



## **SUBMISSION BY GREECE AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN UNION AND ITS MEMBER STATES**

**This submission is supported by Albania, Bosnia and Herzegovina, Iceland, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia**

Athens, 28 February 2014

**Subject: THE 2015 AGREEMENT – PRIORITIES FOR 2014**

### **A. Introduction**

1. The recent reflections note of the ADP co-Chairs<sup>i</sup> highlighted that we have come a long way since Durban. However, as the note also highlighted, we are now past the half way stage in the life of the ADP. With less than two years to secure an ambitious 2015 Agreement at COP 21 in Paris, the work that lies before us is challenging. But that is a challenge that we must collectively meet. The positive result of COP19, and the spirit of compromise and cooperation which enabled that result, provides a good platform for our work in 2014.
2. The EU sees the priorities for 2014 as being that:
  - all countries begin or speed up the process of developing meaningful mitigation commitments so that they come forward with meaningful proposed mitigation commitments well in advance of Paris and by the 1st quarter of 2015 at the latest for those that are ready to do so;
  - the requirements for "upfront information" are agreed to ensure that proposed mitigation commitments are transparent, quantifiable, comparable, verifiable and ambitious;
  - progress is made towards a collective view on how proposed commitments will be considered by the international community, both in terms of collective ambition in light of the below 2°C objective and fairness – including the possible role that indicators & criteria might play;
  - progress is made towards a rules based 2015 Agreement – in particular in relation to MRV, accounting and compliance;
  - further progress is made on how means of implementation and adaptation will be reflected in the 2015 Agreement, building on the work done in 2013;
  - a first draft negotiating text emerges by COP 20.
3. This submission focuses on the two of overarching tasks for the ADP in 2014 related to the 2015 Agreement as identified in paragraph 2 of the reflections note: (i) elaboration of elements of the 2015 Agreement; and (ii) clarification of information guidance.
4. The previous submissions of the EU in relation to ADP Workstream 1 continue to be relevant<sup>ii</sup>, read in light of the European Council Conclusions of 14 October 2013 and the outcome of COP 19.

## B. Elements of the 2015 Agreement

5. The EU has most recently set out its thoughts on the design, structure and scope of the 2015 Agreement in September last year<sup>iii</sup>. In summary:

### Objectives - the 2015 Agreement:

- in order to achieve the below 2°C objective, should be designed to ensure participation and ambitious mitigation by all Parties;
- will need to be a helpful tool in transforming the development pathways of countries;
- will need to endure well beyond 2020. As such it will need to be flexible, dynamic and robust. To stay on track for achieving the below 2°C objective a process for regular assessment and, if necessary, upward adjustment of individual and collective mitigation commitments should be included;
- should assist Parties, but particularly the most vulnerable countries, in adapting to the consequences of climate change and increasing their resilience.

### Structure and legal form - the 2015 Agreement:

- should be a new Protocol under the Convention;
- could be broadly organised around: (i) objectives; (ii) mitigation and related MRV & accounting; (iii) market mechanisms; (iv) adaptation; (v) means of implementation; (vi) transparency of support; (vii) regular mitigation assessment and simplified adjustment; (viii) compliance.

### Scope - the 2015 Agreement:

- will be part of a wider 2015 package that includes a series of accompanying COP decisions. Provisions should only be included in the 2015 Agreement itself if doing so is necessary to make them operational and effective;
- should aim to address 100% of global greenhouse gas emissions in order to stay on track to achieve the below 2°C objective. All Parties should have legally binding mitigation commitments, in accordance with the principles of the Convention applied in a dynamic way, such that commitments are ambitious, fair and reflect the changed and changing responsibilities and capabilities of Parties;
- should contain mitigation commitments that are transparent, quantifiable, comparable, verifiable and ambitious, which means that up front information is essential. It is also essential that the collective level of ambition in the 2015 Agreement keeps us on track for achieving the below 2°C objective from the outset;
- must be rules based – specifically containing robust rules on MRV & accounting as well as compliance provisions;
- must, together with the wider 2015 package, strengthen the continued efforts by all Parties to adapt to climate change and reemphasise the commitment of all countries towards low carbon and climate resilient sustainable development;
- should build on existing institutions and processes and avoid inefficient duplication of efforts;
- must address means of implementation together with the wider 2015 package. It will be essential that national governments take the lead in designing and implementing ambitious climate policies as a basis for enhanced action and enhanced support, both in the areas of mitigation and adaptation.

6. The EU recognises that adaptation will be an important part of the 2015 Agreement. Countries are already undertaking adaptation action pursuant to the provisions of the Convention. The 2015 Agreement will and should play a role in enhancing these actions in a dynamic and iterative manner to reduce countries' vulnerability and to increase their readiness and preparedness, thereby building adaptive capacities consistent with national circumstances and priorities. In line with the Convention, the 2015 agreement should therefore reemphasise the commitment of all countries to undertake work to make progress towards a global objective of low carbon and climate resilient sustainable development.
7. To do this, the 2015 Agreement should contain provisions to undertake actions to enhance the national efforts of Parties to become climate-resilient in their national development planning. These provisions could include strengthening international cooperation and coordination, enhancing understanding and expertise, and facilitating the mobilisation of support to developing countries especially those that are particularly vulnerable to the adverse effects of climate change. In addition, these provisions should facilitate the reporting and improved monitoring of the effectiveness of adaptation efforts at the national level. Parties could be encouraged to use their national communications to inform collective learning on adaptation between nations and the global level and further enhancement of efforts to achieve the objectives of the Convention and the 2015 Agreement.
8. The 2015 Agreement should consider ways to further enhance the mobilisation of climate finance. It will be essential that national governments take the lead in designing and implementing ambitious climate policies as a basis for enhanced action and enhanced support, both in the areas of mitigation and adaptation. Ambitious domestic climate strategies, policies and conducive regulatory frameworks will stimulate climate change actions and concrete viable projects. Climate finance should be used to shift development towards a low-emission climate resilient path.
9. It is critical that further progress is made on adaptation and means of implementation in the context of the 2015 Agreement, building on progress made in 2013. Further detail of the EU's views in these areas can be found in previous submissions<sup>iv</sup>.

### **C. Clarification of information guidance: the need for up front information in relation to proposed mitigation commitments**

10. Securing a 2015 Agreement with mitigation commitments from all Parties that are consistent with the aim of achieving our common below 2°C objective is a key challenge. Warsaw set out a process towards meeting that challenge:
  - inviting all Parties to initiate or intensify the domestic preparations of their intended contributions;
  - deciding that up front information requirements should be identified by COP20; and
  - inviting Parties to come forward with intended contributions well in advance of COP21 (and by the first quarter of 2015 for those Parties in a position to do so).

11. The decision in Warsaw to elaborate up front information requirements by COP20 at the latest was a clear recognition that it is in every Party's interest to easily understand whether mitigation commitments proposed by others are:

- individually ambitious, fair and in accordance with responsibilities and capabilities; and
- collectively sufficient to stay on track for the below 2°C objective.

12. In order to facilitate that, proposed mitigation commitments must be accompanied by a minimum level of up front information in order to ensure that they are transparent, quantifiable, comparable, verifiable and ambitious.

13. In that context set out below is a proposition for discussion of the kinds of up front information for all commitment types, and specific additional information in relation to particular types of commitment:

**Up-front information, recognising diversity of commitments**

<p>Up-front information in relation <u>to all</u> commitment types should include <i>inter alia</i>:</p>
<ul style="list-style-type: none"> <li>• Type of target</li> <li>• Target year and/or target period</li> <li>• Sector coverage</li> <li>• Percentage of total emissions covered</li> <li>• Gas coverage</li> <li>• Geographic boundaries</li> <li>• Metrics used to calculate equivalence of greenhouse gases (IPCC global warming potentials)</li> <li>• Period for reaching commitment</li> <li>• Expected contribution (if any) of international market-based mechanisms</li> <li>• Land use approach and effect on emissions/reductions of CO<sub>2</sub>e</li> <li>• Peaking year</li> <li>• Potential Indicators related to fairness and ambition <i>inter alia</i>: Past, current and future emissions, Mitigation costs, Mitigation potential, GDP, Population projections, Poverty indexes, National circumstances</li> </ul>



Additional up-front information in relation to <u>specific types of commitments</u> <i>inter alia</i> :			
<p><b>Quantified (absolute) target</b></p> <ul style="list-style-type: none"> <li>• expected reduction of GHGs in CO<sub>2</sub> equivalent for target year/period</li> <li>• Base year/period</li> <li>• Projections of emissions towards the achievement of target (in accordance with policy framework attached to target)</li> </ul>	<p><b>Intensity target</b></p> <ul style="list-style-type: none"> <li>• Projected reduction of GHGs in CO<sub>2</sub> equivalent for target year/period</li> <li>• Actual GDP in base year</li> <li>• Methodologies to project GDP, population growth in target year/period</li> </ul>	<p><b>Deviation from Business-As-Usual (BAU)</b></p> <ul style="list-style-type: none"> <li>• Projected reduction of GHGs in CO<sub>2</sub> equivalent for target year/period</li> <li>• Projected emissions in BAU scenario for target year/period</li> <li>• Methodologies to project BAU/reference scenario</li> <li>• Projected GDP in target year/period</li> </ul>	<p><b>Other type of commitments: Set of policies and measures</b></p> <ul style="list-style-type: none"> <li>• Projected reduction of GHGs in CO<sub>2</sub> equivalent reduced by policy by target year or over period</li> <li>• Detailed description of policy</li> <li>• Projection methodologies</li> </ul>

14. Given that up front information requirements have to be agreed by Lima at the latest, the ADP session in March should focus on this issue as a priority.

15. Addressing this issue as early as possible will:

- help to better inform domestic preparations of mitigation commitments;
- inform the conversation on the rules base of the 2015 Agreement (see below); and
- facilitate preparations for how the international community will consider in 2015 whether proposed commitments are collectively sufficient to stay on track for below 2°C and are individually transparent and fair.

16. Work towards defining up front information requirements does not imply dealing with new or additional information requirements, but with information that Parties will already need to consider for the preparation of post 2020 domestic mitigation commitments. The proposed elements for up front information also reflect the past experiences with presenting commitments or targets under the Convention and the Kyoto Protocol.

#### **D. Elaboration of elements of the 2015 Agreement: ensuring a robust rules base**

17. In Warsaw all Parties recognised that fulfilling the ultimate objective of the Convention will require the strengthening of the multilateral rules based regime.

18. In that context it is essential that the 2015 Agreement contains a robust set of rules on MRV, accounting (including in relation to the land sector as well as the use of market mechanisms) and compliance in order to promote transparency, comparability and confidence in the new regime. As there will be a variety of commitment types, rules will have to be adapted to different commitment types, taking into account countries' capabilities. The 2015 Agreement should also contain procedures to regularly revisit and enable Parties to raise the ambition of their own mitigation commitment in a timely manner in order to ensure that we collectively stay on track for below 2°C.

19. Such a rules based system will ensure that the 2015 Agreement serves to ensure mutual confidence that all Parties deliver on what they have promised to do, and that we collectively remain on track to deliver the below 2°C objective. As such a robust rules base in the 2015 Agreement is in the interest of all Parties.

20. Working towards a rules based 2015 Agreement must therefore also be a priority of the ADP in 2014.

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<sup>i</sup> ADP.2014.1.InformalNote

<sup>ii</sup> Of particular relevance in this context are the EU's submissions on:

- (a) the *Process for ensuring ambitious mitigation commitments in the 2015 Agreement*, 27 May 2013 ([http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_eu\\_workstream\\_1\\_20130527.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_eu_workstream_1_20130527.pdf));
- (b) *Further elaboration of elements of a step wise process for ambitious mitigation commitments in the 2015 Agreement*, 16 September 2013 ([http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_eu\\_workstream\\_1\\_mitigation\\_20130916.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_eu_workstream_1_mitigation_20130916.pdf));
- (c) *The scope, design and structure of the 2015 Agreement*, 16 September 2013 ([http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_eu\\_workstream\\_1\\_design\\_of\\_2015\\_agreement\\_20130916.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_eu_workstream_1_design_of_2015_agreement_20130916.pdf));
- (d) *Adaptation in the 2015 Agreement*, 16 September 2013 ([http://unfccc.int/files/documentation/submissions\\_from\\_parties/adp/application/pdf/adp\\_eu\\_workstream\\_1\\_adaptation\\_20130916.pdf](http://unfccc.int/files/documentation/submissions_from_parties/adp/application/pdf/adp_eu_workstream_1_adaptation_20130916.pdf))

<sup>iii</sup> *The Scope, Design and Structure of the 2015 Agreement*, 16 September 2013

<sup>iv</sup> *Adaptation in the 2015 Agreement*, 16 September 2013; and *Strategies and Approaches of the EU and its Member States for mobilising scale-up climate finance towards the developed countries' goal to jointly mobilise USD 100 billion*, 2 September 2013 ([http://unfccc.int/files/documentation/submissions\\_from\\_parties/application/pdf/cop\\_suf\\_eu\\_02092013.pdf](http://unfccc.int/files/documentation/submissions_from_parties/application/pdf/cop_suf_eu_02092013.pdf))