

OECD submission to SBI¹

24 February 2017

This submission is provided in response to SBI's call for information and views regarding "opportunities to further enhance the effective engagement of non-Party stakeholders with a view to strengthening the implementation of the provisions of decision 1/CP.21".

The Organisation for Economic Co-operation and Development (OECD) welcomes the opportunity to submit views based on its experience in providing technical input of relevance to the UNFCCC negotiations – particularly on the issues of mitigation, adaptation, climate finance and transparency. The OECD reiterates its interest and readiness to continue to provide rigorous and high-quality data and other input, as well as to share lessons in the UNFCCC context learned in different climate-related policy areas relevant to discussions. The OECD also reiterates its availability to contribute (e.g. via participation in UNFCCC-organised workshops, dialogues, side events etc.) in a constructive fashion going forward to relevant expert meetings and other discussions in the context of the on-going climate negotiations under the UNFCCC.

1. Examples of how OECD has supported the UNFCCC negotiations and bodies, and related activities

The OECD is an observer organisation to the UNFCCC. We are pleased to have been able to provide input directly and indirectly to a range of activities under the UNFCCC for more than two decades. We are also pleased that our expertise and input has been recognised – and often actively sought – by the UNFCCC Secretariat, as well as a variety of Parties.

Direct inputs include:

- High-quality data, methodological insights and textual suggestions on climate finance provided and mobilised, for the first and second Biennial Assessment of the Standing Committee on Finance (SCF)
- Expert input to official UNFCCC technical meetings, such as:
 - Systematic participation in (and, upon request, presentations at meetings of the SCF)
 - Panel intervention at the in-session SBSTA workshop on modalities for the accounting of financial resources provided and mobilised through public interventions
 - Biennial Assessment launch event at COP22
 - A series of panel interventions at in-session workshops on GHG emissions accounting under the ADP (2012-13)
 - Interventions at Technical Expert Meetings, including on carbon pricing in 2016
 - The TEP-A held in Bonn in 2016 and a workshop on the future of the Nairobi Work Programme in 2014.
- Contributing experts to the teams undertaking in-country and centralised reviews of Parties' biennial reports and national communications (approximately 20 countries, over all review cycles).
- Developing technical submissions (including as part of the joint OECD/IEA Climate Change Expert Group, CCXG) on a variety of topics, including climate finance, transparency, accounting

¹ This submission provides views of the OECD Secretariat. The information contained in the note does not necessarily reflect the views of OECD member countries.

- Providing resources to allow for an OECD staff to be a member of the Methodology Panel of the Clean Development Mechanism's Executive Board (for four years).

Indirect inputs include:

- Developing the methodology for and the first quantified estimate of climate finance mobilised in the context of the 100 billion USD goal. This work was initiated at the request of the then current and incoming COP presidencies, and in collaboration with the Climate Policy Initiative (OECD, 2015).
- Further, the OECD provided analytical support to the preparation of the developed countries Roadmap, by quantifying the collective impact of recent climate pledges announced by individual countries and multilateral institutions, on the aggregate level of public climate finance in 2020 (OECD, 2016).
- Analytical work carried out in the context of the joint OECD/IEA Climate Change Expert Group highlighting issues of direct relevance to issues under negotiation in the UNFCCC context. Within this 20+ year body of work, recent examples include:
 - the implications of implementing specific options proposed for the Paris Agreement (e.g. Helgeson and Ellis 2015, Kato and Ellis 2016)
 - highlighting gaps in the UNFCCC framework (e.g. Ellis and Moarif 2015)
 - identifying ways to improve clarity, transparency and understanding of mitigation contributions (e.g. Briner and Prag 2013)
 - Options for emissions accounting, including emissions transfers, helping to provide the basis for Article 6 of the Paris Agreement (e.g. Prag, Hood and Martins Barata 2013; Prag, Hood, Aasrud and Briner 2011)
 - climate finance (e.g. Clapp et al 2012)
 - highlighting issues and options for the facilitative dialogue (discussion document under development) and global stocktake (e.g. Kato and Ellis 2016).
- Work undertaken under the auspices of the joint OECD/IEA Annex I Expert Group (now Climate Change Expert Group) in the late 1990s and early 2000s made important contributions to methodological and other developments under the Clean Development Mechanism. For example, it was proposals in an AIXG paper (Kantha and Lazarus²) that formed the basis of the CDM methodology for renewable energy projects.
- The OECD's work programme on climate change has provided guidance on many of the underlying policy issues covered by the climate negotiations. These include recent publications on adaptation: including, monitoring and evaluation (OECD, 2015b) and the economics of climate change adaptation (OECD, 2015c)
- Participating as an observer in all COPs and negotiation sessions for the last two decades, and highlighting our relevant analyses in side events.

2. Possible future contributions

The OECD hopes to be able to continue to provide input directly and indirectly to the UNFCCC process. We anticipate that such input will be particularly important for exercises that examine collective progress, such as the 2018 facilitative dialogue, as well as the Global Stocktakes. This is because the non-mandatory reporting requirements in the Paris Agreement for some issues relevant to both the 2018 facilitative dialogue and the global stocktake, the information available to and/or communicated by Parties to the UNFCCC is unlikely to provide a complete picture. For example:

- **mobilised climate finance:** while individual Parties have information on how much climate finance they provide to multilateral development banks (MDBs), they do not have information on the amount of climate finance mobilised by the MDBs. Collating information submitted by Parties will

² <http://www.oecd.org/env/cc/1943333.pdf>

therefore not provide a complete picture of mobilised climate finance in the context of the 100 billion USD goal. The OECD provided the first quantified estimate of mobilised climate finance, and is keen to continue its engagement in climate finance-related work conducted under the UNFCCC and associated bodies e.g. provision of data, statistics and methodological insights, as well as participation in meetings, workshops and expert discussions.

- **peaking of GHG emissions:** individual Parties are not currently requested to report on when their emissions are expected to peak, nor is reporting on emission projections mandatory. Thus, this information is not communicated by all Parties in their national reports to the UNFCCC, or in their (I)NDCs. This means that an assessment of e.g. the timing of peaking of GHG emissions, the level of such a peak, the extent and pace of subsequent reductions, will need input from expert non-Party stakeholders. The OECD is preparing a committee-reviewed analysis of countries' efforts in climate change mitigation. This work will assess countries' ability to deliver on their mitigation contributions, considering policy implementation (core climate policy instruments, as well as broader policy alignment questions), and will be relevant to discussions under the 2018 facilitative dialogue.

- **information on the adequacy and effectiveness of adaptation and adaptation support:** individual Parties are not currently requested to communicate information on these issues to the UNFCCC, although these issues are to be covered in the global stocktake. In order to address these issues, information will therefore be needed from non-Party stakeholders.

- **Paris rulebook:** the >continued targeted and timely contributions on issues relevant to finalising the Paris rulebook, via the CCXG.

3. Other logistical issues

In order to maximise the use of our registration quota, it would be helpful to be able to divide quotas for the negotiations week(s) containing any high-level segments into two. This would allow for senior management to participate in high-level dialogues, and for technical participation at other times.

4. Relevant weblinks, and selected recent OECD and CCXG publications

A wide range of other relevant publications are available at:

- www.oecd.org/env/cc/ccxg.htm (International climate negotiations)
- <https://www.oecd.org/env/researchcollaborative/> (Research Collaborative on private climate finance)
- <http://www.oecd.org/environment/cc/aligning-policies-for-a-low-carbon-economy-9789264233294-en.htm> (Low-carbon transition)
- <http://www.oecd.org/environment/climate-carbon.htm> (Carbon pricing)
- <http://www.oecd.org/environment/cc/financing.htm> (Investment and financing)
- <http://www.oecd.org/dac/environment-development> (Policy analysis on development aid, including climate finance)
- <http://www.oecd.org/dac/stats/climate-change.htm> (OECD DAC External Development Finance Statistics)
- <http://www.oecd.org/environment/cc/adaptation.htm> (Adaptation)
- <http://www.oecd.org/greengrowth/greening-cities-regions/citiesclimatechangeandgreengrowth.htm> (Cities)
- <http://www.oecd.org/tad/sustainable-agriculture/agriculture-and-climate-change.htm>, Agriculture and climate change

Project-level data on development statistics: <https://stats.oecd.org/qwids/>

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<http://dx.doi.org/10.1787/5jrxg3xb0h20-en>
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<http://dx.doi.org/10.1787/5jlww009v1hj-en>
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