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"Time to meet in the middle to find an option that gives everyone what they are looking for"

REPORT OF THE TECHNICAL DIALOGUE ON COMMON TIME FRAMES

2 DECEMBER 2020

A virtual [Technical Dialogue on Common Time Frames](#) (CTF) for Nationally Determined Contributions (NDCs) was convened by Marianne Karlsen, the Chair of the Subsidiary Body for Implementation (SBI), on 2 December 2020 as part of the [2020 UN Climate Change Dialogues](#).

Dialogue Chair Kishan Kumarsingh invited the 73 Party participants to focus on two questions:

- What approach to CTF will allow all of the processes and mechanisms of the Paris Agreement to function as intended?
- What are the most important factors to consider in arriving at a practical and workable time frame of an NDC, and how can these factors be accommodated in a solution on common time frames?

Yamide Dagnet, World Resources Institute, made a [presentation](#) on the importance of an agreement on CTF in 2021. Dagnet said agreement on this issue will allow the global stocktake (GST), the Article 6 market mechanisms, and the enhanced transparency framework of the Paris Agreement to function as intended. She noted that Parties still have some way to go to reach the 1.5°C threshold recommended by the latest report of the Intergovernmental Panel on Climate Change. The Paris

Agreement calls for the communication of NDCs every five years, and for the NDCs to be enhanced on the basis of GSTs occurring also every five years. This enhancement on the basis of the emissions gap, the adaptation and resilience deficit, and the alignment of financial flows, will allow the “arc of ambition” to get closer to achieving the Paris Agreement’s long-term goals.

The NDCs and the GSTs are therefore at the heart of the arc of ambition, Dagnet said, and of the Paris Agreement’s ambition cycle. A decision on CTF can facilitate ambition by accelerating action at an established rhythm. If Parties have different timeframes, she said the GST will not be able to equitably reflect progress on action and support when countries are at different points in their NDC cycle. Some Parties will be concluding their NDC implementation, while others will be in the middle of implementation when the GST occurs, and this will clearly complicate the assessment of aggregate progress.

Dagnet said ensuring that all Parties are at the same point of their NDC cycle is important to ensure that the GST can consider collective progress in light of the best available science and equity, as required under Article 14.1 of the Paris Agreement.

If Parties have a ten-year timeframe, she continued, they will not be able to make the most of the GSTs, to reflect the achievements of NDCs and boost future climate actions and support. The Paris Agreement is already built on a five-year cycle.

Describing the linkages between CTF and Article 6, Dagnet noted that the market mechanisms of the Paris Agreement will be more complex than those of the Kyoto Protocol, and securing a robust measurement, reporting, and verification (MRV) system will be challenging in the first place, especially for many developing countries. The setting is made even more complex by the variety of NDC types, and the lack of certainty and predictability of markets. If the period of NDC implementation is different between Parties participating in the market mechanisms, this will add another layer of complexity. The impact of the use of those mechanisms on global efforts may not be clear for as long as ten years. Enforcing Article 6 principles of environmental integrity and the avoidance of double counting will become even more difficult.

Dagnet said a five-year “plan-implement-review” cycle at the national level will allow for a better understanding and acceleration of collective progress towards the Paris Agreement goals; allow for taking into account the outcome of the GST every five years; and be more responsive to technological, economic, and societal changes, needs, and opportunities. She noted that countries are already adjusting their governance and institutional structures accordingly.

She concluded that in the current state of climate emergency, Parties cannot wait beyond COP26 in Glasgow to come to an agreement on the CTF issue.

Benito Müller, Director, European Capacity Building Initiative (ecbi), presented on “Status Quo Risks and how to deal with them”.

Noting that the majority (80%) of initial NDCs communicated by Parties in 2015 have a time frame up to 2030, he recalled that the Paris Decision (§24) requests the Parties in question to communicate or update these NDCs by 2020, and do so every five years thereafter. The Article 4.9 five-yearly communication requirement applies even to Parties with a ten-year timeframe.

In 2023, he said, a GST will take place, which will be able to consider forward-looking information for the NDCs up to 2030. For the countries that choose to communicate a new NDC in 2025, the new NDC will be up to 2040. For those who choose to update their 2030 NDC, however, there will be “a cliff edge of information” in 2030, and the forward-looking 2028 GST will be meaningless because there is no information beyond two and a half years.

The countries that chose to update in 2025 would then present a new NDC up to 2040 in 2030, he said, but that will not be informed by the GST. This clearly suboptimal situation will arise every ten years thereafter.

Müller then considered the implications of this cycle on the financial mechanism. In 2020, information is available up to 2030, but the vintage of this information is 15 years since the NDCs were communicated in 2015. This is too distant, he said, particularly for the needs of contingent NDCs. The first replenishment of the Green Climate Fund (GCF) has just taken place, and the 2030 NDC will be updated now (in 2020). The eighth replenishment of the Global Environment Facility (GEF8), the second GCF replenishment, and GEF9 will be reasonably placed in terms of forward-looking information about financial needs. According to Plan A, the 2030 NDCs will be re-updated in 2025, which will mean that GEF10 will be a cliff edge, with no forward-looking information whatsoever, and the same will happen for the GCF’s sixth replenishment.

Müller then introduced the “Glasgow Ambition Cycle” (GAC) proposal, and demonstrated how it could mitigate these risks. In 2020, he said, the 2030 NDCs communicated. The first step in the GAC is that Parties would communicate a 2035 NDC by 2025 (see **Box 1**), so the information horizon would be till 2035 in 2025, and avoid the cliff edge. The 2023 GST will have information at two levels – for 2030, and 2035.

The second part of the GAC is that in 2025, Parties are requested to update their 2030 NDCs, and then do the same thing every five years. So for the second iteration, they will be invited or requested to communicate their 2040 NDC by 2030; and to update the 2035 one in 2030, and so forth. This will create a rolling cycle with NDCs updated every five years. He then showed how in this

BOX 1: PROPOSED LANGUAGE TO OPERATIONALISE THE “GLASGOW AMBITION CYCLE”

[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.

scenario, every single replenishment will be covered in terms of forward-looking information.

Müller said the GAC also creates space for equity: Parties will communicate their 2035 NDCs by 2025, there will be a GST in 2028, and an update in 2030. The five years between 2025-2030 will provide an important space to governments and civil society to consider the adequacy, but also the equity and fairness, of contributions. While fairness cannot be imposed, he said, the GAC will at least create the time and the space to discuss it, by making everything transparent. A more equitable sharing of ambition will, in turn, maximise the enhanced ambition.

Müller concluded that GAC can unite current options on the table in a way that retains all their advantages, while avoiding the significant risks they pose on their own. If Parties want to communicate at 2040 NDC in 2025, they can do both, as it doesn't take more effort to have a 2035 NDC in addition to a 2040 NDC.

Discussion

In the discussion, participants reacted to the GAC proposal; discussed whether there should be a single CTF, or a plurality; and shared their views on whether this should be resolved at COP26 in Glasgow.

Reactions to the GAC

The Glasgow Ambition Cycle, originally called 'Dynamic Contribution Cycle' and submitted to the UNFCCC by Brazil November 2014, was resubmitted as position of the Least Developed Countries (LDC) Group in April 2018, and as part of 'Option 8' in the SBI negotiations by Switzerland at COP25 in November 2019.

Switzerland, on behalf of the Environment Integrity Group, and Bangladesh on behalf of the LDCs, spoke in support of the GAC. Switzerland, supporting the '5 + indicative 5' version of the GAC, argued that this "allows

more ambition through a functioning ratcheting-up mechanism." Bearing in mind how fast new technologies are being developed, and the increasing pace of the transformation of various sectors, she said it would be a missed opportunity not to update plans and strategies on a regular basis.

Zimbabwe, speaking on behalf of the African Group of Negotiators (AGN), also endorsed the GAC idea, building on a 2018 AGN submission, and highlighting the importance of providing space for equity mentioned in Müller's presentation. Supporting the AGN intervention, South Africa stressed that "in a climate emergency, we need to do as much as possible as fast as possible and dynamically," or risk locking-in low ambition.

Panama, speaking on behalf of the Independent Association of Latin America and the Caribbean (AILAC), also explicitly supported the GAC "to enable the ambition mechanism of the Paris Agreement to operate in a manner that guides all Parties to the greatest possible ambition" by providing "regular opportunity for the latest scientific, technical, and stocktaking information, and the outcome of the GST to directly inform subsequent NDC commitments in as timely a manner as possible" and by giving "citizens, companies, investors, and the international community clear visibility of the direction of travel the country is embarking upon."

Sweden, speaking on behalf of the EU, said the EU does not presently have a preferred option, apart from NDCs being "communicated five years ahead of the start of its implementation", but they are very interested in hearing Parties' views at the Dialogue.

Belize reminded the audience that the different options on the table may be preferred for different reasons, but "it may be time that we start to meet each other in the middle, and try to find an option that gives everyone what they're looking for."

Mandate of CTF discussion, and the role of GAC

None of the interventions explicitly rejected the GAC idea, but one issue did divide opinion: whether the mandate for the CTF negotiations is to find a single time frame common to all; or whether it allows for multiple time frames (common to some) to be applied as they are at present.

China, on behalf of the Like-Minded Developing Countries (LMDCs), supported by Saudi Arabia, on behalf of the Arab Group, endorsed the former interpretation, while Belize, for example, said the Alliance of Small Island States (AOSIS) believes “there should be a common time frame for all Parties going forward”, and suggested removing the ‘s’ and start referring to ‘a common time frame’.

The LMDC proposal, as stated by China, is that “in 2025, the 2035 target and also the 2040 target are all allowed as target year to be communicated.” China also stressed that the LMDCs support “a very inclusive arrangement,” instead of “closing the door for 10 years as one of the options”.

As emphasised at the very end of the Müller's presentation, the proposed GAC language (**Box 1**) does not prohibit anyone from communicating a 2040 NDC in 2025 – all they need to do is to also communicate a 2035 one. It is in this manner that the GAC proposal

can, as noted by Switzerland, “accommodate both the preference for a five-year and the preference for a ten-year NDC, while preserving the ratcheting up mechanism, which is at the heart of the Paris Agreement, and is really crucial if we want to safeguard ambition.”

Resolving CTF in Glasgow

SBI Chair Marianne Karlsen said in her opening remarks that is her “intention and profound hope” that the informal exchanges during the Climate Dialogue will add value to Parties’ continued deliberations so that when formal negotiations are resumed at the next SBI session, Parties “are well prepared to navigate this to a landing at COP26.”

“Resolving this outstanding issue as soon as possible would help to unleash the full potential of the Paris Agreement,” concurred Huw Davies, on behalf of the COP 26 Presidency, in his closing remarks. “We're keen to support Parties and Marianne the SBI Chair however we can come to an agreement on this issue by COP 26, and we'll continue to work closely with the SBI Chair over the coming months.”

While not all participants addressed this issue in their interventions, of the four who did raise it, three were clearly for, and the fourth one consistent with having a CTF decision as part of the key Glasgow outcome package (see **Box 2**).

BOX 2: VIEWS ON RESOLVING THE CTF ISSUE IN GLASGOW

EIG: “... the EIG believes that we now have the technical understanding and the elements at hand to reach a very good consensus in COP 26. What we need at this stage is political will. And you can certainly count on the willingness and the motivation of the EIG to come to COP26 ready to adopt a very good decision on common timeframes.”

LMDCs: “Thanks to Kishan, Benito and Yamide, for sharing their interventions regarding how to move forward, especially the importance of achieving the common timeframe, this year.”

South Africa: “...I think we really have heard all the technical arguments if we want an effective Paris Agreement, [...] it's time to take a decision.”

EU: “We are also very interested in seeing progress at COP 26 [...] and have a decision as soon as possible.”

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