



ecbi Annual Report

2019-2020



ecbi

European Capacity Building Initiative
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MESSAGE FROM THE DIRECTOR



Our reporting year, April 2019 to March 2020 ended with the lockdown due to the Corona pandemic which scuppered our plans for the year ahead. For example, the Bonn Climate Conference, locus of our Bonn Seminar, was postponed from June to October, and COP 26, locus of the pre-COP Workshop, was postponed to 2021, to a date as yet to be announced. Like everyone else, we have decided to go virtual with webinars, where appropriate, starting with an ecbi Webinar on “Why an Ambition Cycle matters, and why now?”, hosted by the Fellowship Programme on 20 May.

Looking back on the less turbulent time before the pandemic, the Fellowship Programme hosted its regular Bonn Seminar on 23 June 2019 in Bonn’s Altes Rathaus, and the Oxford Seminar and Fellows Colloquium at the end of September in the Oxford town Hall.

There were also two one-off events, one on 11 April 2019, co-hosted with Climate Action Network South Asia “Common Time Frames: Creating Space for Ambition in the Paris Agreement Rulebook” in the India International Centre, New Delhi, and a multi-stakeholder dialogue on climate finance, co-organised with the Prakriti Resource Centre in Kathmandu, Nepal.

The Training and Support Programme was also thriving. Apart from the regular regional and pre-COP Training Workshop, there was a regional pilot for the vulnerable countries in the Caribbean, which we are hoping will also become a regular annual feature. COP 25 in Madrid also saw the launch of the ecbi Mentorship Scheme for Women Delegates, in the presence of and endorsed by Ms Meilín León (in the photo), Ministry of Environment, of the Chilean COP Presidency.

Last, but by no means least, our Publications and Policy Analysis Unit produced a record number of publications, including four new Pocket Guides, on the Convention, Adaptation, Technology, and the COP25 Outcomes, as well as four Policy Briefs (Gender, Article 6, the WIM), and a full Guide to the Paris Agreement, which complements the extremely successful Pocket Guide to the PA.

The reporting year 2019/20 is the final year of the ecbi Phase IV. The ecbi Executive Committee has been busy preparing a framework document for Phase V (2020-25) and I am happy to announce that the Swedish International Development Corporation Agency (Sida) has agreed to fund the Phase V activities for the ecbi Fellowship Programme, and I hope that we will soon be able to announce funding for the other activities as well.

Benito Müller

Director, ecbi
Oxford, May 2020

ECBI ACTIVITIES IN 2019-2020

The Fellowship Programme

In addition to the annual Bonn Seminar and Oxford Fellowship and Seminar this year, the Fellowship Programme organised and participated in four ad hoc events on: New Delhi Seminar on Common Time Frames; Multistakeholder Dialogue on Climate Finance in Kathmandu, Nepal; Meetings related to Enhanced Direct Access in New Delhi; and the launch of ecbi Mentorship Scheme for Women Delegates.

2019 Bonn Seminar

The 2019 Bonn Seminar took place on 23 June 2019, at the Altes Rathaus, Bonn. It was attended by 40 climate negotiators, from 30 developing and European countries. The Seminar opened with a welcome address by Stefan Wagner, Head of the Department of International Affairs and Global Sustainability, City of Bonn. “ecbi has long been committed to opening doors for trust and understanding in the global climate debate by advancing an exchange between climate negotiators and scientists North and South,” said Wagner. “It is with pleasure that the City of Bonn has been hosting the ecbi Bonn Seminars in our Old Town Hall, and I would like to express my support and appreciation to Benito Müller and the European Capacity Building Initiative for the valuable work and the fruitful exchange you are offering.”

Common time frames

The first session on common time frames was facilitated by Benito Müller, ecbi Director, and initiated with a presentation by Anju Sharma, ecbi. Sharma noted that national action plans have been submitted by countries under other international conventions such as those on biodiversity and desertification, and the lessons learned from those experiences should be brought to bear on the Nationally Determined Contributions (NDCs). In particular, she highlighted the following lessons from other national plans:

- The time available for the preparation of national plans should be adequate to ensure stakeholder and sectoral consultation, ownership, and buy-in at the national level.
- Uncertainties regarding the funds available for implementation can make realistic planning challenging. As and when funds do become available, the circumstances could have changed on the ground, rendering the planned activities either insufficient, or no longer the biggest priority.
- It takes time to translate national plans back to the sub-national levels for implementation, and to plan national policies and actions for their implementation.

She said the common time frames can help address some of these issues in the context of the NDCs, if they are designed to allow adequate time for consultation, preparation, and internalisation.

Sharma then presented a brief summary of the discussions on common time frames in the negotiation. She noted that the Paris Agreement’s Article 4.9 says that “[e]ach Party shall communicate a nationally determined contribution every five years in accordance with decision 1/CP.21 and any relevant decisions of the [CMA] and be informed by the outcomes of the global stocktake...” Article 4.10, meanwhile, states that the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) shall consider common time frames for NDCs at its first session.

Because the first intended NDCs were submitted before the Paris Conference, with little guidance, she said, they contain different timeframes (mainly 5 and 10). To accommodate this difference, decision 1/CP.21 includes the following two paragraphs (§) related to time frames:

- § 23. Requests those Parties whose INDC ... contains a time frame up to 2025 to communicate by 2020 a new

nationally determined contribution and to do so every five years thereafter ...;

- § 24. *Requests those Parties whose INDC ... contains a time frame up to 2030 to communicate or update by 2020 these contributions and to do so every five years thereafter ...;*

§24 implies that the countries that have a 10-year time frame will communicate a 2030 NDC in 2020, Sharma said. But in 2025, they will have a choice: either update their existing NDC unto 2030; or communicate a new one for 2040. If they choose the former, and update their NDC in 2025, they will submit the next one in 2030 in what can be termed “cliff edge” conditions: they will be submitted 9-12 months before the 2030 CMA, leaving very little time (nationally) to prepare for implementation, or (globally) to consider their ambition or fairness in comparison with other countries. On the other hand, if §24 Parties choose to communicate their next NDC (up to 2040) in 2035, they will do so 15 years in advance of the implementation date, resulting in a long lag period between submission and implementation.

The Paris Agreement allows countries to update their NDCs when they want, she noted, but common time frames can create a common moment every five years (which is a reasonable time frame to revisit NDCs), when all countries are asked to reconsider their levels of ambition. Revisiting them every ten years, however, runs the risk of the NDCs becoming outdated, and out of step with technological progress, guidance from science and the global stocktake on the level of ambition needed, and societal change.

In addition, if countries are expected to indicate their plans for the subsequent five-year period, this will provide space not only for national level consultation and preparation, but also an opportunity for peers to compare their levels of ambition and incentivise/inspire each other to increase it. Without this opportunity, competitive advantage could become an incentive for countries to choose less ambition, for fear of being more ambitious than their peers.

Therefore, synchronised “5+5 indicative” common timeframes, as described in the [Dynamic Contribution Cycle](#) proposed by some Parties, have the potential to:

- Increase the effectiveness of the global stocktake (and arguably, the enhanced transparency framework);
- Create more frequent, common global “checkpoints of progress” and “political moments” when all countries are expected to re/consider NDCs;
- Allow NDCs to keep up with scientific input, technological progress, societal change;
- Allow countries to gauge fairness of their ambition in relation to peers;
- Create in-country support for ambition, to ensure political willingness to act; and
- Address national concerns like creating public buy-in, long-term signalling, align/mainstream with national planning cycles, procure means of implementation etc.

However, Sharma noted that a decision on common time frames could not be taken in Katowice. It was only agreed that Parties shall apply common timeframes to their NDCs from 2031 onwards – not “a” common time frame, but “time frames”. She presented the pros and cons of some of the options that were submitted by various Parties at Katowice.

Describing the Dynamic Contribution Cycle in more detail, Sharma said under this approach countries would be expected, in 2025, to review and update the 2030 NDC, and at the same time communicate a 2035 NDC (where the years refer to the end point of the NDC). This initial communication of the 2035 NDC can then be considered by sectors and stakeholders at the national level. At the same time, at the global level, Parties can compare the level of ambition in the NDCs of their peers and consider enhancing ambition and fairness. They will also be informed by the 2028 global stocktake. Based on the national and global consultations, they can review, update and formalise their 2035 NDCs in 2030 – and at the same time initially communicate a 2040

NDC. Once again, the five years before the 2040 NDC is to be implemented will benefit from national and global consideration, and the 2033 global stocktake. It can then be formalised in 2035, when the cycle starts again with the submission of a 2045 initial NDC.

To operationalise the cycle, Sharma proposed the adoption of the following language:

- Requests those Parties whose nationally determined contribution contains a time frame up to 2025, and have not done so already, to communicate by 2020 a nationally determined contribution with a timeframe up to 2030.
- Requests all Parties in 2025 to communicate a 2035 nationally determined contribution, and to do so every five years thereafter.
- Invites all Parties in 2025 [2030] to consider updating their 2030 [2035] NDC, and to do so every five years thereafter.

Marianne Karlsen, former co-facilitator of the discussion on common time frames in the negotiations, said there are three key questions Parties need to clarify: by when a decision is needed; from when the decision will apply; and what the time period of the time frames will be.

On the first question, she said that is Parties want the common time frames to have an effect on the NDCs to be communicated by 2025 for implementation from 2031 onwards, then the decision will have to be made at the latest by the CMA in 2023. Parties can then prepare their NDCs over 2024, and submit them within the first three months of 2025.

On the second question, Karlsen said Parties have different interpretations of time frames in their submissions – some refer to the point of communicating an NDC, while others refer to when implementation begins. This results in some confusion in the negotiations, and Parties will not be able to understand when they are expected to deliver what.

On the third question, Karlsen said the current options are many: 5, 10, 5+5, 5+5 indicative, 5 or 10 years, or even “any” number of years. She warned of the risks associated with the uncertainties, saying 2020 is approaching fast, and Parties will be uncertain of what is expected of them. Clearly those with five years will have to submit a new NDC, but it is not clear whether those with ten years will have to communicate a new one or update what they have. If the ten-year Parties do not communicate in 2025, then this will result in the cliff-hanger situation, where they submit in 2030 just before implementation. The consequences for the global stocktake will be quite dramatic, because we will not have information from those countries.

Karlsen said §23 and §24 do contain a notion of a five-year period between communication and implementation. However, Parties are not politically mature enough, or have the political mandate, to take a decision yet on common time frames. It is extremely important, she felt, that a decision is taken to clarify what is expected of all Parties in 2025 – that they are expected to communicate a new NDC that starts from 2030 onwards. That is a decision that can already be made, she said, simply clarifying that Parties are not expected to update the 2030 target in 2025, but deliver a new NDC starting from 2031 onwards, to avoid a cliff-hanger. This will result in a five-year communication and implementation period for all Parties.

Müller said that while they are different interpretations of time frames (targets periods, implementation periods etc), it is clear that in this context the reference is to the end point of the NDC. The Dynamic Contribution Cycle has a ten-year horizon, but it is not rigid, and includes the expectation of change. It includes a date for Parties to consider whether they would be willing to update what they have communicated five years ago. This space is space for ambition and fairness – for Parties among themselves and stakeholders

at home. A lot can change in five years, and it is a reasonable time frame to consider new information and progress, Müller said. The similarity between targets of different countries under Kyoto clearly indicate that countries do not want to stick their necks out and do more than others.

On the “+5” NDC, he said many are opposed to calling it an “indicative” NDC, which may imply a new category. However, a new category could be a good idea, allowing countries to submit not fully fledged NDCs, but just an indication of what they are considering. A discussion followed.

The past, present and future of the collective goal for climate finance

This session was facilitated by Tosi Mpanu-Mpanu, Co-Chair of the ecbi Advisory Committee. It was kicked off with a presentation by Benito Müller.

Müller said when it was agreed in Paris that the long-term collective goal would be decided by the Conference of Parties (COP), he felt no one was taking it seriously. Just like the replenishment goals of climate funds are not decided by everybody, it is unlikely that a realistic finance goal will be decided by everybody. While it is good to have a long-term goal, he felt that mixing private and public sources which cannot be measured accurately are a “recipe for mutually assured unhappiness”, with disagreements on whether the sums were delivered or not. To understand how this mixing of sources came about, he said, he would narrate the history of the current US\$ 100 billion goal.

The goal was announced by Hilary Clinton on 17 December 2009, who said that the US is willing to work with other countries towards jointly “mobilising” US\$100 billion a year. This target included bilateral, multilateral, public, private, and alternative sources of finance. But it was earlier announced by Gordon Brown on 26 June 2009, at the London Zoo. He proposed it as a new international partnership on **public finance** for climate change. The US\$ 100 billion was meant to be from **public sources**, governed by four principles:

- Equity of contribution and allocation
- Additionality
- Predictability (also from Norwegian proposal, aviation, and maritime sectors)
- Shared governance

Müller quoted Brown as saying:

“So today I propose we take a working figure for this purpose of around \$100 billion per annum by 2020. I believe the mechanisms I have set out are capable of raising at least this sum - and it is a credible number against which countries can develop their plans.”

“It would come, as I have set out, from a combination of the carbon market, new and additional sources of predictable finance and a limited amount of development aid.”

Even then, Brown recognised the importance of predictability of finance for planning, Müller said, and the development aid portion was limited to 10%.

Müller then presented an analysis of how this amount could have been raised:

- The Norwegian proposal to withhold and auction at the international level a (small) portion from national quota allocation (AAUs) could have generated US\$ 14 -23 billion (at 2008 carbon prices) if it was set to 2% of 1990 Annex I emissions.
- The proposal for an International Air Passenger Adaptation Levy (IAPAL), submitted by LDCs, could have generated between US\$ 10 billion (with an average levy of US\$ 5 per ticket) to US\$ 7.6/19 billion

(with an average ticket price of US\$ 200/500) annually.

- The International Maritime Emission Reduction Scheme (IMERS) could have generated US\$ 4 billion annually.
- The “limited amount of development aid”, at 10%, could have generated US\$ 11 billion.
- 18% of 2013-2014 average ODA, estimated by OECD-DAC as contributions to climate finance, equalled US\$ 25 billion.
- Other public sector type of sources raised US\$ 16 billion.

Together these sources could have generated about US\$ 77 billion, Müller said, indicating that Brown’s figure was achievable by 2020.

Müller urged participants to consider innovative sources of finance for the future, given that budgetary contributions are unlikely to increase in step with need. The [IAPAL proposal](#) tabled by LDCs at Poznan, for example, didn’t fly because developed country treasuries felt this would be an international levy. But US\$ 8-10 billion for adaptation would have made the present discussion on replenishments much easier.

Müller said ecbi is currently considering bottom-up options, given that everything in the regime is now bottom-up. In Paris, ecbi worked to convince [Quebec to contribute CAD\\$ 6 million to the LDC Fund](#) from their auctioning revenue from a carbon trading scheme. This was important because it was the first time a sub-national entity was contributing. It was not a big amount, but if it can become more regular and predictable, and be scaled-up internationally as a share of proceeds of trading schemes, it can generate more funds.

For example, he said, just 2% of the share of proceeds from Quebec would generate US\$ 10 million annually; and 2% from California would generate US\$ 125 million per annum. The EU Emissions Trading Scheme (ETS) could generate €270-376 per annum (at 2% of the expected revenues for Phase III and Phase IV). Some countries like Germany, France, and Portugal already use a portion of their revenues for international climate change, Müller said.

Finally, he described the [Corporate Air Passenger Solidarity \(CAPS\) Programme](#), another “bottom-up” proposal for raising funds that ecbi has initiated, proposing a socially responsible air travel initiative to attract private sector support for climate change adaptation in developing countries. Müller noted that the international community and the airline sector have created the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) as a tool to reduce the negative global social impacts of air travel in line with the Paris Agreement. The CAPS Programme offers a complementary tool for corporations to increase the global sustainability of their air travel activities also in line with the UN Sustainable Development Goals (SDGs).

The CAPS Programme calls on companies to donate a small share of the corporate air travel budget (in the region of 1%) to the UN Adaptation Fund, he said. The income is expected to be mainly derived from Corporate Social Responsibility (CSR) budgets. On average, if even 1% of corporate passengers donate on average 1% of their ticket price, this could yield US\$ 125 million annually. 10% of passenger donating 1% could yield US\$ 100 million each year.

Müller concluded by saying new ideas are needed to raise public-sector type funding, and old ideas that may work need to be revived. He cautioned against another long-term goal without a clear understanding of sources and rules for accounting, saying this will result only in further ill-will, as in the case of the “fast-start finance” promised earlier. Even a smaller target with clarity on these elements will be better, he said. A discussion followed.

Financing the net zero transition

This session was facilitated by Carlos Fuller, member of the ecbi Advisory Committee. It started with a presentation by Mattias Frumerie, Sweden.

Frumerie said his presentation is based on a [blog published](#) on the website of the Swedish Ministry for Foreign Affairs, on creating a more coherent basis for implementing the three 2015 agendas (the Paris Agreement, the SDGs, and Addis Ababa Action Agenda for finance for development, or AAAA). It has been three years since they were adopted, Frumerie said, and Summits will be held for all three in September 2019 at the UN Headquarters in New York to keep their spirit alive. Moreover, the IPCC 1.5°C special report gives us ten years to bend the emissions curve, and the SDGs are also to be implemented in the next ten years, providing a sense of urgency for action for both. He said all three should be implemented with linkages in mind.

While acknowledging the different dynamics of the Paris Agreement and AAAA, he said the principles of the AAAA should also be applied when implementing the Paris Agreement. National ownership is key for implementation. He described arrangements in Sweden, where proposals for the budget are cross-checked against jobs for all, gender equality, and climate and environment. Parliament also cross-checks reports on the basis of these three elements. In addition to this mainstreaming, there are specific budget lines for climate change.

He then described initiatives to finance the transition to net zero, which he said are gaining ground, driven by clients, public opinion, and the need for businesses to ensure that investments are sustainable. These initiatives capture the spirit of Article 2.1(c) of the Paris Agreement, he said. The discussions under the UNFCCC focus on the financial mechanism, but the flows going through the climate funds are very small compared to the flows outside. Other actors, such as pension funds and insurers want to invest in these sorts of initiatives, but opportunities have to be created for them.

He listed a number of initiatives, such as the Task Force on Climate-Related Financial Disclosures (TCFD) established in 2015, to inform financial decisions in relation to the Paris Agreement. He also described the Stockholm Sustainable Financial Centre, launched to create a space for these kinds of discussions, bringing together academia and practitioners. Finally, he described the [NDC-SDG Connections](#) tool developed by the Stockholm Environment Institute and others, to illustrate how the 17 SDGs and NDC actions are related to each other.

Negotiating cooperation under Article 6

This session was chaired by Kishan Kumarsingh, Trinidad. It was kicked off with a presentation by Axel Michaelowa, Perspectives Climate Group and University of Zurich.

Introducing the topic, Kumarsingh said some of the issues under consideration include: the need to avoid double counting; whether there should be an overall governance mechanism to track the mechanisms; share of proceeds towards adaptation efforts; and the mitigation to be derived from the mechanisms, including the percentage of credits that should go towards overall mitigation.

Michaelowa said his presentation is based on a draft ecbi policy brief that explains the three mechanisms under Article 6 of the Paris Agreement, and lays out the crunch issues. He welcomed feedback during the discussions to help finalise the draft.

He then laid out the landscape of issues of Article 6.2 and 6.4 after Katowice, with the very contested areas in red; somewhat contested areas in yellow; and the issues with a high level of agreement in green. The grey shades bring together overarching topics like activity cycle and accounting. He noted that the Article 6.8 mechanism on non-market approaches is structurally different and not discussed in detail in the policy brief. Michaelowa then went on to discuss the key crunch issues after the first week of negotiations in Bonn.

Corresponding adjustments: Michaelowa said corresponding adjustments refer to adjustments made to accounts of countries that participate in market mechanisms, to ensure that the transfer of units is not counted in various places at the same time.

The first issue under this topic relates to the **status of transparency** under §77(d) of the Katowice Decision 18/CMA.1 on transparency, Michaelowa said, which makes a bold statement on how corresponding adjustments should be done and what kind of information should be reported on Article 6 in the Biennial Transparency Reports. It was, however, made very clear in the first two days of negotiations in Bonn that this was not a stand-alone decision and its interpretation is contingent to the outcome of the Article 6 negotiations.

The second issue on corresponding adjustments relates to **Article 6 activities outside of NDCs**. Under the Kyoto Protocol, Michaelowa said, the Clean Development Mechanism (CDM) was implemented in countries without a target or contribution, and it did not matter how many units would be transferred out. This is no longer the case under the Paris Agreement where all countries have NDCs, and the questions relating to this topic include: whether activities outside of NDCs should be prohibited, as including them could give countries incentives not to expand their NDC coverage; whether there should be a transition period during which they are allowed followed by a prohibition; and whether there should be flexibility given to some countries like Least Developed Countries and Small Island Developing States.

The third issue relates to the **utilisation of Internationally Transferred Mitigation Options (ITMOs) for other purposes**, like the CORSIA system and voluntary markets. Some Parties feel they should not be allowed; some feel that they should be allowed, but with a corresponding adjustment; and some others feel there should be no corresponding adjustment. So far, he said, there are no convincing proposals to resolve this issue, and further innovation is needed.

The fourth issue relates to the **nature of underlying NDC targets**, including how to ensure there are no loopholes that emerge relating to inconsistency in the timing of the NDCs, which include multi- and single-year targets. Discussion relate to whether you can, or need to, simulate emissions trajectories that reach to the single-year target of an NDC. Such simulations would have an impact on the number of ITMOs that will have to be brought into the system in that single year, he said, adding that he would elaborate on this later with an example.

Transition of Kyoto Mechanisms: Michaelowa listed three key crunch issues related to this topic, relating mainly to the CDM.

The first relates to the **transition of Certified Emissions Reductions (CERs)** to the Article 6 system – whether this should be prohibited entirely; allowed for the millions of credits that have been generated but not been used; or whether there should be certain criterion for some units to be eligible, and those that should not be eligible. There is a tendency among Parties towards a cut-off year, with 2020 as one of many suggestions.

The second relates to the **transition of activities**, including projects and activities that have been undertaken under the CDM. Some Parties don't want to transition any activities, he said, while others want to transfer everything. Compromise proposals relate to a process of re-registration, where there are question relating to whether there would have to be a full re-validation with a third party checking all documentation (a costly process), or whether this can be done in a different manner.

The third issue relates to the **transition of methodologies that exist under the CDM**, of which there are more than 200, and whether these should be transitioned. A lot of capital and effort has gone into the development of these methodologies over the past 15 years, but the question is whether they would be consistent with the principles of Article 6, or whether they have systemic issues that would prevent their use. Some Parties feel they would not be stringent enough.

The fourth issue relates to **governance**. In Katowice, Michaelowa said it became clear that Article 6.2 would not have direct international oversight, but there would be an expert technical review process. The question is whether this technical review process will scrutinise only the quantitative basis, or also the qualitative basis, of ITMOs.

Character of ITMOs: The first issue relates to **whether ITMOs are pure accounting units** that can only exist in national accounts and be transferred to one another; whether they can have an existence outside of these accounts; or whether they are trading units like the CERs of CDM that can sit anywhere and have secondary markets. Michaelowa said anyone who has worked with the CDM knows how important it was to have units that are fungible and can bring in the whole private sector ecosystem, but the issue is still fully open.

The second issue relates to metrics, and **whether non-CO2 metrics can be used**. Their use was generally accepted at Katowice, said Michaelowa, but the issue has arisen again in Bonn. Discussions relate to whether countries that use a certain metric can only trade with countries with the same metric; or can transactions take place between metrics. In the case of the latter, what conversion factors should be used; and should they be generic, or can everyone develop their own factors. Another question is how these other metrics would relate to the corresponding adjustments.

Share of proceeds: One set of questions relate to **whether Article 6.2 would provide share of proceeds** along the lines of the 2% from the CDM that goes to the Adaptation Fund, said Michaelowa. Some Parties say all the Kyoto mechanisms were covered under the Doha Amendment and it should be the same under the Paris Agreement. Others say only Article 6.4 under the Paris Agreement mentions share of proceeds, and Article 6.2 does not mention it. There is some movement among developed countries towards allowing share of proceeds under Article 6.2, he felt, but how far this movement will go remains to be seen. Some compromise proposals have been made, relating to paying the share of proceeds only on the annual balance, and not on each transaction.

A new question that was not discussed in Katowice relates to the **rights and responsibilities of host countries under Article 6.4**. Previously in Katowice, Michaelowa said the tendency was to mirror the arrangements for the CDM, with a support structure under the secretariat and approvals by the host country. At Bonn, the tendency has shifted towards a limited support structure, with more responsibilities for the host country. This raises questions of how host countries would finance this responsibility and ensure adequate human capacity. One suggestion is that a share of proceeds could also be used to support this administration.

Michaelowa then presented examples to demonstrate the issues that arise with single- and multi-year targets in the NDCs; and with the conversion of units.

Finally, Michaelowa said there are issues that could become crunch issues in future, such as issues regarding the scope and coverage of REDD+; baselines and additionality; generic approaches; links to NDC ambition; and specific safeguards for additionality (for instance, if the NDC is not sufficiently ambitious).

During the discussion that followed, a participant from Europe said Article 6 is important because if it is not implemented properly it could undermine the Paris goals, including the 1.5°C goal and the goal of carbon neutrality, and the NDCs. Attaching the level of risk of doing so to each of the crunch issues will help to distil the issues that are important, he said. Key questions relate to:

- Whether the transferring of emissions through the market mechanisms will deliver the goal of carbon neutrality;
- The NDCs and their diversity, and how we enable the markets to work with this diversity;
- The legacy of the Kyoto Protocol, with rules designed for another context, which are difficult to fit into the new context of the Paris Agreement; and
- How does Article 6 fit into other elements of the Paris Agreement (like the overall goal and transparency), given that it was written separately from other elements of the Agreement.

On the diversity of NDCs, he said it is clear that the Article relates to greenhouse gas emissions (GHGs) and the adjustments of those emissions. But this raises the question of what to do about non-GHG NDCs. This is an important question because the NDCs of some big countries fall in this category. There are solutions, relating to the adequacy of these NDCs, because perhaps they have not been as well thought through as others, and it is GHG emissions we are talking about in the context of the 1.5°C goal.

On comprehensive accounting, he said an approach to accounting is specified in Article 6.2 and there are arguments on where it applies, particularly on whether it should apply to Article 6.4. Some feel it is a loophole, while others feel that the mechanism is different. There are disagreements on whether the accounting should apply outside the scope of the NDC, and whether it applies to the International Civil Aviation Organization (ICAO). Some of those questions may or may not have been answered by §77(d) of the Katowice Decision 18/CMA.1, which in itself is a problem because it does not provide for exceptions, for those Parties who would like exceptions to the accounting rules. The risk related to this set of questions is probably substantial in terms of principle and size, he felt, because a Party cannot be sure that whatever it is buying is contributing to either the NDC or the 1.5°C goal.

On the transition of the Kyoto Protocol legacy into the Paris world, he said the Paris Agreement does not provide for any transition, and there are potentially large risks to current ambition if large surpluses from the pre-2020 period are used.

An issue for the future is the hot air that might be attached to single year targets and cumulative emissions, he continued. Another issue is the design of the Article 6.4 mechanism, with some Parties calling for incremental changes from the CDM, and others calling for radical changes. In the light of the 1.5°C goal and the NDCs, he said the mechanism needs to work differently and have much more host country involvement, because those countries are taking responsibility for those emissions and should have rights to determine how they are credited.

Another issue that has come up at this session is what we do with the CDM after 2020, he said. This has been raised under the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) giving rise to some controversy. Related to this are the issues of share of proceeds, funding the mechanism, and the issue that the CDM is quite cash rich in terms of budget, and the funds may be better dedicated to where we are going than where we have been.

On the ICAO issue, he said §77(d) was specifically designed for ICAO, and there is an ICAO conclusion in §77(d) saying there should be adjustments for other international uses. The difficulty is that §77(d) has controversy attached to it, but that message has not been clearly expressed, though we need to deal with it. All the other issues we are talking about here relate to ICAO as well, he said: how much are we carrying forward; how much is there going to be new demand; how to avoid double counting etc. These are decisions cannot be made under the UNFCCC, but need to be facilitated so ICAO, should it want to make the decisions, can do so.

Finally, on share of proceeds, he felt there has not been a lot of movement on Article 6.2, but a recognition that it needs to be designed better. One proposal is that if Parties implement a carbon market, particularly a capped market, they can generate their own revenues, and revenues they can use internationally like some countries are already doing. The challenge to that proposal, however, is that it is not reliable, or obligatory.

Another participant, representing the LDCs, said there are lessons from previous mechanisms. The issue is of transferring a mitigation outcome from one country to another, because some countries want to find cheap credits offshore to obviate the need to take action at the national level. In reality, he said, we are trading the same units from one country to another, and the question is: does the atmosphere see any change in that trade. The LDCs argue that if you transfer units, you have to discount a bit to give to the atmosphere and cancel those from your account. This is a critical change in thinking.

On international oversight of Article 6.2, he said there was no agreement that there should only be a technical expert review. There should be some centralised accountancy system to make sure that all transactions are observable, and go through an approval process with proper oversight. This is based on lessons from the previous mechanisms, where there were dodgy accounting systems even in the EU Emissions Trading Scheme. The expert review process is good, he said, but there is a time lag in viewing the transactions.

Another critical issue, he continued, is that of trading outside the scope of NDCs. If each country has set out what they are going to do under their NDCs, this will at least have constrained the number of units that can be generated. If we also include activities that are not covered in NDCs, it is an unconstrained system with an unlimited supply, which can kill the markets.

On share of proceeds relating to Article 6.2, he said a system to take some sort of levy on the trade can be found, even if it is a different system from Article 6.4.

On CORSIA, he said it is not a totally isolated mechanism, and it depends on what is generated under the Paris Agreement. Moreover, the people who sit on the technical advisory body of CORSIA and decide the rules on which offsets are eligible are from the UNFCCC negotiations with 20 years of CDM experience.

On the issue of LDCs and whether it will be better to bring them in through dedicated finance instead of markets, he said LDCs have low emissions now, but they will develop. Under the CDM, there was the principle of suppressed demand, which not yet been raised in Article 6 negotiations, but it will an important issue when it comes to the technical issues of baseline methodologies.

On the question of activities outside the NDCs, he said these activities are very similar to those under the CDM, where the activities are outside of the scope of contributions. Those that want to protect the regime say this can't go on, while others say there should be a transition period. Allowing them forever would, however, have an impact on reaching the goals of the Paris Agreement. There is no systemic difference between Articles 6.2 and 6.4 on this, he said, though in Article 6.2 it is more important to have an approach that does not impede movement towards broader coverage of NDCs. One aspect that is crucial, regardless, is that if it is not

covered by corresponding adjustments, it needs stringent additionality rules – otherwise it becomes a huge loophole.

On CORSIA, a participant added that while it is a different institutional system, the offsets that they buy to count under CORSIA could also be double-counted under UNFCCC, if the rules are not airtight. On the question of how to deal with LDCs, he said the World Bank is trying to find a subsidised approach to support countries in accessing the market through green bonds etc, but there has been a long history of the World Bank trying to pre-empt decisions on how to conduct the carbon market. A quick answer on how to help LDCs would be to find a way through Article 6.8, without having to go through the market, he said.

Michaelowa agreed that piloting schemes should be watched carefully for their attempts to influence the UNFCCC system.

Another participant said stopping the use of pre-2020 units and managing the supply side will slow down what CORSIA can use. She agreed that efforts to bring market benefits to the LDCs are unlikely to work, and they should just be given the money instead, as the GCF should be doing in the first place. She proposed two lenses through which the Article 6 issues can be viewed: the risks for environmental integrity, which could take us backwards; and as a means to generate finance, through share of proceeds. There is no reason to distinguish between Article 6.2 and 6.4 on share of proceeds, she said.

Referring to a comment by a previous participant on seeing Article 6 as different from the mechanisms under the Kyoto Protocol, she said negotiators should think big, and think differently on how Article 6 can deliver greater benefits. It should not just be about cost efficiency for the markets any more, she said – that had already been done, and saved the developed countries a lot of money, for which they should be grateful enough to turn Article 6 into something that generates benefits for everyone. This is a rare opportunity to re-design the regulatory system, and such opportunities do not come often. Rather than going backwards, she felt this opportunity should be used to have a “clean, unpolluted” discussion on how the mechanisms should look, without the vested interests from the past jumping into the fray. She said it is tragic where the discussion is at, and a clean best option for each mechanism is needed along with a disciplined approach, to do the right thing.

Another participant said the LDCs and SIDS did not benefit from CDM, and one problem related to the issue of unilateral projects. If that continues in the new mechanisms, he said, smaller countries will be left out again because they won’t have the resources to play the game.

Michaelowa agreed, saying if Article 6.2 is devoid of international oversight, then the risk of unilateral activities becomes very possible. Moreover, he said, the discussion tends to consider the markets along North-South lines, but no one talks about transactions between large emerging countries. Consideration is needed of what that would mean, he said.

Müller closed the session, thanking the participants, and calling for insights and quotes for the ecbi policy brief on Article 6. He thanked the City of Bonn for hosting the event and the reception that followed.

A more detailed report of the 2019 Bonn Seminar is available [here](#).

2019 Oxford Fellowship and Seminar

The 2019 Oxford Seminar took place from 11-13 September 2019, in the Oxford Town Hall. It was preceded by the ecbi Fellowship Colloquium, attended by 23 senior negotiators from developing countries (two participated virtually), from 9-11 September. They were joined by 20 senior negotiators from Europe for the Seminar.

Opening the Seminar, the Lord Mayor of Oxford, Craig Simmons, described efforts to address climate change, including through declaring a climate change emergency in the city.

The relevance of common metrics to the Paris Agreement goal

This session started with a presentation by Myles Allen, Department of Atmospheric, Oceanic and Planetary Physics, University of Oxford. It was facilitated by Clare Shakya, International Institute for Environment and Development.

Allen quoted a letter by the UK Prime Minister, saying that “*ending our contribution to global warming by 2050 can be the defining decision of this generation in fulfilling our responsibility to the next generation*”. If this is the goal of governments, Allen said, scientists can provide insights into what it will take to “end our contribution to global warming”. While the answer for carbon dioxide (CO₂) and nitrous oxide is simply to stop emissions, methane emissions do not need to reach zero to stop and reverse methane-induced warming.

Presenting research by the Oxford Martin School, Allen said nominally, emissions of CO₂ and methane have very different impacts on temperature. He showed graphs of emissions and their impact on global temperature, indicating that methane emissions do not need to reach zero to stop and reverse methane-induced warming. Past increases in methane emissions caused warming when they occurred, but constant methane emissions cause little additional warming. Gradually declining methane emissions of 10% over 30 years, equivalent to halving over about 200 years (for instance, through efficiency savings), cause no additional warming. Rapidly declining methane emissions, meanwhile, lead to cooling.

Therefore, Allen noted, the conventional metric of Global Warming Potential (GWP), where methane emissions are converted to CO₂ equivalent, can be misleading when applied to methane emissions, particularly when these are being reduced. This metric does not indicate when methane emissions stop contributing to global warming. He presented the following formula, which combines cumulative methane emissions and annual methane emission rates to predict the warming response more accurately:

$$\Delta T = \text{TCRE} \times \sum [E_{\text{LLCP}}(t) + 4 \times E_{\text{SLCP}}(t) - 3.75 \times E_{\text{SLCP}}(t-20)]$$

Allen said this formula, denoted by GWP*, uses the same metric values interpreted in a new way, to provide a more accurate indication of the impact of short-lived pollutants on global temperature. He then demonstrated the use of the formula through the following scenarios:

- Creating one new cow increases the methane emission rate by 100 kg methane per year, which has the equivalent impact on global temperature as:
 - A one-off release of 210 (28x75x0.1) tonnes CO₂ *plus*
 - Sustained emission of 0.7 (28x0.25) tCO₂/year from now on
- Destroying one old cow decreases methane emission rate by 100 kg methane per year, equivalent to:
 - A one-off removal of 210 tonnes CO₂ *plus*
 - Sustained removal of 0.7 tonnes CO₂ per year from now on
- Under a European-style emission trading scheme, 100 kg methane per year is considered equivalent to:
 - Sustained emission of 2.8 tonnes CO₂ per year
 - No consideration of changing methane emission rates

If methane were included in a traditional emission trading system at NZ\$ 25/tCO₂, Allen said, farmers increasing their methane emissions would pay exactly the same rate for “new” vs. “old” cows, even though the impact of every new cow is equivalent to a one-off release of NZ\$ 5000 worth of CO₂. Farmers managing to reduce their methane emissions by -0.3% per year would still pay NZ\$ 70 per year per cow even though these

emissions are not causing global warming. Farmers reducing their methane emissions faster than 0.3% per year get no credit for helping offset the warming impact of other emissions. If methane were included in a traditional emission trading system at NZ\$ 1.25/tCO₂ (95% discount), nothing happens at all.

Nexus between negotiations and action

This session, facilitated by Shakya, started with a presentation by Tomasz Chruszczow, Ministry of Environment, Poland.

Chruszczow highlighted a number of global problems: growing population, hunger, energy access for almost a billion, access of resources to develop, education, biodiversity loss, deficit of arable land, limited space for cities, and employment. He noted that these problems are no longer only local, and represent a global crisis, and one which is no longer only humanitarian. While these are very well described in many report, and rich literature on the science of these problems exist, he asked if equally rich literature exists on solutions to these problems.

In the climate context, Chruszczow noted that Article 4.1 of the Paris Agreement calls for climate neutrality to be achieved globally, balancing greenhouse gas (GHG) emissions and removals of atmospheric CO₂ by sinks such as forests and soil. The Agreement's goals related to global average temperature, adaptation, and means of implementation must be translated into necessary actions and pathways, which countries include in their NDCs. Sectors of the economy (such as energy, industry, transport, agri-food, forestry etc.), as well as financial institutions, cities, regions, non-government organisations, UN agencies, and other intergovernmental organisations have to act jointly to speed up the process, as the globally calculated mitigation result of the NDCs so far is not sufficient. Every country must produce low GHG emissions development strategy (Article 4.19 of the Paris Agreement), and take into account the impacts of the measures they plan to implement.

In achieving this transition, Chruszczow said key considerations must include the impacts of these actions and responses on: equitable access to sustainable development and eradication of poverty; safeguarding food security and ending hunger, and the particular vulnerabilities of food production systems; and the impacts on the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities. The transition itself could have consequences, such that countries, regions, and communities are affected not only by climate change, but also by the impacts of the measures taken in response to climate change.

Chruszczow then listed key areas for climate change action: land-use; oceans and coastal zones; water; transport; industry; energy; human settlements; resilience and climate risk; and other crosscutting issues such as communication, finance, and the implementation of Sustainable Development Goals (SDGs). He highlighted that non-Party stakeholders, particularly members of the Marrakech Partnership, represent every area of climate action and the ability to act globally. They offer: willingness to act and to cooperate; expertise of individuals and organisations; financial support and advice on how to make projects bankable; a multi-task network active in many geographically diverse regions and places; and a readiness to support negotiators, including in the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures.

Describing options to achieve a circular economy, Chruszczow listed fiscal instruments, adaptation, innovation, e-mobility, nature-based solutions, and renewable energy. He noted that 23% of global emissions come from agriculture, forestry, and other land-use (AFOLU) sectors. Reducing these emissions will need stopping deforestation, afforestation efforts, reforestation of mangroves, and an energy transition. Global climate neutrality is only possible if soils and forests serve as net sinks, for which cooperation is needed between all actors. Article 6 of the Paris Agreement make this cooperation possible, he said.

Chruszczow noted that despite its negative impacts, climate action is the best tool to drive industrial change and innovation; adaptation and risk management; societal change (such as lifestyles, consumer choices etc.); job creation; adaptation and resilience to climate impacts for cities, infrastructure; and the enhanced capacity of ecosystems to absorb carbon. He emphasised climate action as the key solution to these problems.

Describing climate action as the transition, he listed the following priority areas:

- Transforming global development patterns, to achieve climate neutrality by the second half of this century.
- Reductions of CO₂ emissions through investments and technology, counterweighted by the capacity of biosystems (such as forests and soil) to capture and store atmospheric carbon.
- Just and inclusive access to development, as unbalanced development and limited access to water, food, energy, and decent jobs could lead to international conflicts or wars. The transition must therefore be sustainable, offering equal opportunities to develop all homelands using endogenous resources and traditional knowledge, respect for sovereignty, and being mindful of existing resource limitations.
- The balance between human, environmental, and economic dimensions of development must be restored and maintained.

Discussing the role of the international climate negotiations in providing solutions, Chruszczow emphasised multilateral actions, rather than unilateral measures; adaptation as the foundation for development efforts; capacity building to empower people, change behaviour, and use existing resources and technologies; job creation; and healthier ecosystems. Noting the role of Article 6 of the Paris Agreement in international cooperation, he said lack of progress on this element could threaten the ambition of NDCs. He also highlighted means of implementation as a key area of international cooperation, saying lack of progress in this area could result in lack of trust.

In conclusion, Chruszczow said without international cooperation, the engagement of all actors, and all the elements of the Paris Agreement, climate action will not be robust enough to deliver results. He encouraged the implementation of solutions, even if they are not perfect, for learning by piloting action, rather than spending more time on negotiating. We need solutions more than perfect solutions, he said.

Gender and climate change

This session started with a presentation by Stella Gama, Director of Forestry, Malawi, and ecbi Gender Advisor. It was facilitated by Anju Sharma, Oxford Climate Policy. Gama described the Women Delegates Fund managed by the Women's Environment and Development Organization (WEDO), which funds the participation of women negotiators in the UNFCCC negotiations, as a way to ensure better gender balance.

Describing the Lima Work Programme on Gender adopted at COP20 she said it focused on how to promote gender balance in the UNFCCC process through women's empowerment and gender responsive policies. At COP22, a decision was taken to extend the Lima Work Programme for an additional three years, to be reviewed at COP25 in 2019. The mandate for the work programme included a request for Parties to nominate national gender and climate change focal points, report on gender mandates from constituted bodies (such as the Adaptation Fund and Technology Mechanism), and develop possible elements of a gender action plan.

At COP23, Parties adopted a two-year gender action plan, with activities across five action areas, set to be reviewed at COP25 alongside the Lima Work Programme. Gama noted broad support for continuing the work at COP24 in 2018, saying a workshop has since been held in Bonn, in July 2019, during the 50th meeting of the Subsidiary Body for Implementation (SBI). In the workshop, Parties and organisations shared lessons and

experiences while implementing the gender action plan. An informal note was issued by the co-facilitators, considering proposed elements for the next gender action plan. Parties and organisations were also requested to make submissions on the gender action plan as well as the Lima Work Programme to review the progress and make proposals for improvements. Gama hoped that progress will be made at the pre-COP in Costa Rica, and at COP25.

Gama presented the following list for background reading:

- [Decision 21/CP.22: Gender and Climate Change](#)
- [Decision 3/CP.23: Establishment of a gender action plan](#)
- [Synthesis Report \(June 2019\): Differentiated impacts of climate change on women and men; the integration of gender considerations in climate policies, plans and actions; and progress in enhancing gender balance in national climate delegations](#)
- [Draft Report of the Gender Workshop held in June 2019](#)
- [Gender Composition Report \(2018\): Annual report by the secretariat to assist Parties in tracking their progress towards meeting the goal of gender balance in advancing gender-sensitive climate policy.](#)
- [Technical Paper \(April 2018\): Entry points for integrating gender considerations into UNFCCC workstreams](#)

Listing some areas of progress, Gama said the work programme and the action plan have been instrumental in advancing gender equality and women empowerment. Some progress has been made towards gender balance in the UNFCCC, though it fluctuates – for example, more women are attending the Subsidiary Body (SB) meetings (44%), than the COPs (33%). There is a positive shift with more women expressing interest in leadership positions, co-facilitating agenda items in the SBs, and leading groups like the LDC Group. The Subsidiary Body for Scientific and Technological Advice (SBSTA) has over 50% women, and two women and one man as chairs. There is also a positive shift in the level of action, attention, and support for the work on gender and climate change, for instance through gender responsive National Adaptation Plans (NAPs), NDCs, and TNAs. The Climate Technology Centre and Network (CTCN) has issued guidelines on how gender should be integrated into work of technology.

The Lima Work Programme and the gender action plan have been platforms to channel information, Gama noted, with a lot of knowledge-sharing amongst stakeholders and the Parties. There is progress, with constituted bodies committing to integrate and implement gender mandates set for them, sharing information, and enhancing capacity and coherence in their reporting, including in their annual reports.

However, Gama said there are other areas where progress is needed, for instance at the national and grassroots levels. In particular, she listed the following:

- The need for clear targets and indicators to evaluate progress and take stock of implementation, and an annual progress indicator report by the Secretariat that reviews actions and initiatives to advance all gender mandates under the Convention and provides an analysis of any gaps. For instance, she said, the 2018 Gender Composition report highlighted that women as heads of delegations decreased from 32% at COP22 to 24% at COP23. Parties could set a progressive target, that women's participation in delegations, and as heads of delegations, has to improve by 3-5% yearly over three years, including participation rates across regional groups, as heads of delegations, and in UNFCCC bodies. Parties could also develop plans, policies, or strategies for national delegations and regional groups on enhancing gender balance.
- More focused capacity building, including on: collecting gender disaggregated data; conducting gender analyses; implementing gender budgeting; information sharing among National Gender and Climate Change Focal Points (NGCCFPs), particularly on their role; and capacity building, knowledge sharing,

and communication to enhance gender responsive climate finance and technology transfer and development.

Among other ideas for progress in future, Gama listed:

- The period of the next work programme and gender action plan, and whether it should be long-term or even permanent;
- Building skills and capacities of female delegates and encouraging active participation in leadership positions;
- Issuing a supplementary guidance note on integrating gender in NDCs;
- A technical guide on implementing gender mandates based on the Katowice implementation guidelines;
- Gender balance quotas on national delegations, boards and/or bodies;
- Gender balance requirements for UNFCCC travel support to LDCs;
- Institutionalised/ required training on gender and climate change for Chairs and members of Boards and Bodies as well as NGCCFPs;
- Training of trainers on gender and climate change;
- Establishing collaborative partnerships amongst stakeholders; and
- Issuing a call for a report on gender, land and land use, food security and climate change by the IPCC.

Gama finally listed the following questions for consideration during the discussion:

- Additional areas for the next work programme and action plan.
- Has your country engaged in any capacity building activities over the two-year period of the gender action plan that enhanced skills to implement gender analysis?
- Has your country taken any steps to translate activities under the gender action plan at the national level?
- Has your country seen any substantial progress in gender balance on your national delegation and inclusion of gender analysis in country planning as a result of the gender action plan?
- Are there specific targets, indicators or benchmarks that your country would find helpful to be included in the gender action plan?
- What specific capacity needs/gaps exist for your country to effectively implement gender analysis/ gender-responsive implementation of climate policies at national level?

Funding loss and damage beyond insurance

This session, facilitated by Sharma, started with a presentation by Saleem ul Huq, Director, International Centre for Climate Change and Development.

Huq described his work with the LDCs, the Africa Group of Negotiators, the Alliance of Small Island States (AOSIS), and the Independent Association of Latin America and the Caribbean (AILAC) on loss and damage due to climate change. He said progress had been made at COP19, in Warsaw, Poland, where the Warsaw International Mechanism on Loss and Damage (WIM) was established. The WIM Executive Committee then had a two-year work plan that was followed by a five-year rolling work plan, which will be reviewed at COP25.

The WIM Executive Committee has been commissioned a number of pieces of work, particularly on financing loss and damage, but the negotiations are stuck on insurance as the solution, he said. Other areas where the WIM has made progress includes the work of the task force on forced displacement due to climate change – its report was very well received in Katowice. He also described a WIM work programme on the nature and approaches to loss and damage, which looks at both fast onset events like hurricanes and floods and slow onset events like sea level rise, identifying the most vulnerable parts and communities in the world.

However, Huq said, this progress is being overtaken by events. Climate change is already resulting in severe negative impacts, and attribution to human-induced climate change is now becoming much more self-evident. For instance, Hurricane Dorian has, just in the last few days, devastated the Bahamas and thousands of people are still missing, while the death toll is rising. The Hurricane was a Category 5 that stayed in the Bahamas for five days, whereas “normal” hurricanes in the Caribbean and the Atlantic move on quickly. There is very strong evidence that this unusual behaviour is related to the elevation of surface temperature by roughly 2°C above normal.

Even if the Hurricane itself cannot be attributed to climate change, Huq said, its higher intensity can now be fairly reasonably attributed to the elevated temperatures due to human-induced GHG emissions. While countries are adapted to normal hurricanes at some level, they are not adapted to the higher intensity, which causes considerably more loss and damage. So, loss and damage due to climate change is happening, and it has to be addressed. Although the Bahamas has a regional insurance scheme, it is unlikely to pay for the scale of damage that Dorian has caused. For the people of the Bahamas, Huq said, it is a real climate emergency.

Huq proposed two ways in which finance for loss and damage can be generated: an international air passenger adaptation levy (IAPAL), which has already been proposed by LDCs several years ago, though in the context of adaptation; and creating a task force on financing for loss and damage.

On IAPAL, he said a levy of US \$10 on an international economy class ticket and US \$50 on a business class ticket could raise US\$ 5-10 billion annually. This could be collected in a new loss and damage fund. On the task force, he said if this is created at COP25, by COP26 we would have a better idea of how to deal with the finance issue.

Sharma said while several very good proposals had been put forward on innovative financing mechanisms such as IAPAL, they do not progress in the negotiations. She invited the participants to shed light on why this may be so.

Rob Moore, from the UK Department for Business, Energy and Industrial Strategy, provided a response to Huq’s presentation. He said loss and damage is a difficult topic in the negotiations for a wide variety of reasons. There is little common ground, but everyone agrees that the threats posed by loss and damage are very real. In addition to events such as Hurricane Dorian, the Global Commission on Adaptations and the IPCC assessments have predicted losses, with the latter predicting financial losses of US \$69 trillion by 2100. It is also agreed that the impact will be greatest in the world’s most vulnerable countries, the LDCs and small island developing States (SIDS) in particular.

While insurance is an important aspect of the response to loss and damage, Moore agreed on the need to go beyond it. He said responses could include social protection schemes, risk transfer and contingency funds (which some could classify as insurance), knowledge building, and grant-based support. Moore also highlighted resilience-building and early warning systems. He said a prerequisite of effective action is integration, international ownership, and local ownership, and described a productive safety net programme in Ethiopia, which combines micro-insurance with credit access and social protection.

Moore emphasised that every activity must include a very close understanding of the local context, and involve a wide range of sectors and institutions. He said there is quite a wide range of literature, including from the Standing Committee on Finance, that will show that there is action and support underway in a wide range of these areas, but there is clearly more to do.

He continued that it is worth reflecting on the discussions at COP24 that were not specifically on finance. Parties can now report on climate impacts, activities undertaken to avert, minimise, and address loss and damage, and to set out institutional arrangements to facilitate implementation of these activities in their Biennial Transparency Reports (BTRs).

Moore concluded by reflecting on three issues. First, he said, a step change is needed in how we approach resilience and disaster preparedness, and address impacts of climate change through targeted interventions and systemic shifts in society. The UK is working on a call to action on adaptation and resilience, which will be set out at the UN Climate Action Summit, along with a range of initiatives, including collaboration with investors, who will be looking at how a greater proportion of investments can be made resilient, and how to enhance physical climate risk disclosure. As part of that, the UK will also be looking into how capital flight can be avoided.

Secondly, he said, such crises are really complex and have multiple causes. While attribution approaches are improving, the development community, including international financial institutions such as the World Bank, should be responsive to shifting needs. The UK Department for International Development has more than doubled humanitarian assistance funding in the last few years, he said, and is also setting out a new approach to humanitarian response. He highlighted “Paris alignment” in planning, and in responding to impacts.

Finally, he called for reflection on how the actions of the WIM can best contribute to enhanced action and support, looking, in particular, at the other key elements of the WIM’s mandate, which is acting with organisations outside the Convention, to raise awareness of climate impacts and further harness integrated risk management responses.

Financial needs assessment

This session included presentations by Stefan Schwager, Federal Office of the Environment, Switzerland, and Marc Sadler, World Bank. It was facilitated by Müller.

Schwager presented on the finance needs assessment. He said there is a formal basis for needs assessment in UNFCCC COP mandates, particularly in:

- Decision 6/CP.23, paragraph 10, which calls on the secretariat in collaboration with the operating entity of the financial mechanism, UN agencies and bilateral, regional and other multilateral channels, to explore ways and means to assist developing country Parties in assessing their needs and priorities, in a country-driven manner, including technological and capacity-building needs, and in translating climate finance needs into action; and
- Decision 4/CP.24, paragraph 13, which calls on the SCF to prepare, every four years, a report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement.

Noting that these decisions refer to all needs and not only financial needs, he said assessing needs and costing them is essential for prioritising action on the ground. He said while assessments have been carried out by multilateral development banks, international organisations, think tanks, academia, non-governmental organisations, and also by several countries, they differ on scope, methods, and level of effort. The scope is variously global, regional, national: some have looked at infrastructure in general while others focus on energy infrastructure; some focus on emissions reductions while others on climate resilience; some focus on climate only while others consider social and economic impacts; some consider overall needs while others consider only climate change induced needs; and while some focus only on costs, others look at both costs and benefits.

Schwager presented an **assessment** by the International Renewable Energy Agency (IRENA), on the investment needed to implement just the renewable energy components in NDCs, noting that the figures run to trillions in Asia and billions in other parts of the world. He also presented other assessments, including by:

- Bloomberg's New Energy Finance, which estimates that US\$ 12.1 trillion will be needed to keep global temperature rise below 2°C.
- The World Economic Forum, showing US\$ 23 trillion will be needed to implement the Paris Agreement.
- The International Energy Agency, which estimates that US\$ 44 trillion will be needed for global energy supply, and US\$ 23 billion for energy efficiency through 2014.
- The Asian Development Bank, which estimates that US\$ 1.7 trillion will be needed annually for developing Asia until 2030, if the region is to maintain its growth momentum, eradicate poverty, and respond to climate change. The baseline estimate for climate mitigation and adaptation costs is about 12%, at US\$ 200 billion.

The varying estimates make it difficult to assess where to begin with needs assessments, he said. In addition, many do not consider the benefits of action. The recent Global Commission on Adaptation (GCA) report notes that investing US\$ 1.8 trillion over the next decade in measures to adapt to climate change could produce net benefits of more than US\$ 7 trillion. There is a "triple dividend" in avoiding future losses, generating positive economic gains through innovation, and delivering social and environmental benefits. The GCA identifies five main areas for investments, said Schwager:

- Warning systems for vulnerable communities in particular.
- Infrastructure, including building better roads, buildings and bridges to suit the changing climate and retrofitting critical ones.
- Improving dryland agriculture, including by switching to more drought-resistant varieties of crop, smart irrigation, and smart reservoir management to improve availability of water. This intervention has a high potential for protecting livelihoods and preventing hunger.
- Restoring and protecting mangroves, which protect about 18 million people from coastal flooding, but are being lost to development. Restoration projects could protect vulnerable communities from storms and boost the productivity of fisheries.
- Protecting water supplies and preventing water wastage.

Describing the work done under the UNFCCC, he said it has focused on dedicated climate finance. The three SCF biennial assessments have focused on public finance and mobilised finance; adaptation and mitigation; and regional distribution, for instance. This has led to: more data with finer granularity; tracking of year-to-year developments; and better understanding. However, the SCF reports only measures finance flows, not necessarily impacts. On whether this has generated mutual trust, he said the first figures that came out were harshly criticised for the methodology, but this has subsided to some extent. To stay relevant, he said the process needs more focus on practical issues of implementation. While some elements can be simplified, other elements can be added.

He pointed to crucial choices that need to be made for the SCF work on needs assessment, including on: whether it should focus on climate-change related needs only or broader sustainable development needs; whether it should focus only on finance needs, or other needs as well; whether it should simply rely on existing reports or create its own process, building on existing assessments; and whether it should simply be an analytic report or also include recommendations.

In conclusion, Schwager said the efforts of the UNFCCC have been joined by others, with processes under the UN Secretary-General's Climate Action Summit, the Group of 7 (G7), International Monetary Fund and the World Bank, UN organisations, OECD, think tanks, academia, and non-government organisations increasingly

working on climate, including at the policy level. While this is positive, it is potentially diminishing the role of the UNFCCC. To stay relevant, he said the UNFCCC climate finance process should focus more on practical issues of implementation, let others assume their climate-related responsibilities, enhance collaboration with others, modernise reporting, focus on the global stocktake from 2023 onwards, and place a greater emphasis on results. In addition, the operating entities of the UNFCCC financial mechanism should: move beyond financing projects and programmes; take risks and foster innovation; retune readiness programmes; cooperate with partners but selectively, to avoid getting lost in countless new platforms, initiatives and dialogues; and play a central role in scaling up via policies, platforms and risk management. He concluded that the system needs both expansion and reform.

Sadler presented on the World Bank's work on needs assessments, from the quantitative and qualitative perspective. He noted that people are often talking about different things when they talk about climate finance. He presented figures from Climate Policy Initiative's (CPI) 2018 [Global Climate Finance update](#), showing both public and private flows rising to US\$ 520 billion in 2017. He said this includes four kinds of flows: dedicated climate finance; climate-related development finance; private capital; and domestic government spending. He presented UNFCCC and OECD data in figures, showing that dedicated climate finance flows approximate US\$ 2 billion annually. He noted that more money is flowing for adaptation from multilateral development banks, and they are committed to increase the flows to adaptation.

Sadler then noted that funds flow through different pipelines, which interact in different ways. A key point, however, is that traditional dedicated climate finance flow towards projects. However, to leverage trillions of dollars, there are other levers in the economy that need to move, including policy-based levers. Consideration is now shifting to how dedicated climate finance can enable these other levers by, for instance, investing funds in a capacity building programme for ministries of finance, to mainstream financing and to green the financial sector, instead of funding a solar plant for the same price. This could help leverage "brown" economic flows into "green" economic flows. Traditionally, dedicated climate finance has not been moving into those spaces, Sadler concluded, and efforts are underway to identify the biggest leverage to drive transformative climate action.

In the discussion, a participant said the recent Global Commission on Adaptation report shows different tracks for investment on adaptation, but fails to recognise capacity building efforts, where the return on investment could be in the trillions. He also noted that the GCF's recent independent evaluation is critical of the project-based approach, saying it lack an overall strategy.

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Common tabular formats for the enhanced transparency framework

This discussion was kicked off with a presentation by Linda Siegle, Legal Response International, UK. She noted inputs from other colleagues from South Africa and China to her presentation.

Siegle recapitulated that Article 13 of the Paris Agreement is meant to build mutual trust and confidence and promote effective implementation of the Paris Agreement, by building on and enhancing transparency arrangements under the UNFCCC. The transparency arrangements will apply to action and support.

Article 13 consists of “*shall*” and “*should*” obligations. The mandatory “*shall*” obligations include the submission of national GHG inventories; information necessary to track progress of NDCs; information on financial, technology and capacity-building support provided; Biennial Transparency Reports (BTRs) which will undergo technical expert review; and support to developing countries for implementing Article 13. These BTRs will not be submitted until 2024, however.

The more flexible “*should*” elements include the provision of information on climate change impacts and adaptation; and on financial, technology and capacity-building support needed and received.

Siegle noted that the previous transparency arrangements under the UNFCCC included National Communications from developed and developing countries; annual GHG inventories from developed countries; Biennial Reports (BRs) from developed countries; Biennial Update Reports (BURs) from developing countries; and International Assessment and Review (IAR) of these reports for developed countries, and International Consultation and Analysis (ICA) for developing countries.

She noted a direct linkage between Article 4 of the Paris Agreement, on the NDCs, and the Enhanced Transparency Framework (ETF) Article 13. Article 4 states that “*Parties shall account for their nationally determined contributions in their biennial transparency reports, including through a structured summary...*”. The ETF also links to other parts of the Paris Agreement, including Article 6 on cooperation mechanisms; Article 7 on adaptation; Article 8 on loss and damage; Article 9 on finance; Articles 10 and 11 on technology and on capacity building; Article 14 on the global stocktake; and Article 15, on facilitating implementation and promoting compliance. In addition, she noted links to existing and institutional arrangements established by the COP, namely the Consultative Group of Experts (CGE) and the Capacity Building Initiative on Transparency (CBIT).

She said the transparency decision from Katowice (Decision 18/CMA.1) has an annex which contains the modalities, procedures, and guidelines (MPGs) for reporting. The first BTR and national inventory report is to be submitted no later than December 2024. There is flexibility for those developing country Parties that need it. Support is to be provided to developing countries. LDCs and SIDS may report at their discretion and the CGE is to serve the Paris Agreement from the beginning of 2019. The first review of the MPGs will take place no later than 2028, and CBIT will continue to support developing countries in their reporting.

Siegle listed the guiding principles for the MPGs on which the tables and formats must be based, saying they should:

- build on and enhance the transparency arrangements under the Convention in a facilitative, non-intrusive, non-punitive manner, respecting national sovereignty and avoiding placing undue burden on Parties;
- facilitate improved reporting and transparency over time;
- provide flexibility to those developing country Parties that need it;
- promote transparency, accuracy, completeness, consistency and comparability (TACCC);
- avoid duplication of work;
- maintain at least the frequency and quality of reporting under the Convention;
- avoid double counting; and
- ensure environmental integrity.

She noted that SBSTA has been requested, in Katowice, to develop by CMA3 in 2020:

- common reporting tables (CRTs) for the electronic reporting of national inventory information;
- common tabular formats (CTFs) for the electronic reporting of information on: tracking progress on implementation of NDCs; and financial, technology development and transfer, and capacity-building support, provided and mobilised as well as needed and received;
- outlines of the BTRs, national inventories, and technical expert review reports (TERRs); and
- a training programme for technical experts participating in the technical expert reviews (TERs).

Siegle noted that a year was left to address this long list of technical issues.

She then listed the agenda items in which transparency issues are also being addressed. Under the UNFCCC, she said, SBI is working on reporting from, and review of, Annex I Parties, and primarily looking at the provision of GHG inventory information and review. It is also looking at reporting from Parties not included in Annex I to the Convention and considering the current guidance and review processes. The SBSTA is considering methodological issues under the Convention, primarily on coordinating existing and new technical review processes. SBSTA is also considering methodological issues under the Paris Agreement.

Summarising progress and next steps, she said Parties decided to have a dedicated discussion on flexibility at SBSTA51; the Secretariat has been requested to prepare a technical paper on existing training programmes for TERs; discussions on the revision of the terms of reference for the CGE will continue; and there will be consideration of financial and technical support required for developing countries at the next meeting of the Subsidiary Bodies (SB51).

She said there are informal co-facilitators notes from SBSTA50, on: an overview of informal consultations; CRTs for GHG inventories; CTFs for tracking progress of NDCs; and training for technical experts. Siegle provided a brief summary of each note.

In summary, Siegle listed the topics that are likely to come up for discussion at SB51:

- Using CRFs and related tools as a starting point to develop CRTs. On this, she said countries have different starting points, as developed countries have been using CRF tables for many years while developing countries have been using only Tables 1 and 2 and are not familiar with CRF tables. Another question relates to whether there should be summary tables or sectoral tables.
- How should flexibility be operationalised? Flexibility can relate to scope, frequency, or level of detail.
- What is the relationship between reporting tables and reporting tools?
- Capacity building for developing countries, including for applying 2006 guidelines, getting familiar with CRF tables and tools, institutional arrangements and other improvements domestically, and data availability and data development.

Finally, Siegle listed the categories in the modalities, procedures, and guidelines where flexibilities will be given, and the following elements where she hoped progress would be made at SB51:

- Deeper understanding on operationalising flexibility.
- Agreement on summary tables.
- Discussion around sectoral tables.
- Sectoral summary tables.
- What other tables are needed?
- More discussion around reporting tools.
- Deciding next steps.

Common time frames

This session, chaired by Stella Gama, started with a presentation by Yamide Dagnet, World Resources Institute.

Dagnet said she would discuss why the common timeframes discussion is important; the challenges, opportunities, and benefits; why a decision could and should be taken at COP25; and a preferred approach, along with possible elements for the COP decision.

She said the 2019 COP is about ambition, and a common timeframe is the first part of an ambition package, and an opportunity to create a point in time to revisit ambition. It is also an opportunity to provide a level playing field for the assessment of NDCs. It will set the same pace for all countries, and facilitate the understanding and accounting of efforts, including the carbon markets, because it is very much linked to all the agenda items including transparency, cooperative approaches, and the global stocktake.

Noting different views on the periodicity of NDCs, she said a common timeframe needs to be perceived as fair and reasonable for Parties, and it should not put an unfair burden or pressure. However, with the IPCC stating that only a short window of 12 years is left to avoid irreversible changes, the pace of efforts needs to be accelerated. A common timeframe provides the opportunity to align with what science tells us, and keep pace with technological breakthroughs, and socioeconomic and environmental changes.

Dagnet then listed the following benefits of a shorter (five-year) timeframe, compared to a medium (ten-year) timeframe:

- Alignment with the five-year ambition cycle and response to the global stocktake.
- Preventing NDCs from becoming outdated and taking into account socioeconomic and technological changes and opportunities.
- Preventing lock-in low ambition for too long while still supporting SDGs.

Moreover, she said the five-year periodicity of the Kyoto Protocol allows for benefitting from the experiences of following a five-year cycle, including for the Article 6 mechanisms.

While noting some benefits of a ten-year cycle, such as a longer horizon for policies, she said the preferred approach of the “Dynamic Contribution Cycle” (DCC) would combine the benefits of a shorter timeframe, and the comfort that a lot of countries seek in the ten-year timeframe. It allows time to measure up these longer-term plans for collective progress, as well as for individual ambition and fairness and is still responsive to opportunities and critical changes. It will bring predictability, support the 2050 certainty and yet provide flexibility. It will also allow for “timely” and more credible calibration.

She listed the following possible elements for a COP decision:

- All Parties could be requested by 2025 to communicate or indicate an NDC with a timeframe up to 2035, and to do so every five years thereafter.
- All Parties could be invited in 2030 to consider updating their NDCs with a timeframe up to 2035, and to do so every five years thereafter.

She said the words “communicate” or “indicate” are important, as they allow for those countries who are already involved in developing ten-year timeframes to provide an indication based on their long-term strategies and their ten-year NDCs. Five years later, they could be updating their 2035 targets to keep that

momentum and communicate a 2040 timeframe. In addition, in 2025, countries could submit an NDC with a timeframe up to 2040, if the following language is adopted:

- 1.bis. In 2025, some Parties may also wish to indicate NDCs with a longer time frame, for instance up to 2040, in addition to the 2035 contribution.

Therefore, in 2025, everybody would have a 2035 target. But those countries willing to do so can also indicate their timeframe for up to 2040. Five years later, they could do an update responding to the 2028 global stocktake as applicable, based on equity and science and national circumstances, and communicate an NDC with a timeframe up to 2040 (and if they wish to, also indicate their policies and targets by 2045). The language of “communicate” or “indicate” provides flexibility.

In a brief session on questions for clarification, a developing country participant referred to an earlier discussion during the Fellowship Colloquium, of a “five-plus-five” option, with a firm target for the first five years, and an indicative target for the next five years. He asked if that option had been considered by Dagnet. If so, he asked how it could be translated legally – would the second soft target be called an indicative target.

A developed country participant asked if the analysis on the benefits of a five-year timeframe considers not only benefits to the international scenario, but also to the domestic policies of the country.

Another developed country participant said countries have different starting points, with some that are more mature and have already realised a lot of emissions reductions. These countries may need more time than five years to carry out structural changes. She also sought clarity on why countries should communicate a 2040 NDC as well as update the 2035 NDC in 2030.

Responding, Dagnet said the five-plus-five option was the starting point, which was altered a little to accommodate countries which have 10-year domestic processes in place and are in the process of implementing them. She said the “fixed” and “soft” nature of the NDCs do not perhaps need to be emphasised, since the intention is to get that point of re-calibration after five years. On the domestic analysis, she said they are separately looking at where countries are starting – some have five-year cycles, some have mid-point reviews even if they have a ten-year cycle, and some even have six-year cycles. Even in countries with different time cycles, there are efforts to review the process of decision-making process to make it fit better – for instance in Mexico. Others like Japan want to keep the ten-year cycle but have a three-year review, and considerations are on making that responsive to the global stocktake. In the case of the EU, she said the climate package for 2030 allows for a review in 2024, which would be perfect to respond to the 2023 global stocktake.

A developed country participant said paragraphs 23 and 24 of the Paris Decision make the notion of a five-year cycle clear, but introducing new notions of what else we do in those five years makes things confusing.

Another developing country participant asked for elaboration on the framing of equity in the presentation, in the context of avoiding unfair pressure to update.

During the breakout group discussion on common timeframes, Benito Müller made a presentation on the Dynamic Contribution Cycle (DCC). Presenting a brief history of the concept, he said it was designed during the 2014 ecbi Oxford Fellowships Colloquium and was submitted as a proposal to the UNFCCC in November that year, for consideration at the Peru COP. In 2015, in the Paris Agreement, it was agreed that:

- *Each Party shall communicate a [NDC] every five years (Article 4.9); and*
- *The [CMA] shall consider common time frames for [NDC] at its first session (Article 4.10).*

In addition, Decision 1/CP.21, included the following two related paragraphs:

- § 23. *Requests* those Parties whose INDC ... contains a time frame up to 2025 to communicate by 2020 a new nationally determined contribution and to do so every five years thereafter ...;
- § 24. *Requests* those Parties whose INDC ... contains a time frame up to 2030 to communicate or update by 2020 these contributions and to do so every five years thereafter ...;

Discussions on the common timeframes have been ongoing since. At COP24 in 2018, it was decided that Parties *shall apply* common time frames to their NDCs *to be implemented from 2031 onward*.

In the context of paragraph 24, he said explaining the Figure, Parties could choose the first “mid-term updating scenario”. Under this scenario, in 2015 they communicate an NDC with a 15-year horizon (2021-2030). In 2025, there are still five years when everyone knows what the Party wants to do in the next five years. Then the question is, what does the Party do in 2025? In the mid-term updating scenario, it will update for the next five years, in 2025. In 2030, it will then communicate the next (2031-2040) NDC. But this leads to a cliff-edge in 2030, because there is no prior information on what the Party will do next until 9-12 months before implementation is to begin. These sort of cliff-edges are not useful in the domestic or international context, as we have learnt from the Kyoto Protocol. One of the biggest drawbacks of the Kyoto regime was that we didn’t have a multi-period, forward-looking sort of indication, Müller said.

In the second “upfront updating” scenario, a Party is expected to update the existing NDC in 2020 – whether this happens remains to be seen. Then, in 2025, the Party will announce the 2031-2040 NDC, thus providing another long-term (15-year) planning horizon. In 2030, it will update this 2031-2040 NDC, and in 2035, it will restart as in 2025.

Müller presented the DCC, where countries present five-year updated NDCs and at the same time indicate their longer-term ambition vision for the following five years. In this scheme, he said, the governments provide stakeholders five-year certainty, and at every stage, a five-year indication of what the following five-year NDC will aim to do. They will, however, retain the flexibility to change the second five-year indication of ambition, taking on board the indication of ambition provided by other countries. Each ten-year cycle includes a five-year contribution term, followed by a five-year indicative term. Before the end of each contribution term, the indicative term would be either confirmed or adjusted upwards, and an additional indicative term would be communicated for the following period.

The DCC is the “goldilocks” option that can bring together the benefits of the longer ten-year time frame with the benefits of the shorter five-year time frame, Müller said. It:

- increases the effectiveness of the global stocktake;
- creates more frequent, common global “checkpoints of progress” and “political moments” for countries to re-consider NDCs;
- allows NDCs to keep up with scientific input, technological progress, societal change;
- allows countries to gauge fairness of their ambition in relation to peers; and
- helps create in-country momentum for ambition.

Providing an indication of where the ambition of all countries is headed in the following five years can allow countries to show more ambition, knowing that others will also do so, and they are not taking on a bigger or unfair share of the burden, he said. Showing that they are doing their “fair share” will be critical also to convince national stakeholders that the NDC is fair, in comparison with other countries. Müller said the DCC attempts to provide space in the process for additional ambition, as opposed to killing it. While the Paris

Agreement cannot ensure ambition, as it is country driven, it can at least ensure that the process does not kill ambition, or that the process does not put up obstacles for Parties to be as ambitious as possible. The ambition should not only be determined by domestic considerations, but also through comparison with other countries at the international level, and reassurance that they are doing their share.

He proposed the following language for a COP decision to operationalise the DCC, where the year indicates the endpoint of the NDC:

- *Requests* those Parties whose NDC contains a time frame up to 2025 to communicate by 2020 a 2030 NDC.
- *Requests* all Parties by 2025 to communicate a 2035 NDC, and to do so every five years thereafter.
- *Invites* all Parties in 2030 to consider updating their 2035 NDC, and to do so every five years thereafter.

Müller also clarified that the second indicative NDC need not be detailed, or even be in the full format of an NDC, but merely describe overall ambition for the following period.

Article 6

This session, facilitated by Gama, featured presentations on: accounting outside the NDCs by Müller; links between 6.2 and 6.4 mechanisms by Kishan Kumarsingh; overall mitigation in global emissions (OMGE) and baselines by Aglaja Espelage; and operationalisation of share of proceeds for 6.4 and 6.2 by Mbaye Diagne. Two additional presentations were made in the breakout discussions, on Kyoto transitions by Espelage, and centralised recording and accounting platform by M.J. Mace.

Introduction to Article 6: Presenting an introduction to cooperative approaches Müller said Article 6 provides an opportunity for international cooperation when implementing NDCs, through two market based approaches mentioned in Article 6.2 and 6.4 of the Paris Agreement, and one non-market based mechanism described in Article 6.9. The key principles for these three mechanisms agreed were to:

- protect environmental integrity (no increase in emissions);
- raise ambition in NDCs, not undercut it; and
- promote sustainable development.

Müller then described his understanding of basic concepts related to the market mechanisms:

- the “originating Party” is the same as the “originator”, or “creating/issuing Party”.
- the “transferring Party”
- “acquiring Party”
- “using Party”

He said the defining feature of “internationally transferred mitigation options” (ITMOs) is that they can be used by an acquiring Party towards achieving its NDC. In that context, NDCs have been associated with a “scope” (identifying what the NDC “covers”), and “quantifications” (either of the NDC as a whole, or of components thereof). A quantification, in this context, is given by the specification of:

- a “quantitative scope”, that is a measurable, extensive quantity variable associated with the NDC, together with
- a “target level”, that is the level of this quantity variable that needs to be reached for the NDC to be achieved.

The “final tally” is the actual (measured) level of the respective quantity that determines, by its relative position to the associated target level, whether or not the NDC has been achieved, with respect to the quantitative scope in question.

Müller said Article 6.2 states that “*Parties shall, where engaging on a voluntary basis in cooperative approaches that involve the use of internationally transferred mitigation outcomes towards nationally determined contributions, promote sustainable development and ensure environmental integrity and transparency, including in governance, and shall apply robust accounting to ensure, inter alia, the avoidance of double counting, consistent with guidance adopted by the [CMA]*”.

He said the use of an ITMO can be achieved in two ways: through a target-based approach, where the NDC target of the acquiring Party is adjusted upwards by the amount transferred from the originator NDC; and a tally-based approach, where the acquiring Party removes the ITMO amount from the final tally of its NDC.

Müller said a key objective for the guidance for the Article 6.2 mechanism is to prevent double counting, and an infringement of environmental integrity, through a corresponding adjustment. The guidance relates to the accounting of ITMOs and the reporting and review cycle on the accounting of ITMOs, and possibly the underlying quality of the mitigation activities.

He listed the following key political unresolved issues:

- What are ITMOs? Do they have internationally defined characteristics? Are they *credits* or pure *accounting units*? Can they be generated from outside the NDC sector? Can they be created for any form of mitigation? Or are some sectors and activities (such as REDD+) excluded?
- Can ITMOs be used by private companies and other compliance schemes (such as CORSIA)?
- Do cooperating Parties have to *cancel* part of the ITMOs for OMGE?
- Do cooperating Parties have to pay the levy for administration and adaptation finance (share of proceeds)?

Moving on to Article 6.4, he said this Article establishes “*a mechanism to contribute to the mitigation of greenhouse gas emissions and support sustainable development*”, to be supervised by a body designated by the CMA. This Supervisory Board will oversee and approve the issuance of Article 6.4 emission reductions (A6.4ERs). Activities under this mechanism must be additional and promote sustainable development. In addition:

- Emission reductions are calculated and verified against crediting baselines.
- The host country must approve the activity and authorise the international transfer of the A6.4ERs.
- The mechanism generates finance for adaptation through a share of proceeds.

Müller said key unresolved issues related to Article 6.4 are:

- The scope of the activities (REDD+).
- The use of A6.4ERs through private companies or in other compliance schemes (such as CORSIA).
- The host country role in the mechanism.
- How to set baselines and determine additionality.
- If Kyoto Protocol activities, units and methodologies will be transitioned into this mechanism.

On Article 6.8, he said in the Paris Agreement, “*Parties recognize the importance of integrated, holistic and balanced non-market approaches being available to Parties to assist in the implementation of their nationally determined contributions, in the context of sustainable development and poverty eradication, in a coordinated and*

effective manner, including through, inter alia, mitigation, adaptation, finance, technology transfer and capacity building, as appropriate.”

Müller said this mechanism was considered difficult to define in the early days after it was agreed, but since then it has evolved into a mechanism with many interesting possibilities. For instance, he said smaller and poorer countries could use it to “bulk purchase” energy efficient technology through a joint call for tender, like India had bulk purchased 700 million energy efficient LED bulbs to drive down their price under the Ujjala programme.

In the negotiations, Parties are negotiating a work programme to implement a framework on non-market based approaches (NMAs), Müller said. NMAs can be implemented for mitigation, adaptation, technology transfer and capacity building. Key unresolved issues include the objective of the work programme, and its governance.

Accounting outside the scope of NDCs: Müller then went on to present on accounting for mitigation outcomes outside the scope of NDCs. He presented a proposal that he developed in earlier papers, including on [How to Operationalise Accounting under Article 6 Market Mechanisms of the Paris Agreement](#), published in *Climate Policy* in September 2018.

He noted that there are no targets or accounting units for market activities that are outside the scope of NDCs. However, including activities outside the NDC scope could help countries build capacities in other sectors of the economy and therefore raise ambition beyond NDCs. At the same time, accounting for the mitigation outcome is challenging and there is a risk of double counting. Moreover, such activities may also become a perverse incentive not to expand beyond the scope of the NDC.

Within an NDC, Müller continued, corresponding adjustments can be made from the originator NDC to the user NDC in the target- or tally-based approaches described earlier. Under the target-based approach the acquiring Party adds the ITMO amount to the target level of its NDC; and under a tally-based approach the acquiring Party removes the ITMO amount from the final tally of its NDC.

For mitigation outside the scope of the host Party’s NDC, Müller proposed using a tally- based approach, saying this interpretation allows for mandatory corresponding adjustments for all ITMO usage, while the NDC level of the acquiring Party remains unchanged. Instead, a buffer registry is created for corresponding non-NDC adjustments of the selling party.

The acquiring Party could be allowed to use the units in the buffer registry only once that the sector covered by the activities of the project becomes part of its NDC. This way, Müller said, it becomes an incentive for the originator country to expand its NDC. At the same time, it is not a disincentive that makes it harder to achieve the NDC.

In a brief session on questions for clarification, Müller clarified that one of the main drivers for wanting the possibility of activities outside the scope of NDCs is to allow countries that don’t have the data or capacity to include those sectors into the NDC, to pilot activities that will eventually allow them to include those activities in their NDCs. So they could be allowed to design, implement, operate, verify, and issue units, but the units would be tagged in such a way that the acquiring country cannot use them until the originating country has expanded the scope of their NDC to include those sectors.

A developing country participant said it has been agreed in Katowice to use emissions-based accounting. On the issue of accounting outside the scope of NDCs, she said if Parties have sufficient data to be able to issue a credit from an activity, then they could equally be capable of bringing that activity inside the scope of their NDC. Appreciating that countries have capacity and data challenges to engage in the market, she said a capacity building programme has been proposed to help Parties improve their readiness.

A developed country participant said assuming private actors would buy the mitigation outcomes (MOs), they would not have any certainty that the sector will ever become part of the NDC and that they will be able to use the MOs. Why then would they engage? Secondly, this assumes that carry-overs from one NDC to another are possible. Third, he asked whether the originating Party would have to do a corresponding adjustment once the use of the MOs is possible.

A developing country participant said Article 6.2 is a very flexible framework that covers a lot of possibilities for cooperation, not only emissions trading. On activities outside the scope of NDCs, he said those activities will also have to go through some assessment. The difficulties in expanding to other sectors should also be considered, he said, because whereas specific project activities may be possible and easier, expanding to the entire sector may be challenging because of the lack of data.

A developed country participant said it will not be possible for the CMA to place these kinds of restrictions on the ITMOs – the Paris Agreement makes it clear that it will be up to participating countries to decide what kind of ITMOs they want to use, and how. Starting discussions now on what kind of reductions are will complicate matters and open new discussions, instead of closing the existing ones in COP25.

A developing country participant said a key issue to be decided is the definition of ITMOs. More clarity on this issue will help resolve many of the other issues, such as scope of activities, inside and outside the NDCs, and their use for other purposes than meeting the NDC.

Müller responded that it is clear that under target-based accounting, the only way to have corresponding adjustments is by adjusting the target. There is no target outside the NDC, so the only way you can make an adjustment is inside the NDC. Under emissions-based accounting, there is a way to not “lose” these emissions in the ether, but to account for them in a way that does not actually make the achievement of the NDC more difficult. What we then do with the buffer registry is an important but separate question. The first issue is that it can be done, and we can keep these emissions in the system so they don’t get lost.

Corresponding adjustments and double counting in Article 6.4: A presentation by José Miguez, Brazil, followed, on the Article 6.4 mechanism. Miguez highlighted the differences between the Paris Agreement and Kyoto Protocol in the context of trading. Under the Paris Agreement, he said, there is no clear definition for NDCs, no gases and sectors are defined, and no fixed start year is identified. Under the Kyoto Protocol, however, each developed country has a mitigation commitment that was mandatory and legally binding under Article 3.1. Gases and sectors were specified in Annex A, and under Article 3.3, it was agreed that net changes of human-induced land-use change and forestry activities shall be used to meet the commitments of each Party. Quantified Emission Limitation and Reduction Objectives (QELROS) were inscribed in Annex B, and the base year was agreed as 1990.

He also clarified the differences between the Clean Development Mechanism (CDM) and Joint Implementation (JI), two of the Kyoto trading mechanisms, saying the two were being confused in the current discussions. He reminded participants that Article 6.4 of the Paris Agreement was developed on the basis of a Brazilian submission, which called for a “CDM+” mechanism in the new agreement. The intention was to provide

incentives for voluntary mitigation actions by the private sector, and carry out activities that are additional to those that would take place anyway in the absence of Article 6.

However, Miguez said, some last-minute insertions into the draft text by the EU in Bonn, in 2019, transformed the Article 6.4 mechanism to make it more like JI, going against the spirit in which the mechanism was proposed. Corresponding adjustments applied only to JI, and not to CDM under the Kyoto Protocol, he said, and this would transform the character of NDCs, as they would no longer be nationally determined. According to the EU, any A6.4ER sold would require a corresponding adjustment in the NDC, but there was no mention of corresponding adjustments in Article 6.4 of the Paris Agreement.

Miguez said activities “beyond the NDC” are meant to cover activities that will not be carried out even if that particular sector is included in the NDC – it would not be implemented without Article 6.4 and is therefore additional and beyond the scope of the NDC. He felt that the buffer registry proposed by Müller would create problems and discourage participation in the 6.4 mechanism, beyond the issue raised by an earlier participant on the lack of incentives for the private sector to engage in such activities.

He said Article 6.4 does not prescribe the use of units – while Article 6.2 refers to the use of ITMOs towards NDCs, Article 6.4 refers only to “*emission reductions that can also be used by another Party to fulfil its nationally determined contribution*”. Article 6 as a whole does not refer to corresponding adjustments, and there is no mention of “avoidance of double counting” under Article 6.2. This issue can be easily solved through an International Transaction Log, he felt.

In the context of double counting, Miguez said it is not possible to add emissions reductions to emission inventories or reduce the NDCs by “hypothetical emissions reductions”. For instance, solar and wind have no emissions and the EU’s insistence on avoiding double counting would add emissions from hypothetical fossil fuel power plants to the inventories. These emissions reductions do not exist, and were never counted, so how can this be defined as double counting, he asked.

A consequence of including corresponding adjustments and double counting in the 6.4 mechanism, Miguez said, would be that Parties would not authorise the participation of the private sector and there would be no additional incentive for them to participate, going against the original objective of wanting to “*incentivize participation of public and private entities*”. This will decrease the overall mitigation potential. In conclusion, he highlighted the following key points:

- Article 6.4 will cover activities that would not be implemented under the NDC, even if the sector is covered.
- The activities will be implemented by the private sector, not the government, and is therefore not part of the NDC.
- Support will be sought for only a small part of the investment for activities, and the revenues will be marginal.
- Corresponding adjustments and double counting in the context of Article 6.4 are “counterfactuals” and would imply modifications that would not correspond to reality.

A developing country participant said that if the NDC is about policies and measures, and every single policy and measure to meet the quantified target is laid out, tracking progress would not simply imply delivering those policies and measures and hoping to see contributions, but tracking progress on the target.

A developed country participant said the rules for baselines and additionality will have to be found, and the challenge is to find a simple solution that is not gameable for the sake of transparency.

Kyoto transitions: Espelage steered the discussion in the breakout group to the transition from Kyoto. She said the issues relate to: whether all pre-2020 certified emissions reduction (CER) units should be transitioned; CDM activities; and CDM methodologies.

On units, she said there is a clear concern on transitioning units that are not additional anymore or were not additional at time of registration and on issuance. Having a large oversupply will reduce the price, she said, and the rules for transition will have to restore the trust of investors, while not simply breaking off from one system and expecting everyone to engage in the new one. The discussion at the Fellowship, she reported, attempted to address whether we actually know what investors will do, and how they will react to different agreements on transition of units. Some compromises that were discussed include vintage restrictions, for instance of credits issued after the Paris Agreement was agreed, or geographic restrictions.

On the transition of activities, she said there is a concern to limit incentives for new activities and raise ambition in NDCs, because these activities have already been implemented and have already been considered when the NDCs were written. Advocates for the transition of activities say we should not risk discontinuation, or risk losing the capacities have been installed on the ground and mobilised mitigation outcomes. Different compromises were discussed, for instance, a reassessment of additionality and host country approval, under the assumption that additionality might be assessed a bit differently than it was in the CDM, and whether now, policies would be introduced in additionality assessment. Other compromises include: cut-off dates based on registration or the start of the activity; exclusion of certain types of activities; and limiting the transition to small-scale activities. She presented tables listing the impact of restriction on the CDM transition, showing that the option of limiting the cut-off date to on or after 5 November 2016 reduces the number of projects considerably, from 7805 if there is no cut-off date, to 7 if a cut-off date is included. The “programmes of activities” are reduced from 319 to 11 in the same scenario.

On the transition of baseline and monitoring methodologies from the CDM, she noted concerns that the CDM methodologies do not reflect the Paris Agreement regime with its NDCs and are not in line with a “Best Available Techniques” emissions scenario. Advocates argue that developing methodologies takes a long time, and the CDM methodologies were reformed and capacities were built over a long period of time. Possible compromises may be to revise methodologies in a work programme over the coming decade, replacing the old with new methodologies over time; or to exclude certain methodology types.

On the transition of accreditation standards and procedures of the CDM, she said there are concerns that they do not respect the responsibilities of host countries related to NDC implementation. Advocates say a transition would facilitate rapid operationalisation of the mechanism and preserve institutional continuation in host countries. Compromises could include the transition of standards and procedures with revision in the first years of implementation; or expedited or grandfathered accreditation of Designated Operational Entities.

Links between Article 6.2 and 6.4: This session started with a presentation by Kumarsingh. He said his presentation attempts to focus on the technical issues and leave out some of the political questions that continue to be asked on this issue, and the nuances and the broader context of the spirit of the Paris Agreement.

He noted that Article 6.2 sets out the principles for voluntary cooperative approaches, including sustainable development, environmental integrity and transparency (including in governance), and the avoidance of double counting.

Article 6.4, on the other hand, seeks to formally establish a sustainable development mechanism. There is a clear stipulation that it should have a supervisory body designated by the CMA. The aim of this mechanism is to promote mitigation while fostering sustainable development. It seeks to incentivise and facilitate participation of public and private entities that are authorised by a Party to contribute to the reduction of emission levels in the host Party. The resulting emissions reductions can be used by the originating Party, or by another Party, to fulfil its NDC. It must deliver overall mitigation in global emissions (OMGE). The Paris Agreement also stipulates that the activities of the Article 6.4 mechanism will be overseen by a Supervisory Body under the authority and guidance of CMA.

Article 6.4 is further qualified by paragraph 37 of the Paris Decision, which stipulates that mitigation action is to be real, additional, measurable, long-term, and verified by a third party or designated operational entities. Article 6.5 further states that emissions reductions resulting from the mechanism shall not be used by the host Party if it is used by another Party to demonstrate achievement of its NDC. Article 6.6, meanwhile, agrees that a share of proceeds from the activities under the mechanism will be used to cover administrative expenses as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

Kumarsingh said a question arises on the context of Article 6.1, which states that Parties recognise that some Parties choose to pursue voluntary cooperation in the implementation of their NDCs to allow for higher ambition in their mitigation and adaptation actions, and to promote sustainable development and environmental integrity. The Article on its own has no “action” items, and therefore it is reasonable to assume it applies to all the Article sub-items. The language is bottom-up, speaking of *voluntary* cooperation. Should there, therefore, be congruence and alignment in the design of Article 6.2 and 6.4?

Kumarsingh then presented a (non-exhaustive) list of questions for consideration. On Article 6.2, he listed the following questions:

- Does it apply to situations only where international transfers are used for NDC achievement?
- Are ITMOs discrete “units” that can be issued, used, and transferred for purposes other than NDC achievement?
- Does the term “cooperative approach”, which is not defined, suggest a mechanism? If so, then what kind? Is it a trading mechanism, which can be used across emissions trading systems, or is it a crediting mechanism, where emissions reductions are credited against a baseline? Can credits originate outside scope of NDCs?

On “*promoting mitigation*” under Article 6.4, Kumarsingh listed the following questions:

- Can it promote mitigation beyond the scope of NDCs?
- What is the relationship between outcomes within and outside the scope of NDCs?

On delivering OMGE under Article 6.4, he asked:

- What exactly is delivered?
- How is it delivered?
- Who delivers it?
- How is it measured?
- When is it delivered?
- How is it accounted for?
- Who accounts?

Finally, he asked if the emissions reductions under Article 6.4 can only be used for NDCs, or also for other purposes. Kumarsingh then listed the following questions related to emissions reductions and ITMOs under Article 6.2 and 6.4:

- Will they be measured in the same units? Are they quantifiable? Or will they be reported as “amounts” to satisfy corresponding adjustments for example?
- Can they be used for cross purposes i.e. “ITMOs” generated under 6.2 used for 6.4 purposes and “emissions reductions” generated under 6.2 used for 6.4 purposes?
- How will they be applied to NDCs given varied types of NDCs?
- What would be the relationship between emissions reductions and ITMOs if both can be used towards NDCs? How would they be accounted for? Does an ITMO become a emissions reduction if it migrates from 6.2 to 6.4 for NDC purposes and vice versa? What would then be required to prevent double counting?
- Should share of proceeds also be applied to 6.2 “units” as a result? Or should share of proceeds be applied to 6.2 units after they migrate to 6.4 for NDC purposes?
- What would be the implications of using ITMOs and emissions reductions for cross purposes? How would they be accounted for?
- Would 6.2 and 6.4 therefore have to have similar design characteristics, such as a common governance structure to ensure accountability and environmental integrity?
- How would ITMOs and emissions reductions be accounted for, if they are used outside of the scope of NDCs?
- What is the scope of activities that can generate emissions reductions and ITMOs?
- Should Parties use only either of 6.2 or 6.4? What are the safeguards for preventing cross-purposes?
- Should “emissions reductions” and “ITMOs” be fungible?

Kumarsingh highlighted further questions:

- If Parties use both 6.2 and 6.4, how would the design, rules, procedures, modalities, and guidance be operationalised to ensure environmental integrity, sustainable development, accountability, and transparency?
- Should 6.2 and 6.4 be complementary or distinct?
- What safeguards need to be put in place to avoid cross-fertilisation if they are kept distinct?
- What common features would need to be put in place if they are to be complementary?

Overall Mitigation in Global Emissions: Espelage presented on overall mitigation in global emissions (OMGE), saying it is a principle in Article 6.4, and it is still not clear whether it applies to Article 6.2. She presented three possible interpretations of OMGE:

1. Result of ensuring environmental integrity of the activities and additionality of the emission reductions. In this interpretation, OMGE refers to “**real mitigation**”.
2. Achieved through **conservative baselines** or crediting thresholds. In this interpretation, OMGE refers to “mitigation for the host country”.
3. Additional requirement of mitigation not claimed by any Party, achieved through **cancellation of ITMOs/credits**. In this interpretation, OMGE refers to “additional to Party commitments”. This would refer to an additional requirement, beyond offsetting, requiring that a part of the mitigation outcome is neither claimed by the buying nor the selling country, and a portion of the ITMOs will have to be cancelled. She noted that this interpretation is not exclusive of the first two.

If OMGE is a principle of real mitigation, Espelage said, key questions relate to the integrity of baselines (how they are produced, how transparent they are, what assumptions they are based on, and how frequently do they have to be updated to reflect change in circumstances). Questions would also relate to how to hedge against environmental integrity, through gaming of baselines. The higher the level of aggregation and crediting, the

higher the risks that baselines will overestimate or underestimate emissions. She highlighted, however, that stringent baseline setting does not guarantee additionality, and environmental integrity is not only a baseline issue. Another criterion is the consistency of the activity and baseline with a net zero target.

The second interpretation relates to delivering OMGE by ensuring that not all mitigation outcomes are accredited, for instance through overly conservative baselines.

The third understanding of OMGE as additional mitigation that is not claimed by any of the two Parties involved would be through cancellation, which could either happen at issuance or at transfer, and it would mean that a certain percentage of credits would be moved to a cancellation account and could not be used further. The questions then, Espelage said, are how high that percentage should be, and what impact would it have on the interest of the private sector to actually develop projects?

Espelage said the application of OMGE to Article 6.2 is a bit more contentious, because many Parties say it is not applicable, or it not feasible, though ways in which can be implemented have been considered.

In the discussion, a developed country participant said the term integrity should not only be used in the context of robust transparency and emission reductions, but also in not violating fundamental vital provisions. On the interpretation of OMGE, he said he sees the first two interpretations as merged together, and as more mitigation taking place than as compared to a situation where these activities would not have taken place.

Espelage said they initially had only had two possible interpretations, but were made aware that there is a difference in understanding between the first and the second. The first refers to the understanding that the use of the mechanism itself, because additional activities are implemented, ensures that there is more mitigation than without its use. The second refers to not exporting all mitigation and ensuring that there is more mitigation than what is exported.

Espelage concluded by saying comments would be taken into account in the ecbi policy brief and called for additional inputs and quotes from negotiators.

Operationalisation of share of proceeds for Article 6.2 and 6.4: This discussion took place in a breakout group, and was kicked off with a presentation by Mbaye Diagne.

Diagne said share of proceeds was used under the Kyoto Protocol's CDM, and it is not a new concept. Article 12.8 of the Kyoto Protocol states that *"The [Conference of Parties serving as the meeting of the Parties to the Kyoto Protocol] ... shall ensure that a share of the proceeds from certified project activities is used to cover administrative expenses as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation."*

This provision aims to ensure that countries that do not use markets, such as LDCs and SIDS, derive some benefit from market-based activities. It was further decided that 2% of the CERs issued for CDM project activities will be used as the share of proceeds. The second commitment period of the Kyoto Protocol **extended** this provision to the assigned amount units (AAUs) and the issuance of emission reduction units (ERUs) under the other two market mechanisms of the Kyoto Protocol.

In the Paris Agreement, Article 6.4 calls for a share of proceeds. It was subsequently decided that the Adaptation Fund will receive the share of proceeds from Article 6.4, just as it had from the CDM. Discussions are currently underway on other details, with two options on the table:

- The share of proceeds for adaptation shall be set and levied at [[two][five][X] per cent at issuance.][[X] per cent at [forwarding][first transfer], increasing by [Y] per cent at each subsequent transfer.]
- The share of proceeds for adaptation shall be set and levied at [X] at [registration][issuance]: {text for monetary rate needs to be developed} 77. [The share of proceeds to cover administrative expenses shall be set and levied at [X] at [registration][issuance].] {text for option of monetary rate and option of the combination of monetary rate and percentage of A6.4ERs needs to be developed}

Key issues that remain to be decided under 6.4 therefore include:

- the amount of the levy, and whether it should be 2% or 5%;
- whether the levy will be implemented at issuance or transfer; and
- whether it will be an in-kind levy, or a monetary one (in the CDM, part of the levy is in CERs and part is monetary, but the CERs element did not yield sufficient resources).

While the Paris Agreement does not include a share of proceeds for Article 6.2, the current text includes several options for a share of proceeds under Article 6.2 as well, related to what activities will be subject to the share of proceeds (cooperative approaches that are baseline and crediting approaches that are similar to mitigation activities; crediting approaches implemented by Parties; all cooperative approaches; or all acquisition of ITMOs). The amount of the levy and the point of implementing it also has many options in the text, as with 6.4.

Diagne then summarised the key issues in the negotiations on share of proceeds:

- Share of proceeds is a specific requirement of 6.4, but not for 6.2 in the Paris Agreement. However, Diagne said Article 6.1 specifically states that the market mechanisms should contribute to both mitigation and adaptation, and there is a call for balanced treatment of certain activities under 6.2 and 6.4. Moreover, a precedent was set by the Kyoto Protocol, where it was initially applied only to the CDM, but was subsequently extended to the other mechanisms. He acknowledged some challenges, like the different types of activities under Article 6.2, and the needs to ensure that there is no “double taxation” of 6.4 units transferred internationally to 6.2.
- Who should benefit from the share of proceeds, and whether it should be reserved for LDCs, SIDs, and African countries.
- How to ensure a stable source of finance for adaptation, including by having both, an in-kind and monetary levy.
- The need for simple and applicable rules.

Centralised recording and accounting platform: This discussion took place in a parallel session and was initiated with a presentation by M.J. Mace.

Mace said Article 4.13 of the Paris Agreement requires Parties, in accounting for their NDCs, to promote Transparency, Accuracy, Completeness, Comparability and Consistency (TACCC) and environmental integrity, while avoiding double counting.

The Article 6.4 mechanism has centralised oversight, through a centralised registry and oversight body, to deliver share of proceeds and OMGE, and to prevent double counting. While the 6.2 mechanism does not have a centralised body, it is still required to: ensure avoidance of double counting; ensure environmental integrity and transparency, including in governance; apply robust accounting, to ensure the avoidance of double counting; and ensure that double counting is avoided on the basis of a corresponding adjustment by Parties. Mace said some of these 6.2 and 6.4 elements can only be addressed and ensured if information on

both 6.2 and 6.4 is centrally maintained in one place, on an ongoing basis, and this information is visible and reviewable.

A range of proposals have been made on how to ensure this, she said, including for: an Article 6 database; an international registry; an international transaction log; and a centralised accounting and recording platform. But each of the proposals is trying to address different functions that are needed, and the challenge is to figure out how we can bring the most information together without pushing Parties past a level of comfort. Key overarching questions in this context include: the scope of information that needs to be centralised, and why; when we need to have it; where this information can be found; how this information is going to be brought together; and who maintains the information.

She listed the following specific questions that need to be addressed:

- What is the relationship between information on 6.4 and on 6.2?
- Will this information be used the same way by Parties?
- How to ensure no double counting of same projects under 6.2 & 6.4?
- Is authorisation relevant to both 6.2 and 6.4?
- Are both sets of information relevant to Parties and the public?
- Are both sets of information to be reviewed at same time, by the same people?
- Are both sets of information relevant for the global stocktake?
- Where do Parties and public look for a snapshot on Article 6?
- Are there restrictions/safeguards needed for both 6.2 and 6.4?
- How can we track transfers and use of 6.4 units and 6.2 ITMOs?
- Any reason to have real time information for some Parties but not for other Parties?

She listed the following potential functions for a centralised recording and accounting platform for Article 6:

- Record and compile information on corresponding adjustments.
- Track both A6.4ERs and Article 6.2 ITMOs that are transferred, acquired, held cancelled and/or used by participating Parties, including the identity of source Party, vintage of reduction, activity type, and sector, in a single place.
- Receive information from Parties' annual Article 6 reports, and receive real-time information on first transfers and corresponding adjustments, submitted by Parties between annual reports.
- Contain links to information on cooperative approaches.
- Generate annual reports.
- Maintain quantitative information on amounts forwarded in connection with the share of proceeds for adaptation.
- Maintain quantitative information on amounts cancelled/discounted in connection with an overall mitigation in global emissions.
- Support reviews.

The centralised recording and accounting platform could potentially reduce the burden on Parties, the UNFCCC secretariat, review teams, and the global stocktake process, Mace said. It could also: manage staggered reporting and plug gaps; support the reporting and review process by ensuring that information on all Parties is included and confirming pairing of transfers to check corresponding adjustments have been made; generate reports that can support Parties in reporting to CMA on their efforts; and highlight systemic problems to enable safeguards.

A more detailed account of the Oxford Seminar, including the discussions, can be found [here](#).

New Delhi Seminar on Common Time Frames

The Paris Agreement, in Article 4.10, calls for the consideration of common timeframes for Nationally Determined Contributions (NDCs). This is not simply a procedural issue – it is key to unlocking ambition and promoting fairness. However, in the lead-up to the Katowice Conference, there were significant disagreements on: whether the common timeframes (CTFs) should be five years, ten years, five or ten years (based on the choice of the Party), or five years plus an indicative NDC for a second five-year period (“5+5”); whether timeframes should be nationally driven; and whether flexibility would be granted for developing countries. While, as reported in COP 24 Key Outcomes, some progress was made in whittling down the CTF text in Katowice, Parties failed to agree on a specific solution. Instead, they requested the Subsidiary Body for Implementation (SBI) to continue the consideration of this matter in June 2019.

On 11 April 2019, OCP/ecbi and Climate Action Network South Asia co-hosted a Seminar on “Common Time Frames: Creating Space for Ambition in the Paris Agreement Rulebook” in the India International Centre, New Delhi. The Seminar was attended by representatives from the government, think tanks, academia and civil society.

Professor Benito Müller, Director OCP/ecbi, kicked off the proceedings with a presentation of his paper on the Seminar topic. The presentation began with an analysis of what “time frames” are meant to be “common”, or in other words, synchronised between Parties of the Paris Agreement. Müller mentioned that in the negotiations the concept of “time frame” has been interpreted both as “target period” and “period of implementation” of NDCs (see Common Time Frames: What & Why?). Instead, he argued, it is more fruitful to think of time frames as “time horizons” given by the common end points of these periods. He then introduced the idea of a Dynamic Contribution Cycle (DCC), first developed during the 2014 ecbi Oxford Seminar. The DCC proposes a rolling cycle of two consecutive 5-year NDCs (the “5+5” option), together with a synchronised 5-yearly review (“updating”) of NDC ambitions, jointly allowing space for an assessment of equity and enhancement of overall ambition.

A lively discussion followed the presentation, where the following elements were highlighted:

- 5- and 10-year time horizons are mutually complementary, as each has desirable features that the other is lacking. 5-year time horizons, for example, are more predictable and thus less risky to commit to, while 10-year horizons may be needed to implement certain longer-term policies. The debate should therefore focus not on a binary choice between 5 or 10 years, but whether it is possible to come up with a solution that combines the advantages of both. The 5+5 option is that solution. Indeed, having both a 5- and a 10-year time horizon is one, if not only, internally consistent interpretation of having “common time frames of 5 and 10 years” which some have called for in the negotiations.
- The 5+5 option provides space for equity. Communicating the +5 NDC with a 10-year time horizon provides 5 years for all actors to assess informally the collective adequacy and equity of the +5 NDCs. Adding a synchronised 5-year updating cycle, as envisaged in the DCC, allows for the outcomes of these informal assessments to be translated into enhanced ambition.
- Last, but by no means least, the Seminar has again shown that the idea behind the DCC has a proven track record in domestic contexts. A Seminar participant noted that India, for instance, has a well-established system for short-, medium-, and long-term planning for electricity generation and transmission. Under the Electricity Power Survey (EPS), which is conducted every five years, the electricity demand of all states and union territories, regions, and the country as a whole is estimated for time horizons of 5, 10, 15, and 20 years. These estimates then form the basis for planning generation and transmission capacities. The Indian power sector therefore relies on a dynamic 5+5+5+5 planning cycle (the latest Electric Power Survey (EPS) report considers the electricity demand for

FY 2016-2017 to FY 2036-2037). The electricity sector is the single largest source of greenhouse gas emissions in India, and its planning cycles are critical to inform domestic climate change planning. The EPS reports also forecasts the break-up of different kinds of generation capacities – coal, gas, hydro, renewables etc. – that can be added in a given time horizon based on economic feasibility.

While there was no substantive decision on CTFs at COP 24 in Katowice, a significant procedural decision was taken, to move from merely considering CTFs to adopting that there shall be CTFs from 2031. The task of finding the most effective form of CTFs, which can potentially drive both ambition and equity, therefore remains a key challenge for the climate negotiations, and it would be wise to tackle it head-on rather than kick it down the road. The 25th Conference of Parties this year (2019), in Santiago de Chile, marks the silver jubilee of the UNFCCC conferences, and it would be fitting for it to become the ‘ambition COP’ by agreeing on (a variant of) the Dynamic Contribution Cycle.

Documents related to the event can be found [here](#).

Multistakeholder dialogue on climate finance

On 2 August 2019, ecbi Director Benito Müller and PPAU Head Anju Sharma took part in a multistakeholder dialogue on climate finance organised by Prakriti Resource Centre in Kathmandu, Nepal. It was attended by 31 participants, including Keshav Raj Gautam, Nepal Ministry of Forests and Environment, Pasang Dolma Sherpa, Centre for Indigenous Peoples’ Research and Development (CIPRED), and Shanti Karanjit, UN Development Programme.

Meetings related to Enhanced Direct Access in Delhi

A series of meetings were held in Delhi in August 2019, related to the development of two proposals for Enhanced Direct Access under the Green Climate Fund. On 5 August, Anju Sharma met Minister for Environment, Forests, and Climate Change Prakash Javadekar in his office in the Parliament of India, to describe a proposal for adaptation finance for local governments in India, as originally conceived in the 2015 paper on Consolidation and Devolution of Climate Finance: The Case of India.

On 6 August, Benito Müller, ecbi Director, attended a meeting at the Delhi-based Energy Efficiency Services Limited (EESL), a joint venture of four national public-sector bodies, to finalise the concept note for a GCF Enhanced Direct Access proposal for Enhancing Energy Efficiency in MSMEs with performance-based payments through a pilot Carbon Fund and Auction Facility, as originally conceived in a 2015 OCP/ecbi Working on Engaging Micro, Small, and Medium Enterprises in developing countries: Enhanced Direct Access and the GCF Private Sector Facility.

On Wednesday 7 August, Müller and Sharma met the head of the Indian GCF National Designated Authority, Mr Ravi Shankar Prasad, Additional Secretary at the Ministry of Environment, Forests and Climate Change, to update him on the two EDA proposals.

ecbi Mentorship Scheme for Women Delegates launched by COP25 Presidency

ecbi arranged mentorships for nine “new” women negotiators at the 2019 Climate Conference in Madrid, Spain. Five ecbi bursary holders and four young women supported by the Women Delegates Fund of the Women’s Environment and Development Organization (WEDO) were paired with senior women negotiators from developing and developed countries. The senior women negotiators provided support, advice, and encouragement to their mentees over the two weeks of the Conference. This new ecbi initiative was endorsed by the COP25 Presidency at an event attended by Meilín León, Ministry of Environment, Chile on 4 December 2019, at the Conference venue.

ecbi and WEDO provide training to women negotiators from developing countries who are new to the process in addition to providing support for their participation, to increase the percentage of women representing countries in the climate talks. According to the latest Gender Composition Report, only 38% of the members of party delegations were women at the Katowice Conference in 2018, and only 27% of the Heads of national delegations were women.

A new formal network of senior women negotiators was also launched at the event by Dr Annela Anger-Kraavi, SBSTA Vice-Chair, and Stella Gama, SBSTA Rapporteur and ecbi Gender Advisor. “I am immensely proud of launching the peer-to-peer network for female negotiators in Madrid, and the Oxford gender meeting in March [2019] was instrumental for getting this off ground,” Dr Anger-Kraavi told ecbi.

Training and Support Programme

The Training and Support Programme (TSP) conducted one Pre-COP Training Workshop and three regional workshops, in addition to funding bursaries and producing background papers in 2019. In addition, a national dialogue on NDCs and climate finance in Africa was organised.

Through the bursary programme managed by the International Institute of Environment and Development (IIED), the team continued its support for LDC women negotiators to enable them to fully access and participate in the UNFCCC negotiations. The ecbi supported 2 bursary holders to attend each UNFCCC negotiating session held during the reporting period and provided logistical support, as well as technical advice and capacity building.

Fatima Athoumani from Comoros and Danise Love Dennis of Liberia were supported to attend the Bonn Climate Change Conference in June 2019. Dennis and Daovinh Souphonphacdy from Laos were supported to attend the UN Climate Change Conference in Madrid, Spain. Dennis authored a blog – *Learning to negotiate for climate action: Diary of a junior climate negotiator* – to share her experience.

Regional Training Workshop: Anglophone Africa

The ecbi Regional Training Workshop for Anglophone Africa, on 2 & 3 May 2019 at the Harmony Hotel in Addis Ababa, Ethiopia, was organised in partnership with regional partner ENDA Energie. It was attended by 29 participants from the region, nominated by UNFCCC National Focal Points.

Sessions were held on:

- The UNFCCC Negotiations and the Paris Agreement
- Climate Diplomacy: Outlining the year ahead
- Mock negotiations
- Adaptation and the Paris Agreement
- Transparency framework for action and support
- Formulating group positions
- Cooperative approaches
- Global Stocktake and the Compliance Mechanism

A more detailed report can be found [here](#).

Regional Training Workshop: Francophone Africa

The 2019 ecbi Regional Training and Support Workshop for Francophone Africa took place in Addis Ababa, Ethiopia, from 29 April to 1 May. The workshop was organised in collaboration with Energie Environment Développement (ENDA Energie) and attended by 32 participants from the region.

Sessions were held on:

- The UNFCCC Negotiations and the Paris Agreement
- Climate Diplomacy: Outlining the year ahead
- Mock negotiations
- Adaptation and the Paris Agreement
- Transparency framework for action and support
- Formulating group positions
- Article
- Global Stocktake and the Compliance Mechanism

A more detailed report can be found [here](#).

National dialogues on NDCs and climate finance in Africa

During a “bridging day” between the Francophone and Anglophone Regional Training Workshops for Africa, a day for dialogue on national experiences with the NDCs and with accessing climate finance was organised. Held on 1 April 2019, the dialogue provided an opportunity for the participants of the two workshops to network, and to discuss experiences with implementing climate policy.

A more detailed report can be found [here](#).

Regional Training Workshop: South and South East Asia

The 2019 ecbi Regional Training Workshop for Asia and the Pacific was held on 31 July and 1 August in Kathmandu, Nepal. The workshop, attended by 31 participants from the region, was organised by International Institute for Environment and Development (IIED) and Prakriti Resources Centre (PRC) and hosted by the Ministry of Forests and Environment (MoFE), Nepal.

During the workshop, sessions were held on:

- The UNFCCC Negotiations and the Paris Agreement
- Climate Diplomacy: Outlining the year ahead
- Mock negotiations
- Mitigation and the Paris Agreement
- Legal language
- Formulating group positions
- Climate finance and the Paris Agreement rulebook
- Reporting and compliance framework of the Paris Agreement

A more detailed report of the training workshop is available [here](#).

Pre-COP Training Workshop

The 2019 ecbi Pre-COP Training Workshop took place on 30 November at the Weare Chamartin Hotel in Madrid, Spain. The Workshop was attended by 19 negotiators from least developing countries (LDCs), who

were attending the 25th Conference of Parties (COP25) to the UN Framework Convention on Climate Change (UNFCCC).

Sessions were held on:

- Climate diplomacy and the year ahead
- LDC priorities for COP25
- Introduction to the COP agendas
- Article 6 mechanisms
- Climate finance: key issues for Madrid
- Loss and damage
- Negotiating effectively

A more detailed report can be found [here](#).

Pilot Regional Training Workshop for the Caribbean

A pilot Regional Workshop for the Caribbean, on 30 and 31 October 2019 in Tobago, was attended by 17 participants from the region. Sessions, mostly led by senior negotiators from the region, were held on the politics and science of climate change, loss and damage, mitigation and the NDCs, climate finance, the enhanced transparency framework, and Article 6 of the Paris Agreement. Mock negotiation sessions also took place, to give the trainees a chance to practice interventions in a formal UN-like setting.

A detailed report of the event can be found [here](#). A [letter](#) was also received from some of the workshop participants, where they express their appreciation.

Publications and Policy Analysis Unit

This year, PPAU produced: four new [Pocket Guides](#) (and updated one Pocket Guide); four [policy briefs](#); three flyers and blogs; and eight meeting and other [reports](#) (see list below). In addition to social media interaction (in particular Twitter), several digital Newsletters were sent out during the year to the wider ecbi community, to announce publications and training sessions.

The highlight of this year was the new [Guide to the Paris Agreement](#), which was completed at the end of March 2020. While the Guide was completed at the end of the year and it is early yet to gauge impact (plans for its formal launch had to be postponed until further notice due to the coronavirus crisis), it is already [described](#) as “key reading” for anyone interested in the climate negotiations.

Another highlight was the production of the [COP25 Key Outcomes](#) brief, in continuation of the series launched last FY. A senior negotiator from Switzerland wrote: “The article provides an excellent overview and explains the complicated mechanisms of the multilateral climate negotiations in very clear and understandable language. Once it will be published, I will recommend it as a must read for all colleagues involved in climate change.” Commenting on the COP24 Key Outcomes brief produced last year, a senior negotiator from Norway wrote: “Congratulations with a good publication. It communicates very well. I will forward it to colleagues in my department – also those not working internationally”.

Improvements on the ecbi and OCP websites, combined with the quantity and quality of publications, increased visitors and hits substantially to 142,749 and 519,344 respectively during this FY. Many of the publications were also disseminated on other websites, for instance those of our partner institutions ([IIED](#), [LRI](#), [WEDO](#)); those of the [authors](#) of the publications (see also, for instance, [here](#)); and [sites](#) listing resources for developing countries and [others](#).

We continued to publish and updated the thematic Pocket Guide series: three new Pocket Guides were produced, on [adaptation](#), [technology](#), and the [UNFCCC](#); while the [transparency](#) Pocket Guide merited an update. The Pocket Guides continue to be appreciated by negotiators, including by the Chair of the LDC Group, Sonam Wangdi (Bhutan) who wrote to say: “I find your publications extremely useful, especially the simplification of substantive elements of the UNFCCC negotiations”.

Among the policy briefs, [Negotiating cooperation under Article 6 of the Paris Agreement](#) was particularly popular. Produced in preparation for COP25, the brief sought to provide a politically neutral overview of the Article 6 negotiations in an effort to untangle the negotiations. It first provided an explanation of Article 6 in simple language (as requested by the LDC Chair, when the paper was proposed), then listed the key controversial elements, along with the options on the table and the repercussions of each. It was verbally reported as being a very useful resource in the negotiations. In addition, the following written feedback was received:

- “The ECBI paper was useful in the preparation of the COP 25 for the African Group as it served as a basis for some presentations such as the implication of the corresponding adjustment to avoid double counting. It also helped some delegates to better understand the general status of Article 6.” – Mbaye Diagne, Lead Article 6 negotiator from Senegal
- “This paper is one of the most comprehensive overviews of the complexity in current Article 6 negotiations and manages to translate very sophisticated concepts in a plain, understandable way.” - Luca Lo Re, Environment and Climate Change Analyst, IEA/CCXG
- “I used the paper to introduce issues under negotiation of Article 6 to all members of the technical team of my delegation before joining COP25. It provided clear guidance to us.” - Pham Van Tan, Head of the Technical Team at COP25, Viet Nam
- “I found this policy brief very informative. It gives a clear picture about the ongoing negotiations process on Article 6 and the challenging issues.” - Ousmane Fall Sarr, Coordinator of the West African Alliance on Carbon Markets and Climate Finance
- “The paper really helps to understand the market mechanisms issues and is very useful for the COP25 negotiations.” - Nivohary Ramaroson, Delegation of Madagascar to the UNFCCC
- “In my view the paper was useful, especially for those not so familiar with the subject and the last stand of the negotiation. With other words: the paper delivered what it promised.” - Philipp Ischer, State Secretariat for Economic Affairs, Switzerland
- “This paper by ECBI does a masterful job explaining the complexities of the current Article 6 negotiations to a broad audience without losing analytical rigor. I have used it with a range of students and find that all come away with the key takeaways on the sticking points and why – and some even grasp the nuances. A terrific starting point for understanding market mechanisms under the Paris Agreement.” - Tracy Bach, Professor of Law and Co-Focal Point of the UNFCCC Research and Independent NGOs

The Article 6 paper was also a basis for a [blog](#) after COP25, with an update of progress at COP25.

Guides

[Guide to the Paris Agreement](#)

Now includes the implementation guidelines adopted in 2018, and implications for domestic law and policy in developing countries.

[Pocket Guide to the UNFCCC](#)

The UN Framework Convention on Climate Change (UNFCCC) provides the foundation for the international response to climate change. This Pocket Guide seeks to summarise and explain the main provisions of the UNFCCC's 26 Articles. It aims to look both forwards and back, outlining the origins of key clauses and drawing out those elements of current significance. This should allow for a better understanding of the existing rules, institutions, and procedures under the current climate change regime.

Pocket Guide to Adaptation under the UNFCCC

This Pocket Guide provides a brief history of the global community's response to adaptation under the UNFCCC since 1992. Although the response has gathered pace in recent years, it has yet to gather sufficient momentum. In the 2015 Paris Agreement, attempts were made to correct the balance of attention between adaptation and mitigation. However, many of the concepts and metrics around adaptation still lack clear definition, and many challenges remain, in streamlining the global response to adaptation and providing vulnerable countries and communities the support they need to deal with one of the biggest challenges facing humankind today.

Pocket Guide to Technology under the UNFCCC

How has technology development and transfer (TDT) been dealt with under the UNFCCC and the Paris Agreement? What challenges do developing countries face in identifying and accessing technology needs for mitigation and adaptation, and how are these being addressed? What institutions deal with climate-related TDT at the global level? This Pocket Guide is for UNFCCC negotiators from developing countries, and for national policy makers who would like to understand how to access global support for climate-related TDT.

2019 Edition! Pocket Guide to Transparency Under the UNFCCC

Updated after Katowice, the 2019 version of this Pocket Guide takes into account the Paris rulebook agreed in 2018, to provide a succinct description and analysis of the new "enhanced transparency framework" under the UNFCCC. The Pocket Guide aims to be useful for UNFCCC negotiators, and for national government representatives who have to translate and implement the transparency arrangements on the ground.

Policy Briefs and Notes

International gender commitments to national action: Integrating gender in climate change policies and processes

The international community has increasingly signalled a commitment to address gender issues in the global climate change negotiations, and in national-level implementation of climate action. This policy brief explores how this commitment has been put into practice, and identifies key challenges that still remain.

COP25 Key Outcomes

At the 2019 Climate Change Conference in Madrid, Spain, crunch issues – an unambiguous call for much higher climate ambition to meet the goals of the Paris Agreement, finance for the loss and damage caused by climate impacts, a fail-safe market mechanism that does not compromise environmental integrity, and credible financial contributions to enable action in developing countries – proved too difficult to resolve within the high-pressure, time-deficient confines of a COP, despite a two-day extension and the resilience and staying power of seasoned diplomats.

Unpacking Governance of the Warsaw International Mechanism for Loss and Damage

The governance arrangements for the Warsaw International Mechanism on Loss and Damage and its Executive Committee have been contested since the conclusion of negotiations on Article 8 of the Paris Agreement. Which supreme body – the Conference of the Parties (COP), the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), or both – is / are responsible for guiding their work? This brief addresses legal and practical aspects of the governance debate.

Negotiating cooperation under Article 6 of the Paris Agreement

What's holding up the Article 6 negotiations? Can differences be resolved at the 25th Conference of Parties (COP25) to the UN Framework Convention on Climate Change? This policy paper explains the crunch issues in Article 6 negotiations in generally accessible language. It sheds light on the key differences between negotiating Parties on the eve of COP25 in Madrid. Understanding the issues and Party positions is a key step to identify solutions in these highly political and technically complex negotiations.

Flyers and Blogs

It's the politics, stupid!

What makes it so difficult to reach a deal on market-based cooperation under the Paris

Measuring Progress to a Temperature Goal

Conventional “CO₂-equivalent” emissions calculated using 100-year “Global Warming Potentials” do not consistently reflect the impact of emissions on global temperature: they overstate the impact of constant emissions of any short-lived climate pollutant such as methane by a factor of about four, while understating the large impact of changes in methane emission rates. Myles Allen and Michelle Cain from the University of Oxford explain how CO₂-e emissions can nevertheless be used to calculate “warming-equivalent” emissions to inform burden-sharing discussions, mitigation policies in crucial sectors such as agriculture, and stocktakes of progress towards a global temperature goal.

The Dynamic Contribution Cycle: Enhancing Ambition on the Basis of Equity

This flyer highlights the importance of bringing together all countries on the same page with a common NDC time frame, to enhance ambition and at the same time enable more equitable global outcomes.

Meeting Reports

2019 Pre-COP Training Workshop

The 2019 ecbi Pre-COP Training Workshop took place on 30 November at the Weare Chamartin Hotel in Madrid, Spain. The Workshop was attended by 19 negotiators from least developing countries, who were attending the 25th Conference of Parties (COP25) to the UN Framework Convention on Climate Change.

2019 Regional Training Workshop for South and Southeast Asia

The 2019 ecbi Regional Training Workshop for Asia and the Pacific was held on 31 July and 1 August in Kathmandu, Nepal. The workshop, attended by 31 participants from the region, was organised in collaboration with Prakriti Resources Centre and hosted by the Ministry of Forests and Environment, Nepal.

2019 Bonn Seminar Report

The 2019 ecbi Bonn Seminar was hosted by the City of Bonn in the Altes Rathaus on 23 June. It was attended by 40 climate negotiators from 30 developing and European countries. A welcoming address was delivered by Stefan Wagner, Head of the Department of International Affairs and Global Sustainability, City of Bonn. Discussions followed on common time frames; the collective quantified goal for climate finance and innovative sources; financing the transition to net-zero; and the Article 6 negotiations.

2019 Regional Training Workshop for Anglophone Africa

The ecbi Regional Training Workshop for Anglophone Africa, on 2 & 3 May 2019 at the Harmony Hotel in Addis Ababa, Ethiopia, was organised in partnership with regional partner ENDA Energie. It was attended by 29 participants from the region, nominated by UNFCCC National Focal Points.

2019 Regional Workshop for Francophone Africa

The 2019 ecbi Regional Training and Support Workshop for Francophone Africa took place in Addis Ababa, Ethiopia, from 29 April to 1 May. The workshop was attended by 32 participants from the region. This report highlights the key areas of discussion, which, in addition to an introduction to the history of the global climate negotiations, included thematic sessions on adaptation, Article 6, transparency, the global stocktake, and climate diplomacy in the year ahead. Mock negotiations and a session on formulating a group position gave participants a taste of the real negotiations.

Oxford Seminar Report 2019

The 2019 Oxford Seminar took place from 11-13 September 2019, in the Oxford Town Hall. It was preceded by the ecbi Fellowship Colloquium, attended by 23 senior negotiators from developing countries (two participated virtually), from 9-11 September. They were joined by 20 senior negotiators from Europe for the Seminar. Opening the Seminar, the Lord Mayor of Oxford, Craig Simmons, described efforts to address climate change, including through declaring a climate change emergency in the city.

Annual Report 2018/2019

A key strength of the ecbi has been the identification of potential roadblocks in the global climate negotiations, and efforts (often successful) to engage negotiators from across the spectrum to identify innovative ways to break the impasse. In 2018-2019, as the global negotiations on the Paris rulebook approached the endgame, we identified two such critical areas: common time frames and Article 6 market mechanisms. These two issues, along with the continuing concerns regarding the adequacy and predictability of climate finance, formed the focus of our work during this year.

2019 Regional Training Workshop for the Caribbean

A pilot Regional Workshop for the Caribbean, on 30 and 31 October 2019 in Tobago, was attended by 17 participants from the region. Sessions, mostly led by senior negotiators from the region, were held on the politics and science of climate change, loss and damage, mitigation and the NDCs, climate finance, the enhanced transparency framework, and Article 6 of the Paris Agreement. Mock negotiation sessions also took place, to give the trainees a chance to practice interventions in a formal UN-like setting.

Gender Report

ecbi further deepened its work on gender and climate change in FY2019-2020. 2019 started with an event on “Capacity Building at the Intersection of Women’s Leadership and Gender Equality”, hosted by ecbi in Oxford, and jointly organised with the Women’s Environment and Development Group (WEDO) from 4-6 March 2019. The event was attended by 11 participants, including the UNFCCC Gender Focal Point; representatives from WEDO, OCP, IIED; women negotiators; and a representative from UN Women. It provided an opportunity for ecbi to further deepen its engagement at the intersection of gender and climate change, and to discuss and formalise future collaboration with WEDO. It was attended by 10 gender and climate change. The first part of the meeting reviewed the training modules used by WEDO and ecbi for new UNFCCC negotiators, to promote cross-learning and identify common challenges, solutions, and areas for collaboration. This was followed by a review of climate and gender policy at the international and national levels, to identify future areas for intervention.

Five key five key areas for collaboration in future were identified:

- Capacity Building and Training for Negotiators
- Launching a Mentoring Program
- Joint Events
- Publications
- Enabling Environments and Technical Assistance for National Climate Policy

ecbi had piloted mentoring for one junior negotiator at COP24. This was extended to nine mentorships at COP25. Both Mentors (senior women negotiators from both developing and developed countries) and Mentees were very enthusiastic about the mentorships. The Mentors found a positive outlet to consider and articulate their key insights, and demonstrate their commitment to the next generation of climate leaders, while the Mentees found guidance where they needed it from potential role models, and in an environment where they felt their needs and concerns were well understood and appreciated. In the feedback after the COP, Mentors reported on opportunities to explain technical issues; provide specific pointers on negotiating tactics and “listening for sub-text”; encourage networking; and also discuss challenges of a more personal nature that are specific to women (such as childcare arrangements during long negotiation sessions). One Mentor wrote: “I really liked it, and I think we clicked from the start as two mothers with very little kids leaving home to do our job”.

The Mentees, meanwhile, were very appreciative of the opportunity to have a dedicated mentor to provide them with guidance and support. One mentee wrote: “The ecbi mentorship programme for junior negotiators has set a foundation for empowerment. It is an action that needs applause. I see this will challenge every young negotiator to press for action in their home country. I look forward to mentors maintaining relationships with their mentees and sharing opportunities that will expose mentees to things outside of COP as well”. Both Mentors and Mentees were keen to keep the relationship going, and not just during sessions.

The mentorships were very well appreciated by the COP25 Presidency and the UNFCCC Secretariat. The initiative was formally endorsed by the COP25 Presidency in Madrid through an event organised by the UNFCCC secretariat, and attended by a senior representative of the Ministry of Environment, Chile, on 4 December 2019.

Combining the “Publications” and “Enabling Environments and Technical Assistance for National Climate Policy” elements of the areas for collaboration, ecbi and WEDO co-produced a paper on International gender

commitments to national action: Integrating gender in climate change policies and processes. The policy brief explores how the commitment by the international community, to address gender issues in the global climate change negotiations and in national-level implementation of climate action, has been put into practice, and identifies key challenges that still remain. This paper is expected to inform future collaborative work on gender and national policy making.