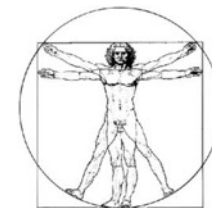


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Technical Dialogue on CTFs 4 NDCs

STATUS QUO RISKS AND HOW TO DEAL WITH THEM

2 DECEMBER 2020

Professor Benito Müller

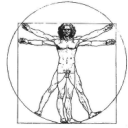
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IN BRIEF

Climate ambition still hangs in the balance

KISHAN KUMARSINGH, TRINIDAD AND TOBAGO

Ambition, or rather the lack of it, currently headlines most discussions on the Paris Agreement. The term refers to how much countries are willing and able to do to combat climate change and its adverse impacts through the pledges in their Nationally Determined Contributions (NDCs).

According to Article 4.9 of the Paris Agreement, all Parties must communicate an NDC every five years starting in 2020. Each successive NDC has to “represent a progression beyond the Party’s then current nationally determined contribution and reflect its highest possible ambition” (Article 4.3).

While the ambition of an NDC is nationally determined, it can be internationally enabled or stifled. The importance of the latter should not be under-estimated. The provision of finance, technology, and capacity is an important enabling factor, but countries will also peg their level of ambition on how much other countries (their peers) are willing to do. All countries have to do their fair share – and as agreed in Article 4.3, their ambition levels will have to reflect “common but differentiated responsibilities and respective capabilities, in the light of different national circumstances”.

The vast majority of the initial NDCs (over 80%) have a time frame up to 2030.¹ For them, paragraph 24 of Decision 1/CP.21 applies, and they will have to “communicate or update by 2020 [these initial NDCs] and to do so every five years thereafter”. The problem is that this poses a number of significant risks.

Lock in low ambition

For one, there is the risk of locking in low ambition, due to national and international factors:

- At the national level, planning for the longer-term (more than 10 years) as required under paragraph 24, introduces greater uncertainty – and therefore Parties are likely to opt for risk-averse conservative (low) ambition.
- At the international level, there is no timetable for Parties to consider enhancing previously communicated ambition: everyone is waiting for everyone else, and there is no deadline for informal discussions to ensure a just distribution of ambition, with the effect that the initial risk averse ambition remains unchanged.

Thwart Global Stocktakes and climate fund replenishments

Under paragraph 24, there is a risk that every ten years, there is no information whatsoever on what Parties intend to do next. This not only introduces uncertainty for domestic stakeholders and hampers advance planning, but also thwarts:

- the *ex ante* component of every second Global Stocktake, and by extension the ability to assess whether the global community is on target to achieve the 2°C/1.5°C trajectory; and
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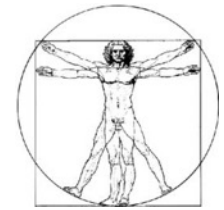
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by Benito Müller and Kishan Kumarsingh*



Heraclitus of Ephesus (Ἡράκλειτος, Herakleitos; c. 535 BC – 475 BC)

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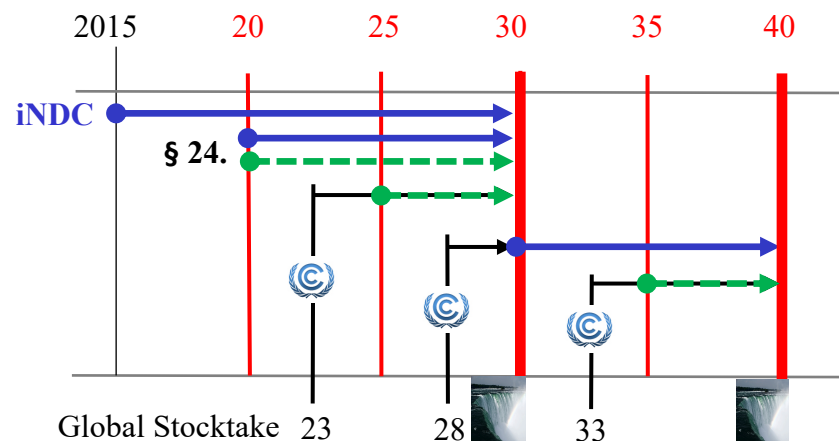
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Paragraph 24. 2025: Plan A. 'Update-first'

The Prevailing Majority Set-up

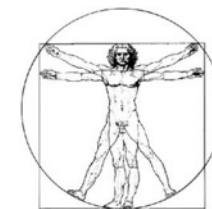
§ 24. Requests those Parties whose INDC ... **contains a time frame up to 2030** to *communicate or update* by 2020 these contributions and to do so every five years thereafter ...;

Art. 4.9 Communication Requirement



Legend

- — 'blind' communication
- - - - 'informed' (individual) updating
- | NDC 'Information Horizon'



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The risks of not adopting a Paris Agreement Ambition Cycle at COP 26 in Glasgow

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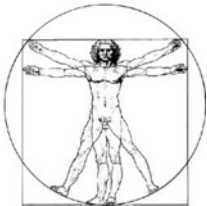
Creating space for equity

Facilitating the predictability of financial needs

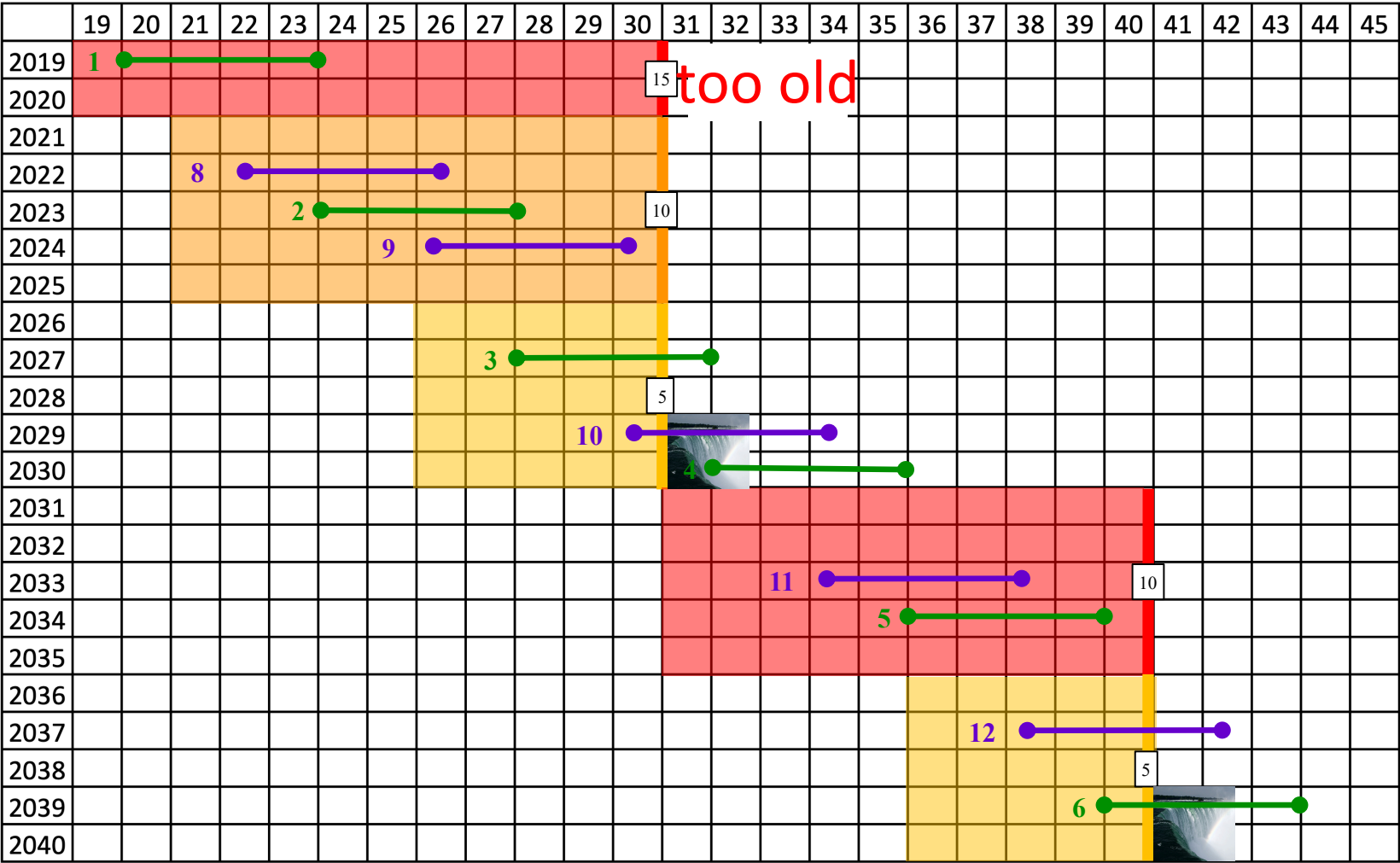
Article 6

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Plan A: Impact on the Financial Mechanism



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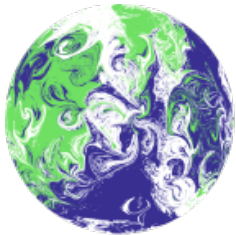
Information space, with horizon and 'vintage' (#-years old)

GCF Replenishment

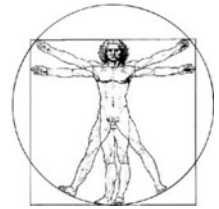
GEF Replenishment

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The Glasgow Ambition Cycle:



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CHANGE
CONFERENCE
UK 2020
IN PARTNERSHIP WITH ITALY

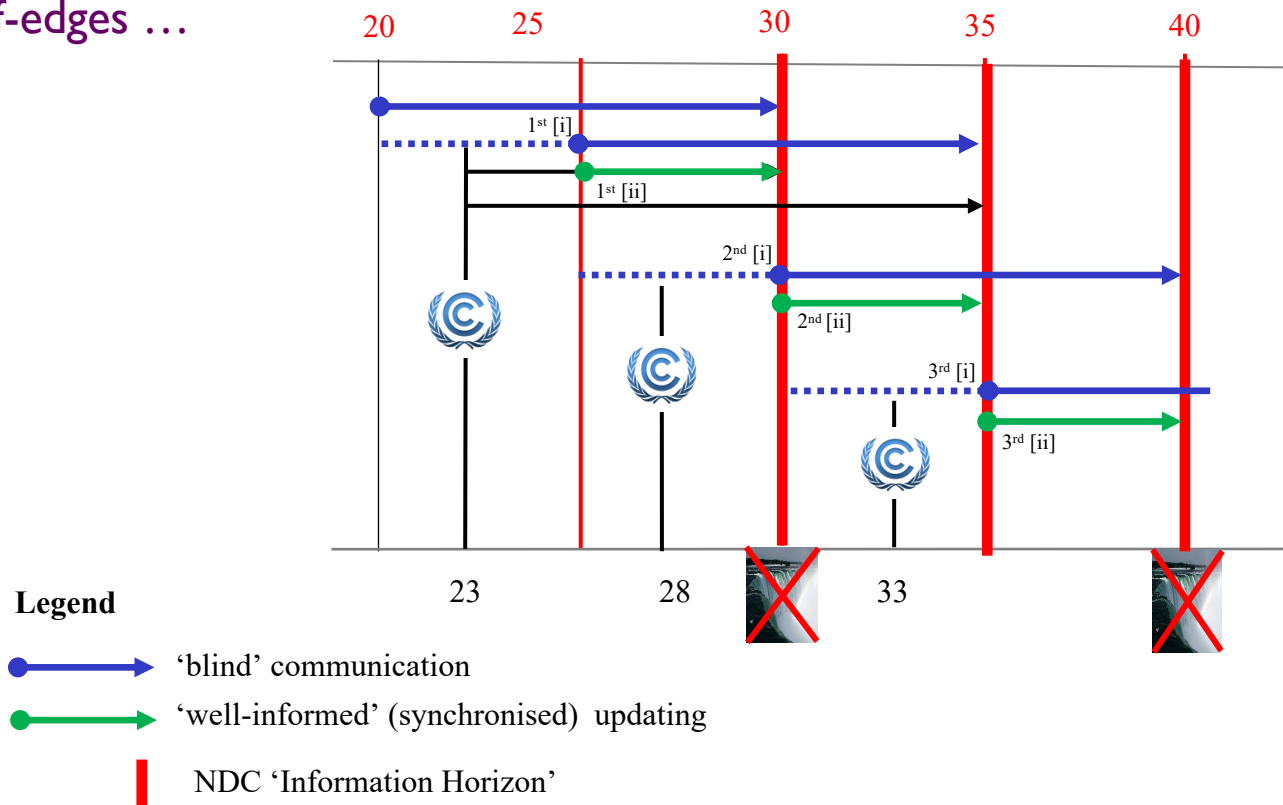


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[i] *Requests* Parties to communicate **by 2025** a nationally determined contribution with a time frame up to **2035**, and to do so every five years thereafter.

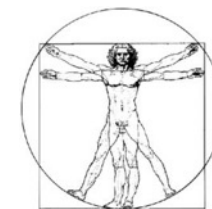
[ii] *Requests* Parties to consider **in 2025** updating their nationally determined contributions with a time frame up to **2030**, and to do so every five years thereafter.

avoids cliff-edges ...

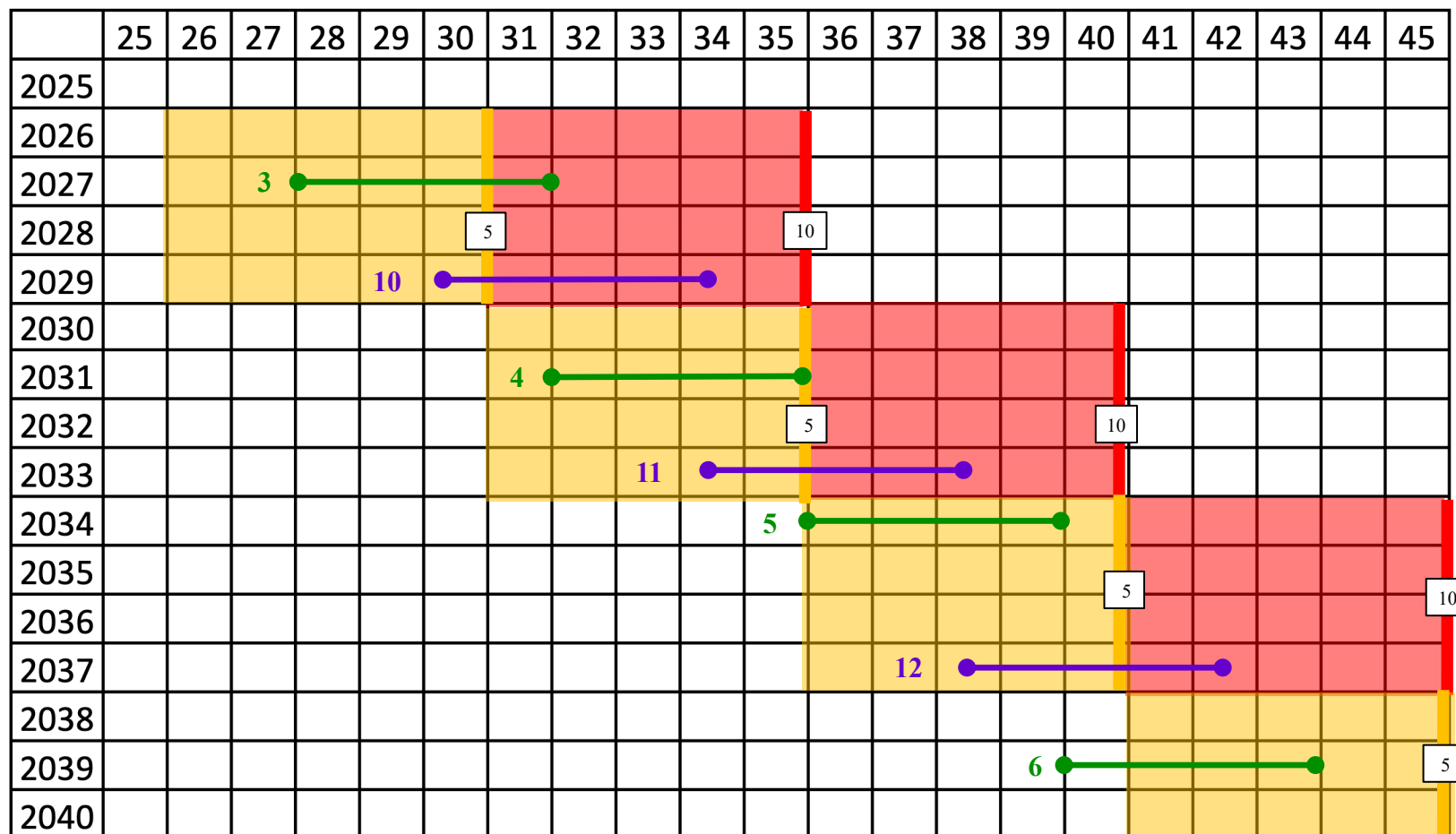


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... provides ex ante information on finance needs for conditional NDCs
(never more than a decade old)



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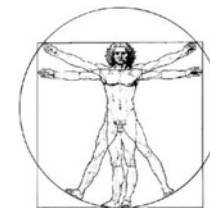
Information space, with horizon and 'vintage' (#-years old)

GCF Replenishment

GEF Replenishment

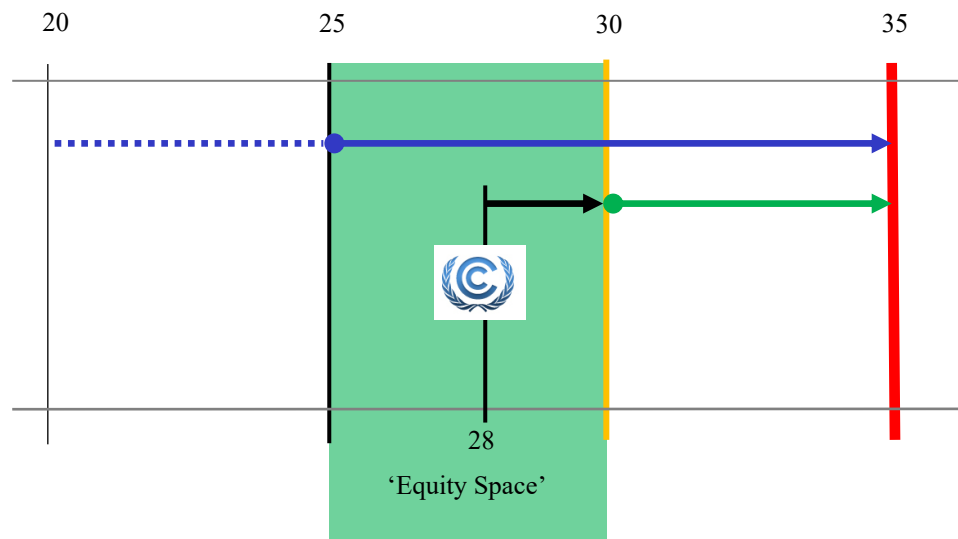
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... and creates space for equity



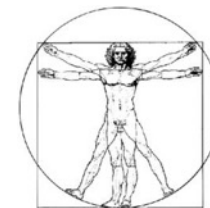
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What happens in the run-up to 2030?



Legend

- —→ 'blind' communication
- —→ 'well-informed' (synchronised) updating
- NDC 'Information Horizon'



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Conclusion

“The proposed Ambition Cycle can unite all the options on the table in a way that retains all their advantages, while avoiding the significant risks they pose on their own.”

Can you do it?

Yes, if you can do an NDC with a time-frame up to 2035! That is all that is required.

N.B: If you think you absolutely need to communicate a 2040 NDC in 2025, there is nothing to stop you to do both: two for the price of one!



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