaptation is also stressed by several Parties, however whether adaptation fits best in the INDCs or elsewhere in the new agreement is under discussion. In the end, INDCs are likely to vary according to national circumstances and be consistent with existing national mitigation initiatives. INDCs will be used to quantify each country's response to climate change.





Brian Mantlana pointed out that we need to progress our understanding of how to make INDCs transformative at national and international level, how to better understand the overall effects of INDCs, and how to determine how much adaptation action is needed. Key issues include the scope of INDCs, legal characters, rules, and assessment of INDCs.

### Discussion

During the discussion it was mentioned that many countries are considering adaptation outside INDCs, but within the new agreement. One question is how to include adaptation action in the new agreement without replicating current efforts. Also, the lack of methodologies for the measurement of adaptation presents difficulties for its inclusion in INDCs. Some participants stated that adaptation could be included in a way that showcased adaptation action and emphasised its importance, or in a way to highlight adaptation needs.

In this context, it was observed that the term “contribution” allows for a broader interpretation of what might be included in INDCs (despite the original intention during negotiations to focus on mitigation). Some want adaptation to be included so it is not left behind, so that work in this area is recognised, and shown as important.

### **Open Mic: Where is my country in the process of preparing an INDC? What challenges do we face?**

**Yara Daou** from Lebanon recalled that the Lebanese process of preparing an INDC began with a technical analysis of possible options/scenarios by the Ministry of Environment. The discussion with stakeholders and the validation phase have been launched in order to identify and prioritise actions. Following this, official and political endorsement will be sought for the INDC and it will be shared with the international community to mobilise support and begin implementation. There is broad support among relevant stakeholders in Lebanon at the technical level to develop an INDC. In a national expert consultation in April 2014, INDCs were seen as an opportunity to showcase Lebanon’s mitigation actions, and it was decided that Lebanon’s INDC should include an adaptation component. An action plan has been put together to develop the INDC. This includes the identification of priority sectors, the identification of current actions that might be included and/or built upon, the identification of appropriate up-front information as well as research on up-front information for adaptation, on differentiation indicators and the preparation process of INDCs at the regional level, for benchmarking purposes. Two studies have been finalized in priority sectors (energy and transportation) to assess “the threshold of pain”, i.e.: what could realistically be done in terms of greenhouse gas reduction without causing economic loss. Research on adaptation and differentiation has been put on hold due to time and funding constraints. Challenges include a lack of understanding of what an INDC should include a lack of financial and human resources, difficulty in securing political support due to other national priorities, regional instability, lack of clarity on what compliance and accountability mechanisms will look like, and a worry that the March 2015 timeline cannot be met. Among others, mainstreaming, capacity building, funds mobilisation, and focussing on co-benefits are all approaches being taken to overcome the challenges.

In his presentation, **Hieu Nguyen Khac** from Viet Nam stated that national circumstances will inform the country’s INDC. The energy sector is a main GHG emission source in the country and it is going to increase its GHG emissions in the next two decades. INDCs are seen as voluntary contributions of developing countries. The climate change institutional structure is beginning INDC development, with support from GIZ and UNDP. A “kick-off” workshop was held in August 2014. Hieu Nguyen Khac observed that Viet Nam has some advantages with regards to the development of its INDC. These include the existence of international support, and of various climate change strategies, plans and programs, as well as Viet Nam’s orientation towards a green economy. Furthermore, Viet Nam already has experience in the elaboration of NatComs and BUR, the development and management of CDM projects and the elaboration of its inventories. Challenges for the preparation of its INDC include, but are not limited to, a lack of understanding and guidance regarding the form and content of the INDCs, short time frames, a lack of an MRV system for the INDC, and limited resources. The planned content of Viet Nam’s INDC includes mitigation, adaptation, capacity building, and REDD+.



Next steps for INDC preparation have been set out and include data collection and consultation. The INDC is expected to be presented to government in March 2015, adopted by government in April 2015 and presented to the international community in 2015."

**Sedthapan Krajangwongs from Thailand** pointed out that Thailand's NAMA process has already increased the knowledge of which sectors are projected to increase their GHG emissions, this knowledge being helpful for the preparation of Thailand's INDC. Challenges to INDC preparation include a difficulty in accessing the necessary sectoral data, and unclear institutional arrangements for MRV. Thailand's INDC will likely consist of a GHG emissions reduction against BAU, based on NAMAs in various sectors and existing plans and strategies. Land-use and forestry will not be included in the country's INDC. The process will investigate co-benefits and countermeasures. A study is being undertaken to determine potential GHG emissions reductions by sector. The consultation and approval process will be quite complex due to the number of approval levels and stakeholders involved. The INDC is expected to be announced in August 2015.

**Lawin Bastian from Indonesia** stated that Indonesian GHG emissions are growing, with NAMAs reducing the extent of this growth. INDCs are being developed in the context of the 2 degrees goal. Up-front information on Indonesia's INDC will include a base year, a target year or period, its sector coverage, GHG coverage, GWP used, inventory methodology, the use of market mechanisms, the approach towards LULUCF, any conditions attached to the target, indicators related to fairness and ambition as well as projected emissions for BAU in target year or period, the projected GDP in target year or period and the methodology to calculate BAU. Challenges in the preparation of the INDC include a common understanding of INDCs, resource mobilisation, data collection and selection, a complex institutional structure, financial and technical capacity, research and development, and change of government – this means the INDC is being developed with various ambition options to provide a choice to the new government. Various meetings have been scheduled to develop the INDC. Assessment and modelling of sectoral emissions and scenarios will be undertaken considering economic growth.

#### **Input: Domestic processes for the preparation of INDCs – Alexa Kleysteuber**

In 2014, UNDP and the UNFCCC held a number of Regional Technical Dialogues on INDCs in three world regions, reaching over 200 participants. In her presentation, Alexa Kleysteuber shared some insight into what was discussed at the workshops. The participants of those workshops found reasons why INDCs should be prepared. The main reason is to limit global warming and attached climate risks. It is perceived to be a benefit if all countries prepare INDCs, and it was emphasized that INDCs can be used to leverage sustainable development and energy security. They are also a means to send signals to stakeholders and the private sectors to stimulate investment and request support from the international community. For the preparation of INDCs, the participants of the UNDP-UNFCCC workshops found that domestic processes will need to be set up to develop robust, realistic and achievable INDCs. The process needs to include a political process, a technical process and a stakeholder process. Key steps of the political process include securing a political mandate with clear goals, timeline and clearly defined roles and responsibilities. The stakeholder process is important to build trust, feed the technical process and create mutual accountability. The technical process needs to identify and analyse existing information, and carry out analysis to identify and prioritise mitigation (and adaptation) actions. Together, these three processes will inform the country's INDC decision, including scope, goal type and level, time frame, upfront information and format of information.

#### **Input: Guidebook on the preparation of INDCs – Christian Ellermann, ecofys**

Christian Ellermann presented the work he is involved in that aims at the elaboration of a guidebook for the preparation of INDCs. This guidebook is currently being drafted by Ecofys and was commissioned by GIZ. The guidebook discusses generic process options (bottom-up, top-down) to develop INDCs, essential process elements, and illustrative examples for different types of countries.

According to the work that has already been done, essential process elements include:

- Preparing and compiling necessary technical information



- Evaluation of costs and needs
- Identification and tracking of co-benefits over time
- Stakeholder engagement
- Evaluation of whether INDC elements are ambitious
- Packaging and presenting of INDCs

INDCs can build on existing processes; be scaled up; consolidate understanding of possibilities for climate action; be a starting point for future climate discussions, rather than a one-off exercise.

During the discussion it was noted that the guidebook focuses on mitigation (since it is produced for the International Partnership on Mitigation and MRV). The UNDP guidebook (to be published later on) provides for adaptation and other contributions. The guidebook will not provide a template for INDCs but does provide guidance on the process and elements that could be included. WRI is looking at what an INDC might actually look like, including the development of suggested formats for upfront information.

### **Input: What the Partnership is doing to support the preparation of INDCs – Sebastian Wienges, GIZ**

Since Warsaw, the Partnership has decided to help countries with their INDCs, through various studies and workshops, support of the UNDP/UNFCCC technical dialogues, becoming a “hub” of relevant information, and bilateral projects.

A needs assessment has been undertaken to identify what support countries need in developing their INDCs. Needs were expressed less for technical and feasibility studies, and more for the political and stakeholder processes. GIZ has various strategies to address these needs via on-going projects, including process facilitation, workshops, and studies. It aims to support as many countries as possible and provide process guidance (further information at <http://www.mitigationpartnership.net/intended-nationally-determined-contributions-indcs>).

## **Day 3: Friday 5 September 2014**

### ***Excursion to Punta Cana and Santo Domingo***

## **Day 4: Saturday 6 September 2014**

### ***INDCs – upfront information***

### **Country cases: Pre-2020 pledges and respective upfront information: What information do countries provide with their pre-2020 pledges?**

**Moises Alvarez from the Dominican Republic** emphasized that his country has studied its sectoral abatement potential to come up with a pledge. He presented the necessary up-front information by using the categories presented by Herald et al. 2014 paper: <http://www.oeko.de/oekodoc/2022/2014-607-en.pdf>. There is confusion around how to present type of target and target value: as a percentage reduction compared to a base year, total carbon tonnes to be mitigated etc. DR leans toward the latter: the declared pledge is to reduce emissions from 3.6 tons per capita in 2010 to 2.8 tons per capita in 2030, clearly highlighting the base year, target year and policies and plans that will achieve this reduction. The DR will use national communication metrics from the IPCC guidelines to calculate global warming potentials. LULUCF will be included. DR will continue to use the CDM. It is still mostly unknown how information on equity and fairness, as well as finance and support will be included in



the INDC. Adaptation will likely be included as a co-benefit. Information about the institutional structure and MRV system will be included.

**Dana Iliescu from the European Commission** recalled that in 2011, the EU's 2050 Roadmap set out aspirational carbon reduction targets. The Roadmap suggests that, by 2050, the EU should cut its emissions to 80% below 1990 levels through domestic reductions alone. Before this long-term vision was set out, the EU adopted the Climate and Energy Package in 2009, which included several pieces of legislation to ensure the achievement of the previously set targets for 2020. These targets, known as the "20-20-20" targets, set three key objectives for 2020: A 20% reduction in EU greenhouse gas emissions from 1990 levels; raising the share of EU energy consumption produced from renewable resources to 20%, and a 20% improvement in the EU's energy efficiency. This pledge, made in 2007 by the European Council, faced many accounting challenges, especially since reporting and accounting was based on different scopes and assumptions for different circumstances. These challenges included the inclusion/exclusion of international aviation, NF3, the LULUCF sector and methodologies to account for it, the use and calculation of global warming potentials, the selection of a base year, and flexibility around using market mechanisms. This highlights the importance of considering and including information about sector inclusion, metrics and methodologies, gases, base year, commitment period, percentage reduction, and market mechanisms.

### **Group discussion: Where are we standing on “upfront information” in the UN climate negotiations? What are countries’ positions in relation to upfront information on INDCs?**

In the discussion on up-front information, Yamide Dagnet, (WRI) noted it will be difficult to compare pledges if countries choose different base and target years. Some country representatives stated it would be difficult to convert their existing pledge from one target year to another. Among other reasons, data availability creates difficulties in including certain sectors, making certain comparisons or looking at different years.

Participants therefore emphasized that it will be important to include MRV system information in the upfront information as the most difficult part of pledges is measuring their implementation. Although the focus of INDCs is mitigation, some countries consider adaptation important and so will include it, even though MRV for adaptation is difficult.

It was observed that measuring the effect of individual policies and measures might require more resources than measuring an overall intensity target. It was stated that the inclusion of intended policy measures (such as moving toward an economy-wide target if this is not currently possible) would be useful to draw an overall picture of potential progress.

When asked whether their countries would move away from business-as-usual targets to absolute targets, some developing countries noted the BAU comparison is useful to show how the country is going when emissions are still growing (to show that the growth has been slowed). However, the inclusion of thorough upfront information will need to explain the base year and other details.

### **Group work: What kind of upfront information would be suitable to submit a “transparent” contribution? – Gonalo Cavalheiro**

The group was divided and asked to come up with questions to ask a head of state who suggests his/her target is „minus 10%“. These are the questions the group came up with:



Topic	Questions
Technical information	<p>What is your base year? Your target year?</p> <p>Have you determined a peak year for emissions?</p> <p>What is your baseline?</p> <p>What metric(s) will you use to calculate emissions?</p> <p>Which sectors are included in your INDC?</p> <p>Which gases are included in your INDC?</p> <p>Are there any conditionalities to your target?</p> <p>Are you including the use of flexible mechanisms in your target?</p> <p>What was the process through which your INDC was calculated?</p> <p>Is your target absolute, emissions intensity, BAU?</p> <p>If a BAU target, what is the projected growth of emissions? Are the BAU projections fixed or changeable, and under what conditions?</p> <p>If an intensity target, what is the projected growth of GDP and emissions?</p> <p>What is the territory covered by the target? (in the case of external territories)</p>
Adaptation, ambition and equity	<p>Have you considered adaptation?</p> <p>What about equity and fairness? (CBDRRC, vulnerability, historical emissions etc.)</p> <p>How does your target compare to similar countries or countries in the same region?</p> <p>How would you evaluate the ambition of your INDC?</p> <p>Is there the possibility of scaling-up your target?</p>
Implementation	<p>What barriers will you face in implementation?</p> <p>Will you use market-based mechanisms?</p> <p>Do you have existing policies and programs contributing to the target's implementation?</p> <p>What policies, measures and actions are planned to implement the target?</p> <p>What resources will you use and require to implement your INDC?</p> <p>Will you need international support to implement your INDC? Have you calculated this?</p> <p>Which institutions will be involved in implementing the target?</p>
MRV	<p>How will you measure progress?</p> <p>Does your country have an MRV system?</p>
Other	<p>Do you have political buy-in?</p> <p>How certain are you that you will achieve your goal?</p> <p>What are the co-benefits of your INDC and (how) will you measure these?</p> <p>Apart from the Convention process, what is the motive behind your specific target?</p> <p>When will you announce your INDC?</p> <p>What upfront information will you include in this announcement?</p> <p>Are you willing to make your target internationally legally binding?</p> <p>What options do you have if you can't meet your target? What's your Plan B?</p>

There was a short discussion around the possibility of regional INDCs. Participants seemed to agree that this would be very difficult due to the additional work required, frameworks not being set up, different starting points within regional groups, questions around accountability implementation, what would happen if the targets weren't met etc. What could be possible is simply summing the targets of individual countries within the group. The point was made that INDCs are Nationally Determined and thus difficult to adapt to a region where there are differences between countries, though political will might be shared. It was mentioned that Article 4 of the Convention likely allows for countries to join together presenting targets (joint implementation). There would be value in communicating and/or coordinating with partners and neighbours to know how they are presenting their targets, and perhaps make them comparable.





## Facilitated discussion: What are the main challenges in preparing upfront information on INDCs?

When asked what the main challenges are to prepare up-front information, most participants stated that data availability, the up-date of the inventory, and gathering all the required information posed the greatest difficulties. In some countries, consultants have updated the inventory in the past, without leaving a sustainable system or having built capacity. Hence, capacity building is forming part of the INDC process. There is a need to balance between national needs and global mitigation goals. It was also perceived important to have an idea of how much INDCs will cost to implement.

Another challenge that was mentioned was internal consensus on the scope and type of INDC, and on data to be used. Sometimes, a lack of coordination among stakeholders also creates difficulties. To overcome this, some government agencies are now establishing climate change units.

It was stated that reporting and national inventories can help to identify priority sectors and mitigation options that could feed into the INDC, as can previous work such as low carbon development strategies and costs analyses. Mainstreaming climate action across the economy was also considered to be important.

Some countries said they are still waiting on GEF funding to undertake its reporting and INDC. This shows that timely support is needed to undertake Convention obligations. In most countries, there is still a lot of work to be done before an INDC can be presented.

## Assessment of INDCs

Given that up-front information is required to make contributions comparable and to make a statement on the ambition level of a country, there will need to be some kind of assessment to generate this information. Saturday afternoon was dedicated to this topic, giving participants the opportunity to learn about different approaches that are being discussed, and come up with their own solutions of how INDCs could be assessed and how such an assessment result would be treated nationally.

### Input: What could the Assessment of INDCs look like? A few ideas – Yamide Dagnet, WRI

Yamide Dagnet presented the WRI paper *Pathway to Paris*, which makes some recommendations for an assessment of INDCs, such as the possibility of an equity benchmark. WRI thinks the assessment process will be different before and after Paris, given time and resource implications of having the Paris deadline. WRI proposes various assessment processes for 2015 that will take time. These assessments can be seen as a tool for achieving accountability and timeliness. There is also demand for this assessment phase from various countries.

INDCs will be submitted from March 2015. As a first step, the UNFCCC Secretariat could synthesize them and check them against the ambition gap. A consultation period could be held (possibly with the use of an electronic facility). This will then allow commitments to be revisited. An electronic forum could be used to involve stakeholders worldwide to come up with a methodology to assess contributions regarding equity.

The post-2020 framework may see a regular cycle of contributions, possible development of an equity reference framework, and various assessments including assessments of ambition, achievement of targets, support and finance. Given the amount of work required, other considerations for assessments include a staggered approach, assessing regional areas or groups of countries, and setting up permanent assessment teams.

### Discussion

During the discussion, it was stated that revisiting contributions would need to occur with the narrative of being for the best for the world as well as for national circumstances. There's likely to be a review of INDCs, especially in the case of a continuing emissions gap, which will assess fairness, equity, capability and other considerations. Some feared these reviews carry the risk of dragging on the



process preventing a time period for revising the contributions. A solution may be to have countries at Paris to commit to a regular cycle of review and revision post-2020, so there is no backsliding and countries have regular opportunity (and international pressure) to scale up their contribution.

It was emphasized that an assessment process requires a decision at this year's COP in Lima, with further details to be decided at next year's COP in Paris. How the assessment process would feed in to the scaling-up of ambition also needs to be considered. Having a regular cycle of contribution review and revision will create a system of increasing ambition, which is currently lacking.

**Plenary: What are desirable processes to assess and ratchet up INDCs and what might be politically achievable? Is there a role for science (e.g. IPCC)? How could the results of a possible assessment phase be treated nationally?**

WRI has put together a table on what five-year and ten-year pledge and assessment cycles might look like in terms of processes. A midterm review would be difficult in a ten-year cycle, and not necessary in a five-year cycle (given existing reporting requirements: BURs, NCs etc., which will help track the implementation of contributions). It was mentioned that COP 20 in Lima will need to ensure the basis for a durable process that will ratchet-up ambition, in order to ensure this is in the Paris agreement. The form of the assessment process may not be decided until after Paris after INDCs have been submitted and upcoming processes (such as international consultation and analysis as part of the BUR process) have been tried out. It was observed that an assessment process might allow for an iterative learning process and a "race to the top".

It is still unclear, who could carry out such an assessment. This led to the observation that the quickest report the IPCC could turnaround is two years, limiting their role in any assessment process, though their climate change science reports will obviously influence overall ambition levels.

Parties could commission work on an equity reference framework in Lima if ready to do so, but it may be more likely in Paris. If the UNFCCC is involved in creating the framework it will take a couple of years, given the rational and consultative process used. Hence, an equity framework may not be ready to be implemented until 2020, when the new agreement comes into place. However, there is a basket of existing indicators that could perhaps be used in the meantime. Two components of equity that need to be considered are action toward the 2 degree target, and fairness. Negotiations have moved away from a top-down definition of equity, toward "self-differentiation" where a dialogue allows parties to argue why a contribution is/isn't sufficient. However, it was argued that a tangible definition of equity is needed where clarity is provided on who should be doing what.

Equity has been stalling the negotiations, rather than progressing them, in part because there is no dedicated space to talk about it. Discussions around an equity reference framework, with a more positive narrative, may help to combat this.

## **Day 5: Monday 8 September 2014**

### ***Domestic implementation of commitments***

**Plenary discussion between selected participants: How can INDCs foster the national climate policy process and how might they trigger transformational change? – Julio Cordano, Chile, Dina Spoerri, Switzerland and Stephen Mutua King'uyu, Kenya**

All three country representatives confirmed that there is a close relationship between INDC development and the national climate policy process, with both 'feeding' the other. INDCs will foster low carbon development, will complement the national policy framework on climate change and help provide a framework for an eventual decline in emissions, allowing countries to achieve their targets. They create an international political framework supporting policies at a national level, and allowing



comparability with other countries. This comparability fosters ambition. INDC may even allow for an intensification of existing measures. It was observed that having the INDC start in 2020 assists in planning ambition levels and actions for the future, which reduces the 'political pain' that might otherwise occur. Also, taking co-benefits into account might enable countries to increase their ambition level.

It was discussed how countries intend to address scaling up their ambition level when many already have very ambitious national policies and cannot easily do more. It was suggested that political will and capital is key for pursuing more ambitious action and that external pressure is important for raising ambition, as is locking ambition into a legal framework to ensure its delivery.

Considering, whether their countries will discuss at a political level what their needs are to put these forward in the INDCs, some said estimating the costs of past climate actions can help sell the case for further action politically by showing what the public money has achieved and that financial and other needs are likely to be included in their INDC. It was also considered valuable to know from other countries what they could do with and without support.

### **Input: Domestic implications of setting a target: Translating a vision into possible action – the case of Germany – Johanna Bergmann**

Germany has a non-legally binding target of 80-95% GHG emissions reduction by 2050. Johanna Bergmann presented the results of 3 studies, which looked at the decarbonisation of Germany's economy by 2050, trying to determine whether it would be technically possible to achieve the above mentioned target. The studies vary in their approaches, comprehensiveness and inclusion of policy recommendations, however all show how such an emissions reductions could be achieved, with a complete phase-out of nuclear energy taking place at the same time (until around 2022). This transformation was found to be possibly, mostly relying on technological solutions, all of which exist today. However, some behavioral changes had to be included in all studies to arrive at the target. These include a reduced meat consumption and an improved heating behavior during winter time. These behavioral changes can only be achieved if an incentivizing policy framework is set up.

With the energy sector relying on renewable energies only, it is also important to analyze which energy sources will be used. In the scenarios that were presented, the use of biomass was restricted to the use of organic waste because energy crops cannot be produced sustainably in Germany. Taking this assumption into account, it was found that the energy consumption of the future will need to mostly rely on electricity which is produced from wind and solar energy or imported from other countries where renewable electricity generation is economically more efficient (North Africa for solar power or Norway for pumped storage hydro power stations). Even the energy needs of the transport sector will need to be converted to electricity (or to methane or liquid fuels produced from renewable electricity, accepting the loss of energy during conversion, and with it increasing the amount of electricity needed, for the benefit of better transportability and storage).

The analyses show at which pace fossil energy use will need to be phased out and which other measures are needed to achieve the target. They will therefore play a role in informing the preparation of Germany's INDC and future targets as well as their implementation. They have the potential to prevent Germany from taking policy decisions that would lead to a lock-in of fossil fuel use beyond 2040 or 2050. They show which infrastructure needs to be built and in which areas more research and development is needed. They make a statement on priority actions by identifying efficient mitigation measures. And they demonstrate that the inclusion or exclusion of single sectors can make a big difference. In Germany, the LULUCF sector used to be a carbon sink in 1990 (Germany's base year) but has since become a net emitter. Including LULUCF in the equation makes the target much more ambitious.



### **Input: Domestic implications of commitments and their implications – institutional and other implications – Brian Mantlana, South Africa**

Brian Mantlana introduced the topic of implementation of commitments by making some introductory remarks. He stated that negotiations will need to keep in mind the situations and institutional capacity of various countries which do not have a sustainable national inventory system that can produce numbers every year. He said more is expected from developing countries than ever before, which has implications for finance in these countries, as well as a moral responsibility for developed countries to provide support. He asked how the Mitigation Partnership could help to improve institutional capacity in such countries so the cause and expectations of the UNFCCC can be met, since obligations tend to increase at each COP? He also expressed the interest to hear from other (developing) countries with a national inventory system what they did to achieve this.

### **Group work on implications for the implementation of a target**

The participants were again divided into four groups and asked to take some time to come up with recommendations for their heads of state regarding what is necessary if their country were to accept an economy wide target. Some of the questions to be addressed by the groups were: Who is responsible for the achievement of commitments? How can policies be evaluated and adjusted in a timely manner? What happens domestically if a country is not on track to achieve its commitment? How can private actors be made responsible for the achievement of mitigation targets? The results of the groups were then presented to all participants.

**Group 4** said a stakeholder consultation would be necessary to build a domestic framework for implementation. A gap analysis would also be useful, to determine needed capacity and policies for MRV, compliance and so on. Sectoral plans would also be useful. A focus on government action before bringing in the private sector sets a good example. An assessment on finance would allow an understanding of what could be provided domestically and what would be needed from international finance. An assessment of how a target would impact on GDP and sectors could help prioritise actions to implement the target.

**Group 2** added that the target needs to be given 'teeth' i.e. the best chance of implementation. One strategy could be placing implementation in a high office, such as forming a climate change unit in the president's office.

**Group 1** emphasized that the establishment of a sustainable national inventory will assist in the implementation and MRV of the target. Coordination is important, such as through a dedicated climate change unit and/or ministerial committee. The target should be implemented into national law, and the policies that will be used will need to be identified and implemented. Policies could include financial mechanisms, private-public sector partnerships and incentives. The country would also need a compliance entity, an evaluation process etc. A national roster of experts could be put together to assist in implementation and evaluation. A dedicated budget is vital to achieve the target.

**Group 3** made the point that to encourage private sector involvement, the government should illustrate the opportunities available, create incentives, and ensure predictability,

### **Input: Domestic challenges and possible barriers and opportunities with respect to the implementation of commitments – Thuc Tran, Viet Nam**

Mr. Thuc Tran from Vietnam gave a presentation on challenges and barriers with respect to the implementation of commitments. He started by observing that INDCs will form an important input to the preparatory process for the new agreement. He said while various countries have different views of what INDCs can include, they will **be an important indication** of the efforts of the international community in addressing climate change in order to achieve the "2°C target".





From a developing country's perspective, opportunities of the implementation of INDCs include, amongst others, the possibility to develop a low-carbon economy and achieve a sustainable development, improved institutional settings, improved capacities, an improved possibility for technology transfer, improved monitoring for other purposes, and the opportunity to receive additional support. Challenges for developing countries include limited ownership and inter-ministerial cooperation, limited financial and capacity support for implementation, a lack of adequate MRV systems as well as of mechanisms for timely evaluation and adjustment of policies and targets.

Opportunities for developed countries include taking the lead in UNFCCC implementation, enhancing the existing North-South cooperation, the introduction of climate friendly technology, and economic growth. For example, a study of the Potsdam Institute for Climate Impact Research shows that if the EU cut its GHG emission by 30% in 2020 compared to 1990, it can generate 6 million jobs, increase investment by 19-22% and increase its GDP by 6%. Challenges for developed countries include a potential lack of political will and the technical challenge of substituting fossil energy sources with renewable sources.

### Open mic: Countries' experiences with MRV systems needed for the implementation of policies, including roles and responsibilities – Dana Iliescu, EU; Monica Echegoyen, Mexico and Gustavo Jimenez, Costa Rica

The speakers discussed the structures and actors involved in Measurement, Reporting and Verification in their countries. The diversity of systems became clear. It also illustrated the large number of different pieces that go into the 'package' of national MRV systems.

A complete national MRV system for mitigation will include components for the measurement, for reporting and for verification of emissions (inventories, registries), of emission reductions and of mitigation policies. More components are needed to cover the measurement, reporting and verification of other areas such as adaptation, support, capacity building or finance.







The method of illustrating these ‘packages’ by the speakers also highlighted gaps, for example a mechanism to track and attract climate finance. During the discussion it was pointed out that most developed countries have not tracked private sector climate finance so far. The multinational nature of some of these investments makes it difficult to track and attribute them. Nevertheless, tracking finance flows, both public and private, would be hugely useful.

### **Group work: compiling success factors for the implementation of nationally determined contributions (and the achievement of targets). What can policy makers and stakeholders each influence?**

The participants were divided into four groups. They were asked to imagine a situation where two heads of state meet a few years after their contributions / INDCs were determined. One says it all worked out fabulously for his/her country. They are on track to meeting the target and they enjoy all the co-benefits. The other head of state says that for some reason, their economic growth stalled and they are not on track either. The groups were asked to find reasons (success factors and barriers), define who can influence these factors and where in the INDC these can be reflected.

**Group 1** thinks policy makers can influence the policy options used in the INDC, the design of incentive mechanisms, the data exchange network, the communication strategy, viability assessment, stakeholder engagement, compliance framework, MRV process and evaluation, and back-up plan. Other stakeholders can influence COP decisions, the sectors of action, the scope and depth of mitigation, the availability of finance and technology, transparency and data availability, compliance, and communication. Both groups would be responsible for open communication channels, trust, and institutional capacity. Components of an INDC might include finance details, MRV plans, national policies and plans, upfront information, scope, and stakeholder engagement (past and planned).

**Group 2** thinks political will is an important element that policy makers can bring to the process. They can also influence the ambition level, policy framework, and timetable for implementation/monitoring, mobilisation of support and domestic funds allocation. Other stakeholders can likewise influence the political will, private sector influence, capacity building, technical advice, and achievability of the INDC.

According to **group 3**, policy-makers are the ultimate decision-makers, and so can influence ambition, the framework of the INDC, legal nature of the contribution, implementation guidelines and compliance mechanism. Having stakeholder buy-in is key to INDC success. External factors contributing to success and otherwise include country situation (development level, institutional capacity, and available information to develop the INDC).

**Group 4** noted that policy-makers can ensure a clear, well-defined and achievable INDC. In addition, political leadership and a robust baseline and MRV system is important for success. Education and public awareness can be either a barrier or conduit to success.

## **Day 6: Tuesday 9 September 2014**

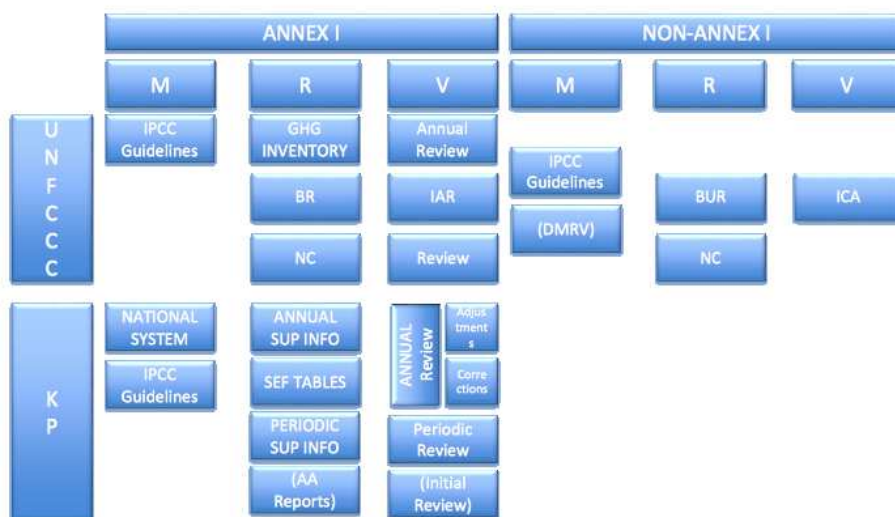
### ***MRV and accounting***

#### **Input: Current MRV requirements under the UNFCCC and the KP? – Gonalo Cavalheiro**

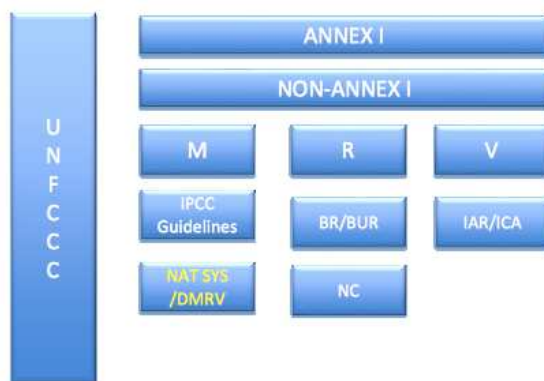
Gonalo Cavalheiro took a look at existing MRV requirements for developing and developed countries under the UNFCCC and the Kyoto Protocol. He made the point that Annex I and non-Annex I countries have most of the UNFCCC MRV system in common and asked how to build from these commonalities to build a more robust MRV system for all countries?



## THE UNFCCC / KP MRV CLOUD



One reason argued for improving the MRV system is that a lot of information comes from Annex I countries, but as we move towards the 2 degrees goal we'll need more information from key developing countries as well. Highlighting and overcoming the shortcomings of the current system will help us progress towards this.



### Group work: Discussing the suitability of current MRV requirements for the 2015 agreement. What else / which other elements of MRV / transparency do we need?

The participants were divided in 4 groups, one of which looked at requirement for measurement, one for reporting, one for verification and one for cross-cutting issues. The groups were given time to discuss and then present their results to all participants.

**Group 1 on Measurement** stated that the 2006 IPCC guidelines will be in effect from next year, with the 1996 guidelines being phased out. It argued that there is a need for capacity building and research to develop measurement systems that incorporate nationally relevant emissions factors.



On a national level, a sustainable national GHG inventory system was considered important by the group (perhaps using contracted local technical expertise where a permanent team is not needed or feasible), compared to a fly-in-fly-out consultant doing the work every few years without building local capacity. A legal framework is also considered useful by the group to oblige the private sector to provide data. Statistical institutions should be involved in national inventory systems, and a domestic legal framework, finance and capacity building are needed for these systems to be built or improved in developing countries.

Overall, the measurement discussion found that there is room for improvement in existing MRV guidelines, including the inclusion of missing sectors, gases and emissions factors. The group observed an almost complete absence of guidelines for MRV of adaptation and capacity-building, with only a few exceptions.

**Group 2 on Reporting** asked whether INDCs should have a separate reporting structure (in addition to GHG inventory reports, NCs and BR/BURs). They observed that while developed countries submit GHG inventory reports annually, developing countries may have limited capacities and available data to submit annual reports. They suggested that the Consultative Group of Experts could have an enhanced role to improve reporting in developing countries. Some countries are preparing inventories for 2005 to base their INDCs on. The group questioned whether this was a helpful process, and whether focusing on a more recent year would be better.

The group stated that more frequent reporting helps to justify the setting up of an in-country system to put it together, rather than hiring consultants every four years. However, the initial cost of setting up an in-country system is a barrier, as the GEF funding doesn't cover setting up an inventory system (only the production of the report).

Obliging installations to report their emissions is an ideal way to gather the required information, but not politically popular.

The group wondered whether developed countries are currently over-reporting, and whether the multitude of reports they submit all add something in transparency. For middle ground, the group suggested a threshold could be introduced to allow more information to be provided on important sectors, and less on not-so-important sectors.

The group also observed a discrepancy in reporting of developed and developing countries. A revision of reporting guidelines to ensure consistency with existing requirements, capacities and necessity would be considered useful, though brave.

The difference within developing countries was noted: some would be able to report annually but others not.

It was also noted that putting more money into accounting can take money away from actual action. There certainly needs to be measurement and reporting, but it must not reduce the benefit of what is being measured. However, the information included in an inventory is vital for forming relevant and effective policy, and measuring its effects. The thought was proposed that instead of putting so many resources into evaluating small details of their annual reports, developed countries could perhaps free up some resources (where their assessments are adding little value) to help developing countries with their inventories.

**Group 3 on Verification** suggested that once the international consultation and analysis (ICA) has begun, an analysis should be done to determine how it's working, what might be improved etc. The group also wondered whether reporting could be streamlined (where there's overlap) to aid verification in the future. BURs are providing lots of lessons on implementation, and can help countries establish domestic systems for MRV. However, the group also observed a big gap for verification of adaptation and finance, which should be approached step by step.

Determining a timeline for more verification is difficult, as some countries would first want to know what data they'll have and what is needed. In general, there is a wish to keep future verification needs within the existing requirements rather than add additional requirements / create more work. Whether



domestic verification is needed in addition to international requirements will depend on circumstances, policies (e.g. carbon price etc.)

The group observed that research is important to ensure the best verification methodologies are employed. Politically, verification is sometimes viewed as compliance. However, verification can aid with capacity building by having independent experts assess and provide feedback on their inventories. It also adds credibility to the inventory.

**Group 4 on Cross-cutting issues** made the point that national MRV systems allow adaption to national circumstances. However, consistency between MRV systems (such as all following the IPCC guidelines) allows comparability.

The group emphasized that to go further on MRV, developing countries require capacity-building. This needs to be considered when working out whether INDCs will have their own MRV or will fit into existing systems and requirements. It is also difficult to progress when the scope of the INDCs hasn't been finalised. Although the KP system is arguably more rigorous than the UNFCCC system, it is probably beyond the capacity of non-annex I countries at present.

It was proposed that a number of options (or a checklist) for MRV systems could be employed, so developing countries do as much as they can (or obligatory parts) of the checklist, and bit by bit (perhaps in line with commitment phases), and with support, scale up. This way, at least the basic, obligatory MRV requirements will be common for all countries. The checklist could be reviewed periodically to ensure it leads to robust MRV systems, and further items could be made obligatory.

It was further proposed that reporting could be aligned with commitment periods (e.g. national communications every five years instead of four).

#### **Input: What is accounting? – Yamide Dagnet, WRI**

In her presentation, Yamide Dagnet pointed out that there is no set definition for accounting on the UNFCCC or KP websites or in any of the documents. She asked the participants to come up with a definition. The discussion raised various ideas which all emphasized that accounting is used to make emission levels from different countries comparable. In her presentation, Yamide Dagnet then said accounting rules define “what counts” and lay out a clear framework for assessing progress and achievements against targets. Accounting rules underpin the tracking of global emissions, ambition, comparability and transparency.

She then pointed out that accounting rules of the new agreement will depend on which types of INDCs countries adopt. Tools will be needed to address the diversity of INDCs expected, quantify GHG effects of policies and actions track progress, improve consistency and transparency from existing approaches, address the lack of capacity, and have international guidelines.

She briefly introduced WRI's Policy and Action Standard, which aims to assess the effect of a broad range of policies on GHG emissions. Users may also choose to assess non-GHG effects / co-benefits of a policy, for instance to sell a policy to stakeholders.

Participants highlighted the need for accounting methodologies and standards for finance and adaptation.

Another WRI project for Mitigation Standards helps countries/provinces/cities design a new mitigation goal. It discusses the various types of goals, baselines, single year v. multi-year, how to estimate baseline scenario emissions, accounting methodologies etc. Numerous pilot studies for the standard have been undertaken across the world. The report will be translated into at least French and Spanish. The Standard is voluntary and dynamic, and testing continues.

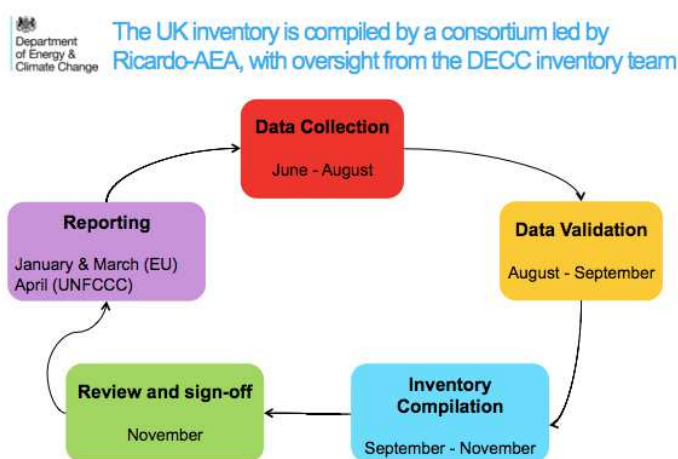


## Country Case: experiences with accounting of mitigation impacts of policies and actions and targets: How did we get to accounting? How are roles and responsibilities attributed in our accounting systems? – Holly Kelley-Weil, UK

Holly Kelley-Weil from the UK presented the UK's economy-wide mitigation targets, with the key domestic target being a reduction of 80% by 2050 (and 34% by 2020) compared to 1990 levels, a target of 16% below 2005 level by 2020 in the sectors not covered by the EU-ETS, and a former Kyoto Protocol target of 12.5 % below 1990 levels in the period between 2008 and 2012. These targets differ in their geographical coverage, base years, target years, emissions coverage, the use of market mechanisms and their accounting rules, which makes accounting and reporting very complicated. Thus, lots of attention needs to be given to details and no single answer can be given to what the UK's GHG emissions are. The UK overachieved its KP target for the first commitment period and is currently on track to meet the other targets. However, it is projected to not meet its fourth carbon budget, starting in 2023, with existing policies. Additional policies to meet this target are still being developed.

The UK Climate Change Act has three pillars: ambitious GHG reduction targets as mentioned above, binding carbon budgets and a clear accountability framework.

The UK annually reports its GHG emissions inventory to the UNFCCC and the EU. IPCC guidelines are followed to calculate emissions data. About 50 experts put together the inventory every year. The data comes from a wide range of sources, including emitters who are legally required to report their emissions, as well as various agencies. The National Inventory Steering Committee advises on, reviews and approves the annual inventories. Inventory compilation is an annual cycle that comprises data collection, data validation, inventory compilation, review and sign-off as well as reporting. This cycle takes exactly one year.



Graph 1: the UK inventory cycle

Holly Kelly-Weil also talked about regulation that obliges companies to supply their data to the Inventory Agency as well as non-compliance provisions under the EU-ETS. These apply a civil penalty for failure to comply, but are only used as a last resort. The UK National Inventory Steering Committee meets twice a year and is made up of representatives of the Department of Energy and Climate Change, other Ministries, and experts. Their role is to approve the draft inventory and to advise on the annual inventory improvements programme.

## Group work: What accounting framework, if any? How can all Parties commonly account the mitigation impacts of their intended contributions? What are the minimum elements?

The group work aimed at prioritising the core accounting information needed for INDCs. The participants were asked to go through a list of potential elements and decide whether they were essential, good to have, or not necessary.

Back in plenary, a discussion evolved around whether common metrics and methodologies should be set out in the new agreement. Most agreed this was the case. Those that disagreed questioned the realism of getting agreement on the details of the common methodologies to be used, or found the idea of common GWPs, sectors, and/or gases too prescriptive or detailed.





A majority agreed that principles for land sector accounting need to be included in the new agreement. Those that didn't suggested there were higher priority issues to reach agreement on. All agreed that principles for units accounting (such as the prohibition of double counting) should be included in the new agreement. Most agreed that the agreement should include a clause requiring more robust MRV requirements for access to the carbon market. Most agreed that the new agreement should mandate SBSTA to further elaborate accounting rules the following year. Others thought this needed to be worked out between parties to some extent before going to SBSTA.

The discussion showed that a lot of information is seen as essential to be included in INDCs, though some of this would be difficult to provide. There was general agreement for common accounting requirements in the Paris agreement, though wording will be a difficult issue.

## **Day 7: Wednesday 10 September 2014**

### ***MRV continued***

#### **Discussion: Biennial Reports and Biennial Update Reports: First lessons learnt and possible impacts – Thapelo Letete, South Africa**

The first biennial reports have been submitted and are being reviewed. The frequency of BURs might present challenges to developing countries including additional workload, difficulty establishing a permanent team, institutional arrangements etc.

Participants noted the importance of a national entity to coordinate BUR development, and institutional arrangements to receive the necessary data and assuring the quality of this data. Funding needs to be sufficient to set up these arrangements if they don't yet exist or could be improved. The national communication process is aiding the development of the BUR through having a similar approach, guidelines etc. GEF funds have in some cases not been received yet which makes meeting the December 2014 deadline difficult.

Some developing countries are first producing a GHG inventory to produce the BUR. This requires assembling and quality-checking data, which is a challenge in itself. Some countries are focussing on gathering and improving data from key sectors. Involving industry in data provision has been a strategy for some countries.

Developed countries faced challenges in aligning what is required by the national communications and the biennial reports. Since the NCs are due only every four years, the institutional arrangements to produce the BRs had to be set up, as it is a more frequent process.

Various countries employ industry, academics and consultants in preparing the BURs. There is also a large range of institutional structures for preparing the BURs, sometimes dependent on the split up of responsibilities between sub-national and national governments.

### ***The 2015 agreement***

#### **Input: Timing of decisions on mitigation and MRV and degree of detail – Yamide Dagnet, WRI**

Yamide Dagnet from the World Resources Institute pointed out that there are currently no guidelines to measure and account for the effects of mitigation actions or to track financial flows or means of support. The existing verification process doesn't produce clear outcomes, such as compliance, and there is no ex-ante assessment of countries' contributions, which could lead towards higher ambition. She argued that improving MRV guidelines can improve the decision-making process, inspire more action, and can improve ambition through incorporating a ratchet-up mechanism. It would also help



address operational gaps, which affect trust and prevent cooperation, capacity gaps (institutional, technical and financial), and the ambition gap.

To achieve a stronger MRV process, Parties to the UNFCCC would need to embrace the national and international benefits it would offer, ensure improvement and adequate support over time, and employ CBDR-RC in an effective manner. Ms Dagnet proposed three options for an improved MRV system. The first option consists of a common enhanced framework, incorporating differences for developed and developing countries. The second option included separate frameworks for developed and developing countries. The third option presents a set of requirements tailored to the different types of INDCs there might be. Options 1 and 3, or 2 and 3 could potentially be combined.

The common enhanced framework is arguably the most straightforward and standardised option, and allows the highest level of comparability and transparency, while still allowing some differentiation between parties. Option 2 allows a middle ground between options 1 and 2, and is most acknowledging of the different capacities of developed and developing countries. Another argument is that reporting requirements are different for annex I and non-annex I countries and MRV systems should reflect this. However there is concern separated MRV systems would be counterproductive by preventing developing countries to move toward a more standardised system, and “locking in” CBDR-RC. The third option is the most flexible based on the types of commitments. Coming up with a timeline for an enhanced MRV system would be necessary but potentially difficult.

### **Role play / group work: Designing the structure of the mitigation and MRV elements of the 2015 agreement**

Participants played roles, arguing the strengths and weaknesses of various approaches, in particular on MRV. Some of the key messages voiced by the participants in a very informal and role playing mode, included:

- Development of a common framework, including common standards, by 2020. The SBs would develop a pathway, which could include tiers.
- Establishment of an MRV Capacity Building Mechanism, to support developing countries in particular in the run up to 2020
- Countries will adopt the common MRV framework as they „graduate“ from capacity building
- By 2030 all Parties should be able to be at the same MRV level (provided the required levels of support)
- ICA type of verification for those with lowest capacity, IAR type for the most advanced
- Enhanced MRV of adaptation is needed
- Ensure that methods for all MRVable issues exist (in particular in relation to finance)



## Annex I – Agenda

Wednesday, 3 September 2014		
Introduction and background on recent debates on ADP		
9:00	Welcome	Julio Moisés Álvarez , Consejo Nacional para el Cambio Climático of the Dominican Republic
9:15 30'	Introduction to the Summer School and its objectives, Introduction to the International Partnership on Mitigation and MRV	Steffen Menzel, Germany Brian Mantlana, South Africa;
9:30	Introduction to the agenda	Johanna Bergmann, consultant
9:45 60'	Introduction of participants including their expectations and special interests	Johanna Bergmann
10:45 15'	Introduction of experts, logistics, supporting team	Johanna Bergmann
11:00	Coffee break	
11:30 20'	<b>Input:</b> Re-cap and main take-aways from last year's Summer School	Johanna Bergmann
11:50 20'	<b>Input:</b> Where are we standing on the way to Paris in the UNFCCC negotiations?	Brian Mantlana, South Africa
12:10 20'	Discussion	Sebastian Wienges, GIZ
12:30	Lunch	
The 2015 Agreement		
13:45 60'	<b>Interactive session:</b> Which elements are likely to be included in the 2015 agreement? What can be decided/detailed afterwards?	Gonçalo Cavalheiro, consultant
14:45 45'	<b>Input:</b> Which elements are likely to be included in the 2015 agreement? What can be decided/detailed afterwards? Lessons from the KP negotiations. Q&A	Gonçalo Cavalheiro
15:30	Coffee break	
16:00 1h15'	<b>Open mic:</b> participants are invited to present their countries' perspectives and expectations on the 2015 agreement.	Samir Tantawi Egypt, Estela Romina Piana Argentina, Dina Spörri, Switzerland
17:15	Wrap-up of the day	Verena Bruer, GIZ
Thursday, 4 September 2014		
Ambition		
9:00	Start of the day: summary of previous day and preview of the day's programme	Monica Echegoyen, Mexico Yara Daou, Lebanon



9:15 65'	<b>Brief input (10') and facilitated discussion:</b> What do we understand as an “ambitious” contribution? What does “ambition” mean in light of the UNEP gap report and the below 2°C objective? Mitigation ambition and finance ambition: how is one relevant to the other; how can one foster the other? What are the sensitivities of the term (CBDR Principle)? Why is it in the interest of countries to put forward ambitious contributions?	Gonçalo Cavalheiro and Alexa Kleysteuber
10:20 30'	<b>Presentation of Country Cases on ambition level:</b> China Mexico Costa Rica Dominican Republic	Steven Zhang, China Mónica Echegoyen, Mexico Gustavo Jiménez, Costa Rica Moisés Álvarez, Dominican Republic
10:50	Coffee break	
11:20 1h10'	<b>Group work:</b> What is “ambition”? What are the different elements of ambition? How to assess ambition? Who assesses ambition? Is there anything else beyond a political process?	Alexa Kleysteuber and Gonçalo Cavalheiro
12:30	Lunch	
Preparation of Intended Nationally Determined Contributions		
13:45 30'	<b>Input:</b> Setting the scene – The relevance of “intended nationally determined contributions” (INDCs) for the 2015 agreement <ul style="list-style-type: none"><li>- Scope and types of INDCs</li><li>- Time horizon</li><li>- Ideas on a possible assessment phase / consultation phase</li></ul> <b>Q&amp;A</b>	Brian Mantlana, South Africa
14:15 60'	<b>Open Mic:</b> Where is my country in the process of preparing an INDC? What challenges do we face?	Yara Daou, Lebanon Hieu Nguyen Khac, Vietnam Dr. Sedthapan Krajangwongs, Thailand Lawin Bastian, Indonesia
15:15 30'	Coffee break	
15:45 45'	<b>Input:</b> Domestic processes for the preparation of nationally determined contributions – steps, consideration of existing policies, roles and responsibilities, etc. <b>Q&amp;A</b>	Alexa Kleysteuber
16:30 15'	<b>Input:</b> Guidebook on the preparation of INDCs	Christian Ellermann, ecofys
16:45 15'	<b>Input:</b> What the partnership is doing to support the preparation of INDCs	Sebastian Wienges, GIZ
17:00	Wrap-up of the day	Alexa Kleysteuber



Friday, 5 September 2014 – Excursion to Punta Cana and Santo Domingo		
8:00 3h	Visit of „Punta Cana Group“	
14:00 2h	Reception and lunch with international donors	Centro Cultural, Santo Domingo
16:00 2h	Visit of the Old Town of Santo Domingo	Optional

Saturday, 6 September 2014: INDCs: up-front information and assessment		
INDCs – up-front information		
9:00	Start of the day: summary of previous day and preview of the day's programme	Dina Spörri, Switzerland Dana Iliescu, EU
9:15 30'	<b>Country Cases:</b> pre2020 pledges and respective up-front information (one sectoral pledge, one economy-wide pledge, one intensity target pledge): What information do countries provide with their pre-2020 pledges?  <b>Q&amp;A</b>	Julio Moisés Álvarez, Dominican Republic, Dana Iliescu, EU
9:45 45'	<b>Group discussion:</b> Where are we standing on “up-front information” in the UN negotiations? What are countries' positions in relation to up-front information on INDCs?	Brian Mantlana, South Africa
10:30	Coffee break	
10:45 45'	Tree planting activity	
11:30 60'	<b>Group work:</b> What kind of up-front information would be suitable to submit a “transparent” contribution?	Gonçalo Cavalheiro
12:30	Lunch	
13:45 45'	<b>Facilitated discussion:</b> What are the main challenges in preparing up-front information on INDCs?	Yamide Dagnet, WRI, Gonçalo Cavalheiro
Assessment of INDCs		
14:30 15'	<b>Input:</b> A possible assessment/consultation phase? A process of assessing INDC and a ratchet up mechanism as part of the 2015 agreement: a similar approach?	Yamide Dagnet, WRI
14:45 30'	<b>Group Work:</b> What is critical about rules in the 2015 agreement?	Yamide Dagnet, WRI
15:15 30'	<b>Presentation of results</b>	Yamide Dagnet, WIR
15:45	Coffee break	
16:15 45'	<b>Plenary:</b> What are desirable processes to assess and ratchet up INDCs and what might be politically achievable? Is there a role for science (e.g. IPCC)? How could the results of a possible assessment phase be treated nationally?	Brian Mantlana, South Africa
17:00	Wrap up of the day	Sebastian Wienges, GIZ





### Sunday, 7 September 2014

	Day off	
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### Monday, 8 September 2014

#### Domestic Implementation of Commitments

9:00	Start of the day: summary of previous day and preview of the day's programme	Julio Cordano, Chile Steven Zhang, China
9:15 45'	<b>Country Cases (Open Mic) / plenary discussion between selected participants:</b> How can INDCs foster the national climate policy process and how might they trigger transformational change. <b>Q&amp;A</b>	Julio Cordano, Chile Dina Spörri, Switzerland Stephen Mutua King'uyu, Kenya
10:00 30'	<b>Input / Case Study:</b> Domestic implications of setting a target: Translating a vision into possible action – the case of Germany	Johanna Bergmann
10:30 30'	<b>Discussion</b>	
11:00	Coffee break	
11:30 30'	<b>Input:</b> domestic implications of commitments and their implementation – institutional and other implications	Brian Mantlana, South Africa
12:00 60'	<b>Group Work</b> on implications: Brief your Head of State regarding the implications of taking on a national target: What elements are needed? Who is responsible for the achievement of commitments? How can policies be evaluated and adjusted in a timely manner? What happens domestically if a country is not on track to achieve its commitment? How can private actors be made responsible for the achievement of mitigation targets?	Johanna Bergmann
12:30	Lunch	
13:45 30'	<b>Input:</b> Domestic challenges and possible barriers and opportunities with respect to the implementation of commitments <b>Q&amp;A</b>	Thuc Tran, Vietnam
14:15 60'	<b>Open Mic:</b> Countries' experiences with powerful and innovative mitigation tools and policies – role of MRV, roles and responsibilities, mitigation achieved, challenges, barriers, opportunities	Dana Iliescu, EU Mónica Echegoyen, Mexico Gustavo Jiménez, Costa Rica
15:15	Coffee break	
15:45 60'	<b>Group work</b> – compiling success factors for the implementation of nationally determined contributions (and the achievement of targets)	Sebastian Wienges, GIZ
16:45 30'	<b>Presentation of group work results</b>	Sebastian Wienges, GIZ
17:15	<b>Wrap-up of the day</b>	Johanna Bergmann



Tuesday, 9 September 2014		
MRV and accounting		
9:00	Start of the day: summary of previous day and preview of the day's programme	Lawin Bastian, Indonesia Stephen King'uyu, Kenya
9:15 15'	<b>Input:</b> What is current MRV framework under the UNFCCC?	Gonalo Cavalheiro
9:30 90'	<b>Group Work:</b> Discussing the suitability of the spectrum of current MRV requirements (from KP national system guidelines to ICA) for individual mitigation policies and actions and identify the "best aspects" in each of the specific elements. Make a proposal for MRV requirements in the 2015 agreement. What else / which other elements of MRV/ transparency do we need?	Gonalo Cavalheiro and Yamide Dagnet
11:00	Coffee break	
11:30 30'	<b>Input:</b> What is accounting?	Yamide Dagnet, WRI
12:00 30'	<b>Country Case:</b> Experiences with accounting of mitigation impacts of policies and actions and targets: How did we get to accounting? How are roles and responsibilities attributed in our accounting systems?	Holly Menten-Weil, UK
12:30	Lunch	
13:15 90'	<b>Group work:</b> what accounting framework, if any? How can all Parties commonly account the mitigation impacts of their intended contributions? What are the minimum elements?	Gonalo Cavalheiro Yamide Dagnet (WRI)
14:45 30'	<b>Presentation of group conclusions and discussion</b>	Facilitator & Gonalo Cavalheiro
15:15	Coffee break	
15:45 75'	<b>Discussion (continued) on MRV and accounting elements</b>	Yamide Dagnet, WRI
17:00	Wrap-up of the day	Yamide Dagnet, WRI

Wednesday, 10 September 2014: Event wrap-up		
9:00	Start of the day: summary of previous day and preview of the day's program	Anuporn Wanwisade, Thailand Samir Tantawi, Egypt Holly Kelley-Weil
2015 agreement		
9:15 60'	<b>Discussion:</b> Biennial Reports and Biennial Update Reports: First lessons learnt and possible impacts	Thapelo Letete, South Africa
10:15 15'	<b>Input:</b> The WRI post 2020 MRV proposal	Yamide Dagnet, WRI
10:30	Coffee break	
11:00 90'	<b>Role Play / Group Work:</b> Designing the structure of the mitigation and MRV elements of the 2015 agreement	Facilitator & Gonalo Cavalheiro
12:30	Lunch	
Wrap-up		



13:45 30'	<b>Input:</b> Overview of main findings during the Summer School: What has to be taken into consideration when designing and submitting a INDC? Additional points from participants	Johanna Bergmann / Gonçalo Cavalheiro
14:15 5'	<b>Additions from the participants</b>	participants
14:20 60'	Stimuli for the International Partnership on Mitigation and MRV: How can we continue to collaborate on our INDCs and learn from one another?	Steffen Menzel, Germany / Thapelo Letete, South Africa
15:20 30'	Closing session and certificates	Facilitator
15:50 30'	Feedback and evaluation session	Facilitator



## Annex II – Participant list

Country	Name	Organisation	Position
Argentina	Estela Romina Piana	Secretariat of Environment and Sustainable Development	Advisor
Belgium	Bert Van Loon	Federal Public Service Health, Food Chain Safety and Environment, Climate Change Service	Climate Change Policy Advisor Attaché International Cooperation
China	ZHANG Yu (Steven Zhang)	China Environmental United Certification Center Co.,Ltd (CEC); seconded to Department of CC of NDRC	Project Manager & Auditor Trainee in the Climate Change Programme of CEC
Chile	Julio Cordano	Ministry of Foreign Affairs	Head, Departament of Climate Change and Sustainable Development
Colombia	Jose Manuel Sandoval Pedroza	Ministry of Environment	Coordinator - Colombian Low Carbon Development Strategy
Costa Rica	Gustavo Jiménez	GIZ, appointed by the Ministry for Environment and Energy of Costa Rica	Asesor Programa Acción Clima
Dominican Republic	Julio Moisés Alvarez	National Council on Climate Change and the Clean Development Mechanism	Technical Director
Dominican Republic	Karen Hedeman	National Council on Climate Change and the Clean Development Mechanism	Technican
Dominican Republic	Kiri Yapp	National Council on Climate Change and the Clean Development Mechanism	Voluntary Australian Govt.
Dominican Republic	Rafael Antonio Rosado Rodriguez	Ministry of Environment and Natural Resources	Analyst Environmental Management
Dominican Republic	J. Felipe Ditrén F.	Ministry of Energy and Mines	Director Environmental Affaires and Climate Change
Egypt	Samir Tantawi	Egyptian Environmental Affairs Agency (EEAA)	Project Manager Low Emission Capacity Building Programme (LECB), UNDP
EU	Dana Iliescu	European Commission	DG Climate Action Monitoring, Reporting, Verification
Georgia	Tamar Shengelia	Ministry of Environment and Natural Resources Protection of Georgia	Main Specialist of the Climate Change Service
Gemany	Steffen Menzel	Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety	Policy Advisor International Climate Policy
Indonesia	Lawin Bastian	National Council on Climate Change Indonesia	Secretary of Mitigation Working Group
Kenya	Stephen Mutua King'uyu	Climate Change Secretariat: Ministry of Environment & Mineral Resources	Ag Deputy Director (Adaptation & Mitigation), Coordinator of the Kenya Climate Change Action Plan



<b>Lebanon</b>	<b>Yara Daou</b>	Ministry of Environment	Project Research Assistant
<b>Mexico</b>	<b>Monica Echegoyen</b>	Secretaría de Medio Ambiente y Recursos Naturales	Directora de Políticas Ambientales Globales Dirección General de Políticas para el Cambio Climático
<b>Peru</b>	<b>Regina Cáterin Ortega Gordillo</b>	Environment Ministry	Carbon Market Specialist
<b>South Africa</b>	<b>Brian Mantlana</b>	Department of Environmental Affairs	Chef director: Monitoring & Evaluation, Climate Change and Air Quality
<b>South Africa</b>	<b>Thapelo Letete</b>	Department of Environmental Affairs	Director: Mitigation Monitoring and Evaluation (a.k.a. MRV)
<b>Switzerland</b>	<b>Dina Spörri</b>	Swiss Federal Office for the Environment (FOEN)	Senior Policy Adviser
<b>Thailand</b>	<b>Anuporn Wanwisade</b>	Office of Natural Resources and Environmental Policy and Planning	Environmentalism
<b>Thailand</b>	<b>Sedthapandh Krajangwongs</b>	Office of Natural Resources and Environmental Policy and Planning	Chief, National Focal Point Section, Climate Change Management and Coordination Division
<b>UK</b>	<b>Holly Kelley-Weil</b>	UK, Department of Energy and Climate Change	Policy Advisor, Global Carbon Markets Team
<b>Vietnam</b>	<b>Hieu Nguyen Khac</b>	Department of Meteorology, Hydrology and Climate Change, Ministry of Natural Resources and Environment of Vietnam	Deputy Director of DMHCC Vice-Chairman, Vietnam National Steering Committee for UNFCCC and Kyoto Protocol
<b>Vietnam</b>	<b>Thuc Tran</b>	Institute of Meteorology, Hydrology and Climate Change	Senior Expert