Submission to ADP Chairs



How to advance the work of the ADP in Doha and Beyond

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Climate Action Network International is the world's largest network of civil society organizations working together to promote government action to address the climate crisis, with more than 700 members in over 90 countries. <u>www.climatenetwork.org</u>

Practical ideas and suggestions on how the ADP can advance its work, both towards delivering an effective post-2020 agreement and bridging the ambition gap in the pre-2020 period

1. Produce a balanced package from every COP

A clear lesson from Copenhagen is that the 'nothing is agreed unless everything is agreed' approach simply cannot deliver in negotiations covering as complex an array of issues as under consideration in the UNFCCC. The ADP will therefore need to be constructed in ways that **create balanced packages of agreement at each COP**, also taking into consideration work being done in other workstreams. The ADP will also need to ensure that it leaves open the possibility of work being done in other workstreams being included in the 2015 Protocol. See the table of key milestones further in this document for an outline of what these balanced packages might be.

2. Support ministerial round table

The issues in the climate negotiations are a combination of complexity and political sensitivity that will require engagement at different political levels and at different times. It is increasingly clear that **finance and other ministers will need to be engaged** into the process more actively, as well as the current annual engagement with environment ministers at the COP. It is also clear that **Leaders will need to be directly engaged in these negotiations at an early stage and in an on-going manner**.

In Doha, **convening a roundtable for ministers on increasing near-term ambition** would be an invaluable chance for them to exchange ideas on what conditions are needed to increase the targets and NAMAs and starting to move towards putting those conditions in place, a critical step if we are to stay within a global carbon budget that is plausibly consistent with the agreed goal of keeping global average temperature increases below 2°C and keeping the possibility of limiting to 1.5°C open. Progress at a high-level on increasing ambition is vital if a peak in global emissions is to be achieved by 2015. The roundtable needs to be focused around a few key questions to help it to lead rapidly to deliverables in Doha. A regrettable dynamic in the negotiations has been one of 'you go first' and a seeming lack of belief that low carbon development and the transition to a low carbon economy is possible. The fresh mandate of the ADP offers an opportunity try to reframe issues more in a way that emphasizes what is being done, and share experiences – positive and negative - to teach those that want to implement similar measures and avoid mistakes being repeated.

3. Ensure adequate negotiating time

To complete the large amount of work ahead of it on the agreed timelines, the ADP will need to **ensure that there is sufficient negotiating time, including intersessional meetings**. These will also create spaces for any workshops Parties agree. In addition to the sessions, the periods between sessions should be used to amass and analyse information in technical papers and to allow for rounds of submissions from Parties and Observers.

4. Ensure that the ADP co-chairs and facilitators obtain clear mandates to begin work on text Parties have already spent many years negotiating many areas of work that will be covered by the ADP. Therefore, for the Protocol track, there is value in using the limited time to 2015 to capture the contours of agreements early on and refining them both to allow agreement of balanced packages at each COP and towards the final Protocol. For the near-term ambition track, working on text will help to define the agreements needed to raise ambition expeditiously.

5. Embrace multi-stakeholder process

The expertise and knowledge of observers should be valued as a resource and a culture of transparency and inclusiveness in the negotiations fostered. This should include creating regular opportunities for NGO interventions, calling for submissions from observers (CAN thanks you for the opportunity to input in this instance), opportunities to present in workshops, and opportunities to speak from the floor, as has been increasingly offered in the UNFCCC in recent years. Allowing interventions from the floor on an ongoing basis means that input can be provided on specific issues when it is most relevant and valuable, rather than limiting input to closing interventions which can encourage the restatement of positions. The recent long term finance workshop, which included civil society representatives and forays into engagement via social media, are a good start at active engagement and should be looked to for examples. It is important to ensure that civil society have full and active engagement and aren't marginalised by creating parallel platforms that effectively sideline input whilst giving the appearance of inclusion. Observers, including nongovernmental organizations, play a vital and varied role in the climate negotiations, as in other multilateral processes, working towards the adoption of a fair, adequate and binding agreement to address the greatest collective challenge we face.

How best to advance the work of the ADP in Doha and beyond

1. Set milestones and detailed workplans for both ADP workstreams

Parties must learn the lessons of Copenhagen, and agree detailed ADP workplans in 2012, with milestones and progression on issues, to ensure that not everything is left until the last moment to agree. These workplans must have sufficient flexibility to insert more workshops, technical papers etc so that stepwise progress is able to be made. This must be balanced with Parties not wasting valuable negotiating time arguing over agendas each year. In this regard Parties should seek and take input from the UNFCCC Secretariat on the design of the workplans.

Parties must commit to having a draft final fair, ambitious & legally binding agreement at COP20-CMP10 in 2014, in order to have a year to cross check various elements of these complicated negotiations – particularly to ensure that sufficient ambition and equity is incorporated.

2012:	Agree two clear workplans – one for increasing short term (pre 2020) ambition, and a second for agreeing in 2015 a fair, ambitious & legally binding instrument. The workplans must have clarity on scope and institutional linkages (AWG-LCAs/KP and SBI/SBSTA, GCF, Adaptation, Committee, new work on Loss and damage, MRV/compliance), clarity on terms of officers, and Parties must agree the membership of the Bureau for the 2015 FAB deal negotiations, a budget for an adequate numbers of meetings with adequate							
	representation from vulnerable countries and civil society.							
2013:	For the 2015 fair, ambitious & legally binding instrument the workplan should foreshadow a series of Parties'							
	submissions, workshops. By end of 2013 at COP 19, Co-Chair of ADP put forward <i>a</i> compilation text of the							
	main elements based on Parties submissions							
2014:	Parties should refine their workplan with all key analytical gaps met through new work, papers done by							
	UNFCCC secretariat. For the 2015 fair, ambitious & legally binding instrument by COP 20 at the latest, ADP Co-							
	Chair put forward a negotiating text identifying agreement, divergent options and areas where high level							
	political input is needed. If these can be resolved then adoption of the new legally binding protocol can be							
	at COP-20 itself.							
2015:	For the 2015 fair, ambitious & legally binding instrument intensive political and technical negotiations must							
	take place from Jan- May with finalization of text by May 2015 to meet the "six month rule" for advance							
	circulation of legal texts to all Parties and to ensure delegations come to COP-21 with legal and political							
	authority to adopt a treaty complete with ambition mitigation and finance numbers. As was done for Kyoto,							
1	the political homework to effect a "prompt start" of the new LBA must have been done prior to COP 21 so that							
1								
	it can take effect immediately and not await entry into force procedures.							

Key Milestones toward a fair, ambitious and binding deal in 2015:

	2012	2013		2014			201	.5
	COP18		COP19			COP20		СОР
Legal/ Process	Adoption CP2 with all rules (incl adjustment proc)		<i>Compilation text</i> of the main elements	Submission by issue of draft legal text	Design compliance regime	FULL NEGOTIATING TEXT		
	Agree ADP workplan: clear scope, linkages & milestones		Nature & form of commitments		MRV package			
Equity	Establish "dialogue" track		Agree principles & broad metrics	Integrate into negotiating streams				_
SV Review	Peak year (2015) Review scope, body & work plan agreed							E S
	A1 targets (25-40%) Common accounting rules	HFC			Agree level ambition	Adopt common accounting framework		ISSU
Mitigation	A1 NAMAs all significant parties		ΙΜΟ				Assess	G ALL
	parameters for low carbon development strategies agreed for developed & developing countries					Mitigation actions for each country identified	proposed mitigation (for ambition & equity)	TOCOL COVERING ALL ISSUES
Finance	Commitment to scale up finance from 2013-2015		GCF Operational (with windows)			G20 innovative sources		
	LTF adopted							
Adaptation	AC workplan		Stocktaking NAPs to scale-up implementation			Loss & damage mech		PRO
	Decision to build-up loss & damage; decide finance modalities; kick-off NAPs process							
Technology	TM fully operational		Map Tech needs			Tech action plan		
	Additional functionality for TEC and CTCN; initial capitalisation of CTCN		Criteria 2°C Tech goals					
Capacity Building	2-yr Doha CB action plan					Integrated capacity coordination function		

2. Take work from other negotiating tracks into account

The ADP workplans should take into account work that is undertaken or has been undertaken in the other negotiating tracks, the LCA, KP and SBs, and ensure that it does not build in duplication of work. There should be clarity on scope and institutional linkages (AWG-LCAs/KP and SBI/SBSTA, GCF, Adaptation Committee, new work on Loss and damage, MRV/compliance) and any other relevant areas.

Parties should appoint a comprehensive bureau, or friends of the chair, to work with the Co-Chairs, including chairs or facilitators of spinoff issues, to ensure continuity for the period of the ADP. This bureau should include all of the Co-Chairs nominated for the period of the ADP and representation across all regional groupings, and be tasked with assisting the Co-Chairs to ensure a good outcome in 2015. Individuals should be asked to nominate if they feel confident in being able to provide continuity through to 2015.

Parties must agree a budget for adequate numbers of meetings, including support for at least three delegates from each LDC and low income country with substantial climate impacts eg: AOSIS and Africa Group to attend formal and informal UNFCCC meetings, ensure there is representation at meetings of specialist work areas and ensure sufficient budget for positive LDC and AOSIS representation at negotiation meetings hosted by Parties designed to inform the UNFCCC negotiations.

3. Ensure Civil Society Access to ADP

Parties must ensure that there is greater civil society access to the ADP discussions and negotiations than has hitherto been the norm in the UNFCCC negotiations, including ensuring that experts from civil society are called upon to provide input into workshops etc, that submissions from civil society are included in summaries and technical papers that the UNFCCC prepare for Parties, that civil society has access to the vast majority of negotiations (an appropriate standard would be 80% of negotiation sessions open to civil society), that civil society has exposure to coordination discussions of the 'friends of the Chair' group and that negotiation meetings hosted by Parties designed to inform the UNFCCC negotiations are open to civil society.

4. Involve ministerial level negotiators early in the process

We support early ministerial engagement – including ministerial roundtables and forums at Doha. Parties must build in a deliberate Leaders track to provide input into negotiations. This track should begin in 2012 at Doha and ramp up in future years, providing high level input on the crucial political decisions into the ADP negotiations. The ad hoc process at Copenhagen illustrates how not to undertake high level political engagement – a case of too little too late. Instead there should be a clear set of objectives and political guidance sought from leaders on a small set of relevant topics that address issues that seemingly only leaders can now answer (eg on legal form, mitigation ambition and finance provision), with parallel negotiations continuing at the ministerial level at COP and continuing to be undertaken at a technical level to support this high level guidance.

5. Incorporate equity into Workstream 1

The lack of an effort sharing agreement – an equitable approach to sharing the costs of mitigation and adaptation amongst countries – has long been a stumbling block to agreeing sufficient mitigation. A successful outcome from the ADP will require a common, science-based understanding of fair shares among countries, one specific enough to mark out an equity corridor that can help to overcome the trust barrier and lead to higher levels of ambition from all.

The situation is extremely challenging: developed-world emissions must drop as demanded by science, and even in developing countries, where most people have much lower incomes, very challenging emissions pathways will be necessary. In this context, Parties must launch an urgent work program designed to increase understanding of, and further agreement on, ways and options for the allocation of fair shares of the necessary -global effort.

To emphasize – if the negotiations are to be successful, the Parties must work towards *a common understanding* of equity principles and indicators. It is very unlikely that any single formula, indicator or metric will ever be fully agreed, to the point where it can be used to determine the fair-shares obligations of different countries. On the other hand, such an agreement is not strictly necessary. What is necessary is *a range of agreed principles and objective indicators and metrics*, one that is concrete enough to clarify the distinction between the kinds of "national circumstances" that are relevant within the equity debate (those that bear upon the challenge of sustainable development for all) and the kinds that are not. The goal, ultimately, is to inform the political negotiations and shape Parties' perceptions of what can reasonably be expected of others.

To deliver the Parties vision for the ADP under Workstream 1, Parties must work under the ADP to interactively exchange their views and positions on equity. How should equity principles be applied in the new agreement? What indicators best specify those principles? How can we best ensure each Party is doing is its fair share of the global effort without compromising its sustainable development needs? How will we provide developing countries with the means to implement their commitments and how will we cooperatively ensure that the global emissions reach a rapid and sustainable peak, one consistent with an agreed temperature goal and cumulative emission reduction pathways that would allow the world to stay within that goal?

- Phase 1: Discussions, building on the EASD workshop in Bonn and interest expressed by Parties in the ADP roundtable discussions in Bangkok, with all parties making good faith efforts to understand each other's' predicaments. Expert external input is essential during this phase. Other opportunities must be created at the Qatar COP. The key is that equity must formally become integral to the ADP agenda. To that end, country submissions, Secretariat analyses, and further workshops in are needed to feed into ADP workplan that will emerge from Qatar. The ADP should encourage broad discussions by various bodies and organisations, including civil society, and request them to bring their findings through in-session workshops into the ADP process so that the Parties can agree on a work programme for embedding equity issues under the ADP discussions.
- Phase 2: In 2013 Parties should begin negotiations with the aim of reaching agreement on equity principles and criteria for their appropriate operationalization. These negotiations should specify the agenda items under which this work would be undertaken, and be supplemented by the work of SBSTA and SBI, particularly with respect to the technical unpacking of the concept of "equitable access to sustainable development."
- Phase 3: In 2014 Parties should begin negotiations on the application of principles and criteria to the issues under negotiation the level of collective ambition, differentiated post-2020 commitments on mitigation and finance, adaptation, and so on. This phase would necessarily require discussion on the interaction between finance, mitigation and adaptation. This phase should include an indicative set of COP 20 commitments, thus allowing 2015 to be treated a milestone by which to assess the overall adequacy of commitments. These discussions and negotiations must begin with a determination to establish a principled foundation.

foundation, even as we negotiate on the application of principles and criteria to the key issues – the level of collective ambition in light of the ambitious global goal, justly differentiated post-2020 commitments, the interaction between finance, mitigation and adaptation, and all the rest.

Core equity principles:

The importance of equity is reflected in the overarching principle of the UNFCCC that Parties act "on the basis of equity" (Article 3.1). CAN has undertaken a detailed assessment of the principles of equity contained within the Convention, in our Effort Sharing Principles Paper¹, which indicates that a small number of "core" principles should form the foundation of discussion and negotiation:

- Adequacy principle, which is an equity principle for the simple reason that climate catastrophe would be the ultimate injustice. Any regime incapable of delivering an ambitious global mobilization (using 1.5°C and the survival of the most vulnerable as our benchmark) cannot be accepted as equitable.
- Principle of common but differentiated responsibilities and respective capabilities (CBDRRC) remains key. We badly need a common understanding of equitable effort sharing, one that reconciles the abstract principle of CBDRRC with a concrete model of global differentiation that is adequate to

¹ The CAN Fair Effort Sharing Principles Position Paper: <u>http://www.climatenetwork.org/publication/can-position-effort-sharing-principles-nov-2011</u> identifies the equity principles within the Convention, and gives some ideas as to how these could be measured and operationalised. The CAN Discussion Paper – Fair Effort Sharing: <u>http://www.climatenetwork.org/publication/can-discussion-paper-fair-effort-sharing-jul-2011</u> analyses how various models meet equity parameters, including GDRs, the Oxfam approach, equal per capita approaches, the Indian carbon budget approach, the South/North Dialogue approach and the European Commission proposal.

the complexities of the emerging world system. Such an approach, obviously, must give due account to both *responsibility* for the climate problem and the *capability* to act on it.

Right to sustainable development. There will be no effective global ambition without it. "Equitable access to sustainable development" implies no right to unconstrained emissions but does imply the right of developing countries to attain a decent living standards for their people.

CAN's <u>Fair Effort Sharing Discussion Paper</u> assesses various approaches for operationalising these principles globally, with respect to the problem of equitable effort-sharing between countries. We also wish to highlight the need for equitable access to sustainable development, and indeed equitable effort-sharing, *within* countries. Including gender disparities, geographic disparities and economic disparities.

Topics or questions that could be used to focus substantive discussions in Doha or in future sessions, building upon the roundtable discussions in Bangkok

- 1. How to increase the pledged levels of ambition for Parties, including through enhanced support, to be in compliance with the ultimate objective of the Convention and the agreed 2°C temperature increase limit
- 2. How can we ensure that sufficient, predictable and public finance and other support is provided to meet urgent pre-2020 adaptation needs?
- 3. How to ensure that predictable levels of financial, technological and capacity building support are made available to developing countries to implement the NAMAs they have already identified, and further support any additional NAMAs in the short term?

Equity questions:

- 1. How should equity principles be applied in the new agreement?
- 2. What indicators best specify those principles?
- 3. How can we best ensure each Party is doing is its fair share of the global effort without compromising its sustainable development needs?
- 4. How will we provide developing countries with the means to implement their commitments and how will we cooperatively ensure that the global emissions reach a rapid and sustainable peak, one consistent with an agreed temperature goal and cumulative emission reduction pathways that would allow the world to stay within that goal?

Practical Ideas and Suggestions on how the ADP can advance its work on bridging the ambition gap in the pre-2020 period

In summary:

At Doha an ADP workplan to increase short term ambition must be agreed:

- Informed by a **technical paper assessing the gap in ambition and ways to close it** and by the **progress of the Review**; increasing developed country economy wide targets to close the gap between existing ambition and that needed to keep warming below 1.5°C; ensuring that any **new market mechanisms add to overall ambition with stringent rules**; facilitating developing countries to reduce their emissions by **rapidly scaling-up public climate finance**, focusing on economy-wide or sector-wide actions that would **rapidly and significantly lower emission trajectories** and supporting initiatives that reduce costs and eliminate barriers and perceived risk, so that low and zero carbon technologies and approaches can quickly become competitive;
- To enable developing countries to increase their mitigation and adequately deal with adaptation **public finance from 2013-15 must be at least double the amount of the Fast Start Finance**, and there should be a **process to reassess the adequacy of financial pledges** in terms of overall scale required, thematic balance and geographical distribution starting in 2013. A **2 year Doha Capacity Action Plan** should be initiated.

The ADP workplan for pre-2020 ambition should not duplicate work in other negotiating tracks. It should, however, provide a platform for discussions on the urgent need for developed countries to increase their current, pathetically low pledges. The workplan should also be seen as a platform whereby countries can hear and better understand the actions being taken by others, and learn from their experiences through discussion and development of low carbon development strategies.

The Durban Platform workplan on near-term ambition must include a **technical paper produced by the UNFCCC assessing the overall level of ambition** implied by mitigation commitments and long term low carbon development strategies and identify any subsequent gap between this collective ambition and a trajectory consistent with keeping warming below 1.5°C with a high probability.

- Increase the targets of developed countries. We expect developed countries to increase their targets in the KP and the LCA at COP18/CMP8.
- Developing countries that have not yet pledged NAMAs and are in position to do so should put forward their planned NAMAs
- Developing countries, which are in a position to do so, should further strengthen existing pledges/NAMAs to help narrow the ambition gap, with the recognition that this increase in ambition by developing countries is only possible with enhanced support (ie: finance, technology and capacity building) from developed countries.
- Prohibit double-counting of offsets from existing and new mechanisms: Double-counting of international offsets could reduce ambition by up to 1.6 GtCO2e in 2020, equivalent to roughly 10% of the total abatement required in 2020 to stay on a 2°C pathway
- Addressing emissions from international aviation and shipping:

The ADP should also focus on getting agreement, including adopting COP decisions triggering action, on ways to reduce emissions that are not currently covered in the UNFCCC regime. Such as:

• Removal of fossil fuel subsidies: Fossil fuel production and consumption subsidies distort markets, encourage the use of fossil fuels and thus increase greenhouse gas emissions and impede the transition to sustainable development. Annex 1 countries should take the lead in removing their fossil fuel subsidies which will result in emissions reductions as well as financial savings that could be used for climate finance. Analysis by the International Energy Agency (IEA) shows that phasing out subsidies for fossil fuel consumption in the 37 largest developing countries could reduce energy related carbon dioxide emissions by 6.9% in 2020 compared to business as usual, or 2.4 gigatonnes. Plans for removal of subsidies in developing countries should be developed and necessary support should be provided in the short term to ensure that subsidy removal does not negatively impact poverty eradication and decent livelihoods in cases where the poor might be harmed as result of rapid price increases or lack of affordable clean energy alternatives. Many subsidies are in fact socially regressive and such resources could be better spent on ensuring renewable energy access for all. In 2011, the IEA estimated that only 8% of consumption subsidies reach the poorest 20% of the population.

A COP18 decision must establish the enabling conditions to achieve fossil fuel subsidy removal, including a timeline for phase out, identification of ways for some developing countries to pursue fossil fuel subsidy phase-out as a supported NAMA, and requirements to include fossil fuel subsidies existence and plans for removal as part of the National Communications and/or Biennial Reporting.

• Zero emission development strategies for developed countries:

Establishing emission pathways consistent with the 1.5/2°C limit requires the steady transformation of economies away from a high carbon economic growth model. Developed countries should produce low emission development strategies that are both visionary and pragmatic, and outline the pathway to near-zero emissions by 2050, including through indicative decadal targets and legally-binding 5-year carbon budgets.

• Low Emission Development Plans for developing countries:

Enabled through appropriate financial and technical support from developed countries, developing countries should develop long-term Low Emission Development Plans as part of the country's overall development planning. Such plans would provide a visionary roadmap and outline a pathway to a low-carbon and climate resilient economy, building upon and be integrated into national development plans or planning processes

already in place in many countries. These plans should be developed through a bottom-up country-driven process.

Depending on individual countries' capacities and support received, such plans could have different levels of scope and complexity. More economically advanced developing countries should start to develop their plans over the next 2-3 years. In those plans, countries could identify NAMAs they would do unilaterally, as well as emission reduction potential, cost and timeline estimates to implement additional NAMAs requiring support. Other developing countries may require more years to develop their plans, and for the time being focus on developing NAMAs and adaptation activities.

The ADP conversation should be structured in such a way as to demonstrate the high level of actions being undertaken and to facilitate exchange of experience.

- HFCs In addition to (and not substituting) enhanced actions on CO2, Parties should accelerate action on phasing out HFC gases. Parties should request that the Montreal Protocol agree to phase out production and consumption of these gases as a matter of urgency at MOP25 All Annex 1 Parties should also commit to an immediate ban on the use of HFC-23 offsets for compliance with Kyoto Protocol targets. Up to 1.3 GtCO₂e could be saved annually by 2020.
- Black carbon A recent UNEP report concludes that actions to cut black carbon could reduce global warming by about 0.2°C by 2050. CAN recommends early actions to cut down emissions of black carbon, through agreement of strong action reducing emissions from international shipping and through addressing BC as part of the agriculture work program. This would have significant additional benefits related to health. In a COP decision in Doha, Parties should request relevant fora, such as those addressing access to clean and sustainable sources of energy for all, to take appropriate action.
- **Methane emissions**: While methane emissions are covered in the KP basket, there is real potential to address key sources of this gas in the agriculture and waste sectors, as noted in the same UNEP report. That extraction and transport of fossil fuels are major sources of the gas complements the need to phase out fossil fuel subsidies and to rapidly move towards efficient energy systems based on renewable energy sources as part of the development of zero- and low-carbon development plans.

The role of climate finance in raising the level of mitigation ambition in developing countries

Increased mitigation in developing countries is dependent on increased provision of new and additional climate finance. Yet there is still no plan for how to scale up finance commitments, following the fast start finance period and towards the commitment by developed countries to mobilise further resources to reach \$100bn per year by 2020.

Most assessments show that the shift to low carbon emission pathways in developing countries will require overall financing magnitudes much larger than the \$100bn commitment made by developed countries. Assuming that much of the total finance needed will come from the private sector, the \$100bn commitment by developed countries will need to be met from public finance to leverage and incentivise the much larger shifts in additional private sector investments, and support actions that cannot attract private sector investments.

A climate finance roadmap from 2013-2020 is a key precondition for increased mitigation ambition in developing countries. It is crucial that the results of the work programme on long term finance are turned into recommendations for decisions at COP18, leading to a rapid scale-up of climate finance, especially public finance, towards the 2020 target and sufficient to meet the climate finance needs of developing countries.

An important outcome of the Durban Platform's workplan on enhancing mitigation ambition should be to provide guidance to the Green Climate Fund on the policies, programme priorities and eligibility criteria that would be most effective in catalysing the necessary paradigm shift towards low-carbon, climate-friendly, climate-resilient, gender-equitable, pro-poor and country-driven development. Such a transformation must be undertaken on the basis of country-owned strategies, plans and programmes that are developed and implemented through participatory and inclusive processes and that are integrated into developing countries' core development plans.

Two categories of actions should be prioritised. First, the GCF should focus on funding economy-wide or sector-wide actions in all GCF-eligible countries that would rapidly and significantly lower emissions trajectories of a country (or

regions within a country). The GCF should assess programmatic interventions with high mitigation potential, taking into account environmental and social safeguards, social, economic and development co-benefits and a gender-sensitive approach. To achieve a real paradigm shift, the GCF should only finance clean, safe, sustainable and efficient and non-fossil fuel-based energy technologies. Second, paradigm shifting actions should also include initiatives that may deliver smaller immediate reductions, but can contribute towards transforming markets and patterns of private-sector investment over the medium to long term.

In addition, while there is broad agreement that the GCF should have the capacity to "leverage private-sector investment," encouraging private-sector co-financing of GCF supported actions will not necessarily spark a paradigm shift. The GCF should focus on supporting initiatives that reduce costs and eliminate barriers and perceived risks, so that low- and zero- carbon technologies and approaches can more quickly out-compete high-emitting technologies. Feed-in tariffs are an example of an approach that can catalyse the diffusion of near market technologies, and thus accelerate learning and the achievement of economies of scale.

Increasing short term adaptation ambition

The following issues need to be brought forward in the near-term through substantial progress in the SBs and the Adaptation Committee, regularly informing the ADP negotiations:

- The means of implementation for adaptation implementation (finance including for 2012-2020, technology and capacity building), including addressing the inadequate implementation of the NAPAs;
- Strengthening, and where necessary establishing, regional centers and networks and national institutional arrangements;
- The establishment of an International Mechanism on Loss and Damage that includes International Compensation and Rehabilitation Mechanism among others to address mechanism the loss and damage resulting from the slow onset of climate change impacts;
- Addressing the lack of recognition in past agreements that lack of mitigation ambition directly increases the threats as well as adaptation needs of the poorest and most vulnerable people and ecosystems in the developing world. Strengthening such principles in future agreements is therefore important not only from equity perspective but also to take into account the growing risks from climate change inherent in the gap in mitigation ambition. The implementation and adequacy of the Cancún Adaptation Framework must be regularly reviewed in light of the mitigation ambition and the needs of, and support provided to, the developing countries.