Non-paper on elements for a draft negotiating text

Updated non-paper on Parties’ views and proposals

11 November 2014

A. Preamble

The Parties to this agreement,

In pursuit of the ultimate objective of the Convention as stated in its Article 2,

Being guided by the principles of the Convention as set out in its Article 3, including that Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with evolving common but differentiated responsibilities and respective capabilities,

Recalling the provisions of the Convention and determined to further enhance its full, effective and sustained implementation through a strengthened multilateral rules-based regime established by this agreement,

Acknowledging that the global nature and urgency of climate change calls for the widest possible participation, co-operation and ambitious action by all Parties,

Being guided by the best available scientific knowledge, including the assessment reports of the Intergovernmental Panel on Climate Change,

Recognizing that deep cuts in global greenhouse gas emissions will be required to achieve the ultimate objective of the Convention and the long-term temperature limit,

Emphasizing that adaptation is a global challenge and a common responsibility requiring global solidarity that must be addressed with the same urgency as and in political parity with mitigation,

Reaffirming the importance of education, training, public awareness, public participation, public access to information and international cooperation on these matters for promoting changes in lifestyles, attitudes and behavior needed to foster low-emission and climate-resilient development and to mobilize public support for climate policies and action,

Stressing that all actions to address climate change and processes established under this agreement should ensure a gender-responsive approach, take into account the protection of the integrity of Mother Earth, and respect human rights and the rights of indigenous peoples,

Recognizing that cooperative action by and among subnational authorities, intergovernmental organizations, civil society, indigenous peoples, local communities, the private sector, financial institutions and Parties can catalyze and significantly enhance the impact of policy implementation by Parties in reducing emissions and vulnerability and building resilience to the adverse effects of climate change,

Have agreed to further implement the Convention as follows:

B. Definitions

For the purposes of this agreement the following terms are defined:

- The ‘governing body’ means the governing body of this agreement.
- (Other definitions as needed.)

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1 For background see Scenario note on the seventh part of the second session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP), including reflections on progress made at the sixth part of the second session of the ADP (ADP.2014.10.InformalNote), issued in conjunction with this non-paper.

2 Headings and subheadings used throughout this non-paper are provisional and only intended to orientate the reader.
C. General

1. This agreement is to further enhance the full, effective and sustained implementation of the Convention and strengthen the multilateral rules-based regime under the Convention in order to achieve the objective of the Convention as set out in its Article 2.

2. All Parties to strive to achieve low greenhouse gas climate-resilient economies and societies, on the basis of equity and in accordance with their evolving common but differentiated responsibilities and respective capabilities, in order to achieve sustainable development, poverty eradication and prosperity for the benefit of present and future generations of humankind.

3. All Parties to take action and cooperate to further implement the Convention in order to reach its ultimate objective as stated in its Article 2 on the basis of equity and in accordance with their evolving common but differentiated responsibilities and respective capabilities by achieving an emissions pathway consistent with limiting the global average temperature increase to below 2°C or 1.5°C above pre-industrial levels, which entails:
   3.1 Ensuring significant global greenhouse gas emissions reductions over the next few decades or a 40–70 per cent reduction in global greenhouse gas emissions below 2010 levels by 2050 and near zero emissions of CO₂ and other long-lived greenhouse gases by the end of the century;
   3.2 Ensuring resilience and adaptive capacity to the adverse effects of climate change, while recognizing the local, national and global dimensions of adaptation;
   3.3 Ensuring that all investments are resilient to climate change and facilitate the transition to low-emission development paths and the adequacy of finance, technology and capacity-building support towards achieving the implementation of this agreement.

4. Parties recognize that the level and pace of mitigation ambition will determine the extent to which Parties will need to adapt as well as address loss and damage, and associated costs thereof, and the need to explore holistic and mutually reinforcing approaches to enhance mitigation and adaptation efforts to increase the overall level of ambition.

5. Each Party to take action at the highest level of ambition reflecting its national circumstances and to progressively increase that level of ambition.

6. Parties with the greatest responsibility and highest capability to demonstrate leadership:
   6.1 Developed country Parties to take the lead in fully implementing existing obligations under the Convention in relation to mitigation and support in line with historic responsibility;
   6.2 Leadership demonstrated by any Party to be recognized, as well as the need to incentivize and enable such leadership through cooperation and support.

7. Commitments/Contributions from those Parties particularly vulnerable to the adverse effects of climate change, especially the least developed countries (LDCs) and small island developing States (SIDS), to reflect their efforts in the context of their specific needs and special situations.

8. All Parties to prepare, maintain, communicate and implement commitments/contributions in accordance with the provisions of this agreement and to be considered, formalized/finalized and reviewed in accordance with section K (Time frames and process related to commitments/contributions).

9. **Option 1:** Unilateral measures not to constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade;

   **Option 2:** No reference to unilateral measures in the agreement.

10. The agreement to build on the subsidiary bodies/institutional arrangements established by or under the Convention:
    **Option 1:** All subsidiary bodies/institutional arrangements established by or under the Convention shall serve this agreement, unless otherwise decided by the governing body. The governing body may provide further guidance as appropriate;
Option 2: The subsidiary bodies/institutional arrangements established by or under the Convention shall serve this agreement as specified under the specific sections.  

11. All actors, including civil society, the private sector, financial institutions, cities and other sub-national authorities, local communities and indigenous peoples, are encouraged to scale up their actions and provide further opportunities for Parties to reduce emissions and/or to decrease vulnerability and build resilience to the adverse effects of climate change.  

12. Parties to cooperate, including through regional approaches, bilateral, multilateral, South–South and triangular cooperation, and take appropriate measures to develop, adopt and implement policies, strategies, regulations and/or action plans on climate change education, training, public awareness, public participation and public access to information at all levels to enable transformative change towards low-emission and climate-resilient societies.  

D. Mitigation  

Long-term and global aspects of mitigation  

13. All Parties to make efforts and cooperate to enhance mitigation ambition to ensure that the aggregate level of mitigation commitments/contributions increases over time to achieve the long-term emission reductions in the context of Article 2 of the Convention:  

In the form of:  

a. A long-term decarbonisation pathway:  

- Consistent with carbon neutrality/net zero emissions by 2050, or full decarbonisation by 2050 and/or negative emissions by 2100;  
- Consistent with science/ Intergovernmental Panel on Climate Change (IPCC) (e.g. 40–70 per cent below 2010 levels by 2050);  
- Consistent with emissions peaking for developed countries in 2015 aiming at zero net emissions by 2050;  
- Consistent with a peaking of global greenhouse gas emissions as soon as possible, reaffirming that the time frame for peaking will be longer in developing countries.  

b. A global carbon budget to be divided amongst Parties in accordance with historical responsibilities, ecological footprint, capabilities, and state of development;  

c. A maximum concentration of greenhouse gases in the atmosphere of below 350ppm CO$_2$ eq.  

Commitments/contributions on mitigation  

14. All Parties to progressively enhance the level of ambition of their mitigation commitments/contributions such that each commitment/contribution is of a type, scope, scale and coverage no less ambitious compared with those previously undertaken within this agreement or under the Convention and its Kyoto Protocol (KP).  

15. Each Party to prepare, communicate and implement successive mitigation commitments/contributions, which are to:  

15.1 Be quantified or quantifiable and can be aggregated, are transparent, comparable and/or verifiable;  

15.2 Include an indicative long-term trajectory consistent with paragraph 13, above:  

- With developed country Parties to take the lead and developing country Parties to be provided flexibility in indicating such long-term trajectories.  

15.3 Be based on the following:  

a. National circumstances and capacities;  

b. Developed country Parties to take the lead in accordance with Article 3, paragraph 1, of the Convention through quantified economy-wide emission reduction targets/commitments;  

c. Developing country Parties to prepare, communicate and implement a diversity of enhanced mitigation commitments/contributions in accordance with Article 3, paragraph 1, of the Convention and their circumstances and capacities, ranging from absolute limits on emissions, relative emission reductions, intensity targets, nationally appropriate mitigation actions, low-emission development plans and

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3 See paragraphs 24, 26, 41-42, 46, 51.
strategies, sectoral mitigation plans and strategies, and quantified or quantifiable mitigation commitments/contributions that can be aggregated;

d. Developing country Parties to take a diversity of nationally determined actions in accordance with their specific needs and special circumstances as stated in Article 3, paragraph 2, of the Convention, including net avoided emissions, or also manifested as adaptation co-benefits, where appropriate;

e. All major economies to take on quantified economy-wide emission reduction targets/commitments;

f. Parties not included in Annex I to the Convention (non-Annex I Parties), that are in a position to do so, to take quantified economy-wide emission reduction targets/commitments;

g. LDCs are encouraged to develop and implement low-emission development strategies;

h. Provide flexibility to Parties, with incentives for developing country Parties to move towards quantified economy-wide emission reduction targets over time through concentric or nuanced differentiation;

i. For all Parties on the basis of categories that are updated over time based on evolving emissions and economic trends.

15.4 The mitigation commitments/contributions of:

Option 1: All Parties to be prepared, communicated and implemented without conditions;

Option 2: Developing country Parties to be prepared, communicated and implemented specifying additional enhanced levels of mitigation commitments/contributions subject to the provision of support by developed country Parties;

Option 3: Developing country Parties to be prepared, communicated and implemented subject to the provision of finance, technology development and transfer, and capacity-building.

16. Parties’ mitigation commitments/contributions to be communicated and considered as well as formalized/finalized and reviewed in accordance with section K (Time frames and process related to commitments/contributions).

17. Parties may prepare, communicate and implement mitigation commitments/contributions jointly in accordance with decisions to be adopted by the governing body, and taking into account any arrangements developed under paragraph 30 (Cooperation and support for implementation).

18. Parties to analyse and give full consideration to what actions are necessary to meet the needs arising from the impacts of the implementation of response measures with respect to the mitigation commitments taken, particularly the specific needs and concerns of developing country Parties.

Option 1: The governing body shall develop and adopt modalities for:

a. An international mechanism:
   - A no-incidence arrangement to be included to safeguard economic development in developing countries;
   - In accordance with Article 4, paragraphs 8, 9 and 10, of the Convention.

b. An international institution;

c. A permanent forum under the Subsidiary Body for Scientific and Technological Advice (SBSTA).

Option 2: No new arrangements for response measures within this agreement.

Accounting rules

See paragraph 58.

E. Adaptation and loss and damage

Adaptation

Long-term and global aspects of adaptation

19. All Parties to enhance cooperation and support to developing country Parties to adapt to the adverse effects of climate change, and ensure resilience under the long-term temperature limit and to achieve sustainable development, while recognizing the local, national and transboundary dimensions of adaptation.

19.1 All Parties to undertake the necessary steps to ensure that the level of support meets the support needs for adaptation in developing countries under the long-term temperature limit:
19.2 All Parties commit to increase efforts to adapt to climate change impacts, reduce vulnerability and increase resilience in the context of the actual increase in global mean temperature, taking into account the relationship between mitigation ambition, associated climate change impacts, and consequent adaptation needs and costs:

- Launch an expert process to develop qualitative criteria for this purpose:
  - Metrics and indicators to track individual and collective adaptation efforts and to understand how individual actions contribute to the global adaptation objective.

19.3 Establish universal individual commitments.

Commitments/contributions on adaptation

20. Each Party to prepare, communicate and implement adaptation commitments/contributions by integrating adaptation within national development planning, mainstream adaptation into national policies, undertake a national adaptation plan (NAP) process, and strengthen governance and enabling environments subject to modalities and procedures to be developed and adopted by the governing body.

20.1 Commitments/contributions should be country-driven, gender-sensitive, participatory, and fully transparent, take into account vulnerable groups and ecosystems, be based on science and traditional and indigenous knowledge, and promote the engagement of subnational and local authorities and other stakeholders.

20.2 Developed country Parties’ commitments/contributions to be in accordance with relevant provisions of the Convention, reflecting their obligation to support adaptation in developing countries in accordance with realizable temperature scenarios, in particular in SIDS and LDCs.

20.3 Developing country Parties’ adaptation commitments/contributions to:

a. Be in accordance with the relevant provisions of the Convention;

b. Include economic diversification;

c. Encourage developing country Parties to showcase their efforts and needs and to help to recognize national efforts consistent with the long-term temperature limit;

d. Be supported by measurable finance, technology, and capacity-building support from developed country Parties, Parties included in Annex II to the Convention (Annex II Parties), and/or all Parties in a position to do so;

e. Not impose additional burdens or reporting requirements on developing country Parties, in particular on the LDCs;

f. Build on adaptation mechanisms and processes under the Convention, including NAPs and national adaptation programmes of action, and existing arrangements for finance.

20.4 Commitments/contributions to be consistent with the NAP process subject to modalities and procedures to be developed and adopted by the governing body:

a. NAPs provide the basis for all countries to assess vulnerabilities and identify and implement adaptation measures;

b. NAPs to go beyond planning and mainstreaming;

c. Ensure that the NAP process is undertaken in all interested developing countries, in particular in SIDS and LDCs;

d. The provision of support for NAPs to build on progress made by the Least Developed Countries Fund (LDCF), the Special Climate Change Fund (SCCF), the Green Climate Fund (GCF), the Adaptation Fund, the Least Developed Countries Expert Group, the Adaptation Committee and multilateral and bilateral organizations and agencies.

21. Parties to communicate their commitments/contributions subject to modalities and procedures to be developed and adopted by the governing body.

21.1 National communications and biennial update reports and biennial reports to be the main vehicle.

21.2 The governing body shall adopt further guidance on reporting on adaptation and further facilitating the sharing of progress and experiences in preparing and implementing adaptation actions.
21.3 The governing body shall develop a structured dialogue to enhance communication of information on adaptation.

**Monitoring and evaluation**

22. Monitoring and evaluation, reporting and learning from plans, policies and programmes shall be strengthened and/or institutionalized.

a. Strengthen and improve climate-related research and systematic observation and provide enhanced support.

b. Consider indicators for governance and planning.

c. Monitor gaps in adaptation and needs under different scenarios.

**Sharing information, knowledge and lessons learned**

23. All Parties to enhance learning on adaptation through sharing of information, knowledge and lessons learned on adaptation practices, subject to modalities and procedures to be adopted/developed.

23.1 The governing body shall request the SBSTA to develop guidelines for strengthening the sharing of information, knowledge and lessons learned under the Nairobi work programme on impacts, vulnerability and adaptation to climate change:

a. Address the knowledge gap in the area of the implementation of adaptation;

b. Strengthen local and institutional capacity;

c. Enhance regional and transboundary aspects;

d. Encourage all Parties to implement education and public awareness programmes in accordance with paragraph 12.

**Institutional arrangements**

24. Developed country Parties and Annex II Parties and/or all Parties in position to do so to ensure the effective implementation of arrangements for adaptation through the provision of sufficient support.

And/or

Institutional arrangements on adaptation under the Convention shall serve this agreement and support Parties in the implementation of their adaptation commitments/contributions under this agreement.

24.1 The governing body shall request the Adaptation Committee to:

a. Review the work of the institutional arrangements under the Convention to ensure and enhance the coherence of their work, and prepare recommendations for the consideration of the Conference of the Parties (COP) at its twenty-third session and/or the governing body;

b. Establish and maintain stronger linkages with the GCF and other funds;

c. Evaluate information on support for adaptation;

d. Provide recommendations on existing methodologies, metrics, and indicators for adaptation.

24.2 The governing body shall strengthen institutional arrangements for adaptation by:

a. Providing further guidance on how to assist developing country Parties to move to full-scale implementation on the basis of their NAPs;

b. Articulating linkages between, and enhancing the integrated operation of, institutions and/or optimizing assistance for commitments/contributions on adaptation;

c. Encouraging the establishment of regional adaptation centres in major regions to help to localize support, conduct research, exchange knowledge and provide training for governments.

24.3 The governing body shall further strengthen institutional arrangements for adaptation by:

**Option 1:** Establishing new institutional arrangements:

a. A subsidiary body for adaptation to enhance the implementation of adaptation action;

b. An adaptation registry that:

- Records and showcases and/or recognizes national adaptation actions and programmes;

- Enhances cooperation on finance, technology and capacity-building support;
• Pools information on the work of institutional arrangements under the Convention and makes that
information accessible to Parties;
• Monitors and identifies progress and gaps in adaptation from a global perspective;
c. An international clearing house and registry that:
• Acts as the repository for NAPs, adaptation methods, a roster of adaptation experts, biennial adaptation
support reports, and for information on technology and capacity-building for adaptation;
d. An adaptation technical and knowledge platform that works on, inter alia:
• Methodologies, metrics and indicators;
• Modelling of climate change scenarios and impacts;
• Enhancing understanding of global implications of adaptation.

Option 2: No new institutional arrangements on adaptation are required for the purposes of this agreement.

Loss and damage

25. Option 1: Provision for loss and damage for cases where mitigation and adaptation will not be sufficient.

25.1 All Parties are encouraged to develop early warning systems and risk management plans, and
communicate them to the secretariat by [X] as part of their national communications, subject to
modalities and procedures to be developed and adopted by the governing body.

25.2 The governing body shall commence a process no later than its first meeting to establish a
compensation regime to support developing country Parties, particularly LDCs, SIDS and countries in
Africa affected by slow onset events.

Option 2: Reference to the Warsaw outcome on loss and damage.

26. Option 1: The Warsaw International Mechanism for Loss and Damage associated with Climate Change
Impacts shall serve this agreement and be fully operationalized, with modalities and procedures to be
developed and adopted by the governing body:

26.1 Developed country Parties and/or Annex II Parties and/or all Parties in a position to do so to support the
implementation of the Warsaw International Mechanism through finance;

26.2 Guidelines for a comprehensive approach to climate risk management to be developed;

26.3 Institutional arrangements under the Convention shall be strengthened to support the implementation of
the commitments related to loss and damage under this agreement:

a. Provisions for establishing a climate change displacement coordination facility that:
• Provides support for emergency relief;
• Assists in providing organized migration and planned relocation;
• Undertakes compensation measures.

b. Provisions for establishing a clearing house for risk transfer that:
• Provides a repository for information on insurance and risk transfer;
• Assists Parties in developing risk management strategies, and finding best insurance schemes;
• Facilitates financial support for rehabilitation.

Option 2: No new institutional arrangements on loss and damage are required for the purposes of this
agreement. The Warsaw International Mechanism for Loss and Damage associated with Climate Change
Impacts under the Convention to be strengthened separately from the agreement.

F. Cooperation and support for implementation

General

27. All Parties to cooperate in the implementation of this agreement pursuant to paragraph 3 in order to:

a. Mobilize the widest range of potential investments for adaptation and mitigation;
b. Support enhanced ambition by all Parties;

c. Enable the countries’ best efforts based on their respective capabilities, foster country ownership, and achieve sustainable development;

d. Incentivize and acknowledge front-runners that have taken early action;

e. Incentivize and coordinate effective mitigation and adaptation action from the broadest range of actors, including the private sector, to support the implementation of this agreement;

f. Collectively exceed the aggregate ambition of individual commitments/contributions.

28. Parties to implement cooperative arrangements and support in a manner which:

a. Ensures consistency with the individual commitments/contributions;

b. Creates incentives for all actors;

c. Prioritizes the specific needs and special circumstances of the developing country Parties that are particularly vulnerable to the adverse effects of climate change;

d. Develops and improves enabling environments for the enhanced mobilization of support;

e. Is predictable, quantifiable, comparable and transparent;

f. Balances the use of market and non-market approaches to address climate change;

g. Enhances/catalyzes international cooperative initiatives and recognizes their contribution to assisting Parties implementation of this agreement;

h. Is consistent with the provisions for transparent accounting as contained in section J (Transparency of Action and Support), in particular to avoid double counting;

i. Establishes links and builds synergies between mitigation and adaptation actions;

j. Recognizes the efforts of local governments, sub-regional entities, and the private sector.

Commitments for support

29. Each Party to further enhance the implementation of the provision of finance, technology and capacity-building support in accordance with sections G, H and I below.

Option 1: Developed country Parties to provide support to developing country Parties for the implementation of this agreement, in accordance with Article 4 of the Convention, taking into account their evolving common but differentiated responsibilities and respective capabilities; noting that the extent to which developing country Parties will effectively implement their commitments will depend on the effective implementation by developed country Parties of their commitments related to financial resources, transfer of technology and capacity-building;

Option 2: All Parties in a position to do so to provide support for the implementation of this agreement;

Option 3: A collective goal for support to be achieved by all Parties in order to transition to a world where all investments are resilient and low in emissions, and where finance, technology and capacity-building that promote low-emission and resilient actions prevail.

Institutional arrangements

30. The governing body shall establish, building on the work conducted under SBSTA regarding the framework for various approaches, means for cooperative arrangements to be defined and accounted for under the agreement which strengthen and create synergies between mechanisms under the Convention and its related legal instruments and mechanisms established or to be established, jointly or individually, by Parties, including:

a. The Financial Mechanism;

b. The Technology Mechanism;

c. The flexibility mechanisms established by Articles 6 and 12 of the KP;

d. The new market-based mechanism as defined by decision 2/CP.17, paragraph 83;

e. A REDD-plus mechanism;

f. A mechanism for climate resilience and sustainable development;

g. A joint mitigation and adaptation mechanism for the integral and sustainable management of forests;
h. Subnational, national and regional emissions trading schemes.

**G. Finance**

**General**

31. All Parties to mobilize climate finance through a diversity of actions as a means to stay below the long-term temperature limit and to achieve the transformation required to this end, according to and in line with their respective and evolving responsibilities and capabilities; acknowledging that some Parties need support in order to take action, and acknowledging that the need for support by Parties may change over time or be met with different means of support.

31.1 The mobilization and provision of finance shall:

a. Encourage low-emission growth, reductions in high-carbon investment and climate-resilient development;

b. Support the integration of climate objectives into other policy relevant areas and activities such as energy, agriculture, planning and transport, national fiscal accounts, development policy and plans;

c. Promote continuous efforts to climate-proof investments, including international public finance flows;

d. Enhance addressing climate change in the coordination of development aid;

e. Encourage policy signals by governments;

f. Deliver adequate and predictable funding for adaptation, in particular for the implementation of the Cancun Adaptation Framework building institutional capacity and appropriate legal frameworks, integrating adaptation into national development policies, and monitoring and evaluation processes;

g. Advance the implementation of policies, strategies, regulations and action plans on climate change education, training, public awareness, public participation and public access to information to enable effective adaptation and mitigation action by all Parties;

h. Facilitate developing country readiness for implementation.

31.2 Parties to mobilize and provide financial resources for the enhanced implementation of the Convention under this agreement in a manner which:

a. Prioritizes adaptation with all financing for adaptation to be grant based;

b. Prioritizes developing country needs and identified country-driven plans, strategies and priorities, recognizing the importance of enhancing national needs assessments;

c. Is based on an ex-ante process to commit to quantified support commensurate with the required effort reflected in the adaptation and mitigation goals;

d. Is new, additional, adequate, predictable, and sustainable, within budgetary constraints and acknowledges the need for adequacy of financial flows mobilized from various sources, public and private, in the context of meaningful mitigation action and transparency of implementation;

e. Is regularly scaled up;

f. Is results-based and delivers the greatest impact possible and targets mitigation and adaptation results that can be measured, reported and verified;

g. Avoids duplication, allows for flexibility and ensures efficiency and transparency and builds a partnership among governments, development partners and the private sector to invest in a low-emission and climate-resilient future;

h. Encourages South–South cooperation which is voluntary, free of monitoring, can be supplementary, but not substitute commitments of Parties included in Annex I to the Convention (Annex I Parties);

i. Recognizes developing countries’ investments as part of their contribution;

j. Applies lower thresholds to receive support for actions with clear, transparent and quantifiable targets which go beyond business as usual;

k. Is capable of adapting dynamically to changing realities and future developments and needs, including in respect to climate finance, reflecting evolving capabilities and responsibilities;

l. Prioritizes the most vulnerable countries recognizing the special circumstances of LDCs and SIDS, giving priority to countries with least capabilities and/or ensuring a fair geographical allocation;
m. Uses the diversity of available channels and instruments in the provision of financial support, the mobilization of climate finance, and the shift towards climate-friendly investments;
	n. Pursues a gender sensitive approach;
	o. Targets the drivers of change.

Commitments/contributions

32. Option 1: The provision of finance to be based on USD 100 billion per year as a floor with:

a. Aggregate and enhanced specific/individual commitments/contributions by Annex II Parties, complemented by other Parties in a position to do so;

b. A roadmap with annual targets of public funding for the post-2020 period or pathways with annual expected levels of climate finance towards achieving short-term quantified goals;

c. Based on an agreed percentage formula for the calculation of the contributions of Annex I Parties and differentiating developing country contributions based on GDP or other indicators;

Option 2: Agreement not to specify individual/quantified commitments, quantified targets or specific indicators for the post-2020 period.

33. Option 1: The enhancement of enabling environments, with respect for countries’ national prerogative to choose their domestic climate policies, to be a commitment by all Parties, through:

a. Enhanced national regulatory frameworks, including policies and measures;

b. The dedication of sufficient domestic resources by countries seeking support;

c. Putting in place conditions to mobilize, attract and absorb climate-related investments;

d. Providing a price signal for emission reductions including through payments for verified emission reductions.

Option 2: Agreement not to specify the enhancement of enabling environments as a commitment or obligation of Parties.

34. Financial resources to be mobilized and provided from:

Option 1: Primarily public sources, with supplementary funding to be drawn from private / alternative sources;

Option 2: A wide variety of sources, including public, private and alternative sources, with different types of financing for different activities and public sources for specific areas, given the limited potential for private investment, in particular in the most vulnerable countries and LDCs.

34.1 With regard to private and alternative finance:

a. All Parties to commit to cooperate in leveraging private finance and/or to mobilize public funds and means to facilitate and encourage private investment consistent with their capabilities, recognizing that the private sector is complementary to, but not a substitute for public-sector financing where public finance is needed:

• Developed country Parties to incentivize the private sector;

• A mechanism to attract the private sector to invest in projects; clear definitions, respective roles and guidance on the mechanism to achieve a useful balance of public and private sources, ensuring reasonable returns and full transparency;

• Efforts by export credit agencies to help investors manage risk;

• A clear signal to the private sector at all levels to contribute to the mobilization of climate finance and to reorient financial flows and trigger the required investments and involvement, including of local private sector;

• Public-sector finance to catalyze and avoid crowding-out of private-sector investments, ensuring that private-sector investment is not displaced, with efficient use of public resources and effective public policies to be the key focus of post-2020 cooperative efforts among middle- and higher-income countries;

• Need for strong public-private partnerships which should be subsidized and incentivized;

• Be strategic and in line with the national priorities and laws and be profitable for the private sector;

• Enhanced enabling environments for private-sector investment in adaptation;
b. The governing body shall develop modalities for leveraging and freeing up private finance to support the implementation of this agreement. A tax on oil exports from developing to developed countries to be established;

c. An international renewable energy and energy efficiency bond facility to be established;

d. The phasing down of high-carbon investments and fossil fuel subsidies.

35. Financing for adaptation to be provided in the form of multilateral financing, and/or bilateral as well as multilateral financing including via:

35.1 Balanced allocation between adaptation and mitigation, or a 50:50 balance between support provided for adaptation and mitigation, or at least 50% of support shall be provided to adaptation activities;

35.2 The use of levies for adaptation funding from any market mechanisms;

35.3 Financial risk management instruments;

35.4 The Adaptation Fund, the LDCF and the SCCF, and including through support to enable mobilization of private-sector financial flows for adaptation investments; the GCF should provide assurance of support to the adaptation efforts of countries;

35.5 Diverse sources, including private sources, to be engaged in the provision of financing for adaptation, with public finance to constitute the key instrument for increased support to adaptation:

a. Identification of sources and prioritization of the public funding as well as increase of private-sector financial contributions to adaptation;

b. Encourage the International Civil Aviation Organization and the International Maritime Organization to develop a levy scheme to provide financial support for the Adaptation Fund.

36. Support to be provided for the financing and operationalization of the Warsaw International Mechanism for Loss and Damage.

37. Support to developing country Parties for technology development and transfer and support to the Technology Mechanism to ensure its effective implementation to be channeled primarily through the Green Climate Fund/the operating entities of the Financial Mechanism, taking into account roles of public and private sectors in mobilizing finance for technology.

38. Funding for capacity-building as well as measures in accordance with paragraph 12 in developing country Parties:

38.1 To be provided by developed country Parties and other Parties and organizations in a position to do so in an adequate and predictable manner;

38.2 To be primarily channeled through the financial mechanism of the Convention; taking into account the potential role of the private sector in supporting capacity-building and the need for enhanced coordination among donors and institutions.

39. Funding for REDD-plus to be adequate, predictable and sustainable; financing to continue to be provided, including via Annex II Parties and Parties in a position to do so, private and non-market based sources and results-based finance.

40. Annex II Parties and other Parties in a position to do so to provide developing country Parties with financial and technical and capacity-building support to efficiently and effectively fulfill the reporting requirements of this agreement.

**Institutional arrangements**

41. The financial mechanism of the Convention shall serve as the financial mechanism of the 2015 agreement and existing climate finance institutions and processes shall be further developed and strengthened:

- COP to be given authority to adjust institutional settings, to take a decision consolidating and coordinating institutions and processes and/or to give guidance to the operational entities as needed, at a later stage;

- Need for simplification, improvement and rationalization of access, including direct access, especially for LDCs and SIDS; and/or harmonization of approval and accreditation processes between various channels and institutions leveraging of the potential non-climate specific financing mechanisms and institutions; and/or operation of all funds under the Convention to be transparent, competitive and rules based, with operating criteria underpinning these rules that are compatible with the requirements of private investors in order to effectively stimulate co-investment; and/or information on how all disbursements include provision for climate-proofing measures;
41. The GCF shall be the main financial entity of the new agreement, and/or anchored in the new agreement and/or strengthened, including:

- The establishment of: a window for REDD-plus; and/or for loss and damage;
- Need for: improved and prioritized access by LDCs and SIDS and/or arrangements between thematic bodies of the Convention and the GCF to be strengthened;
- GCF to operate under the guidance of the governing body for activities developed under this agreement, and/or to support mitigation readiness activities in developing countries, and/or to capitalize on know-how of existing funds and increasing its role by helping finance some of the pipeline projects of those funds;
- The governing body of the agreement to: explore further options to simplify access procedures to funds from the GCF; and/or to, jointly with the COP, develop specific additional modalities for the operation of the GCF with respect to activities developed under this agreement.

Regarding funding:

- Developed country Parties to provide 1 per cent of gross domestic product per year from 2020 to the GCF;
- Annex II Parties to provide a list of specific amounts / percentages reflecting the required share of climate finance to be provided to the GCF subject to review;
- All countries in a position to do so to provide funding to the GCF;
- Funding for the GCF to be mainly drawn from public sources.

41.2 The Standing Committee on Finance (SCF) shall assist the governing body of the agreement and be further strengthened:

- Through enhancing its work on coherence and coordination and on rationalizing the financial mechanism.

42. Other funding mechanisms that serve the agreement shall include:

- The Adaptation Fund of the KP:
  - To be part of the post-2015 climate finance architecture and/or to operate under the new agreement under the guidance of the governing body for activities developed under the agreement;
  - To be enhanced and included in the GCF as adaptation window and be inscribed in the new climate regime and defined in the financing sphere of the Paris agreement.
- Institutional arrangements for REDD-plus finance to be established;
- The LDCF to provide support for adaptation actions for LDCs.

43. Under the agreement, coordination to be further enhanced among contributors and between institutions.

### H. Technology development and transfer

#### General

44. All Parties to strengthen cooperative action to promote and enhance technology development and transfer, including through the Technology Mechanism/institutional arrangements for technology established under the Convention and through the Financial Mechanism, in order to support the implementation of mitigation and adaptation commitments under this agreement.

#### Commitments

45. **Option 1:** Commitments on technology development and transfer:

- Developed country Parties to establish and strengthen their necessary policy frameworks to facilitate the removal of barriers to, and enable and accelerate technology development and transfer to developing country Parties; and to leverage enhanced support from private sector for technology development and transfer to developing country Parties.
- Developing country Parties, with the support of developed country Parties, to establish and strengthen their national structures, policy framework, institutions and capacity, to enable and accelerate endogenous technology development and transfer, attract investments, and enhance country ownership and innovation.
All Parties to establish means to facilitate the access to and deployment of technology while promoting and rewarding innovation for environmentally sound technology:

**Option (a):**

- Developed country Parties to provide financial resources to address barriers caused by intellectual property rights (IPR) and facilitate the access to and deployment of technology, including inter alia, through utilizing the Financial Mechanism and/or the establishment of a funding window under the GCF /the operating entities of the Financial Mechanism;
- An international mechanism on IPR to be established to facilitate the access to and deployment of technology to developing country Parties;
- Other arrangements to be established to address IPR, such as collaborative research and development, shareware, commitments related to humanitarian or preferential licensing, fully paid-up or joint licensing schemes, preferential rates and patent pools.

**Option (b):**

Parties recognize that IPR is an enabling environment to promote technology innovation for environmentally sound technology.

**Option (c):**

IPR is not to be addressed through in the agreement.

Developing country Parties, with the support of developed country Parties, to conduct an assessment of their technology needs, based on national circumstances and priorities, with a view to effectively implementing the outcomes of such an assessment to support the implementation of this agreement:

- Parties to strengthen the process of technology needs assessment (TNAs) and enhance the implementation of the outcomes of this process;
- Align TNAs more closely with bankable finance projects;
- TNAs could be linked to other processes under the Convention such as nationally appropriate mitigation actions and NAPs.

All Parties to accelerate global collaboration on research, development and demonstration of technologies:

- Support to accelerate research, development and demonstration of technologies, including on endogenous technologies, to be provided to developing country Parties;
- Modalities for a global collaborative programme on the research, development and demonstration of technologies to be established, attracting and integrating relevant stakeholders.

**Option 2:** No commitments on technology in the agreement.

**Institutional arrangements**

46. Institutional arrangements on technology development and transfer under the Convention shall support Parties in implementing their commitments/contributions under this agreement.

**46.1 Anchoring:**

**Option 1: specific**

The Technology Mechanism established under the Convention, including the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN), shall serve this agreement to facilitate enhanced action on technology development and transfer in order to achieve the objectives of this agreement.

**Option 2: generic**

The institutional arrangements for technology established under the Convention shall serve this agreement to facilitate enhanced action on technology development and transfer in order to achieve the objectives of this agreement.

46.2 Guidance to and strengthening of the Technology Mechanism/institutional arrangements:

The governing body may provide further guidance to and/or strengthen the Technology Mechanism/institutional arrangements for technology established under the Convention serving this agreement.
**Option 1: Specific provisions on strengthening:**

a. The TEC and the CTCN shall support the operationalization and delivery of commitments on technology development and transfer in this agreement:
   - Include provisions on accounting;
   - Take into account specific needs and circumstances of SIDS.

b. The Technology Mechanism shall enhance cooperation and synergy with other institutional arrangements under and outside the Convention and stakeholders, and the coherence and effectiveness of technology action and initiatives under the Convention:
   - Establish linkages between Technology Mechanism, the Financial Mechanism and capacity-building institutions;
   - The Poznan strategic programme on technology transfer to be linked to and/or guided by the Technology Mechanism;
   - Provisions or measures related to other technology initiatives or regional centres;
   - Enhance the role of the private sector to support the implementation of the Technology Mechanism.

c. The governing body shall conduct a periodic assessment of the effectiveness and adequacy of the Technology Mechanism/institutional arrangements for technology development and transfer.

**Option 2: No specific provisions on guidance to and/or strengthening of the Technology Mechanism through the agreement.**

### I. Capacity-building

**General**

47. The objective of capacity-building should be to enable developing country Parties to identify, design and implement adaptation and mitigation actions and to enable domestic development and absorption of technologies.

48. Capacity-building to be guided by the following:

   a. The framework for capacity-building in developing countries established by decision 2/CP.7;

   b. A formal, structured, clear, predictable, effective, coordinated, demand-driven, sustainable and long-term and gender-responsive way;

   c. Clear and predictable targets and outcomes;

   d. Responding to national needs and fostering country ownership:
      - Building on existing provisions and lessons learned on capacity-building under the Convention;
      - Using the INDC preparation and measurement, reporting and verification (MRV) processes;
      - Supporting preparatory and readiness programmes, including on climate finance;
      - Until developing country Parties have acquired the capacity to fully implement climate change actions under the Convention.

   e. Responding to needs at the national, sub-national and local levels;

   f. Taking into account the potential role of the private sector in supporting capacity-building and the need for enhanced coordination among donors and institutions;

   g. Ensuring that capacity-building is effective, demand-driven and sustainable in a long term.

49. Capacity-building to be enhanced through:

   a. The development of climate policies;

   b. Mobilization of private sector capital and public engagement;

   c. Promotion of public awareness and education;

   d. Strengthening of domestic institutions and creation of enabling environments;

   e. Integrating capacity-building activities in mitigation and adaptation programmes.
Commitments

50. **Option 1:** The developed country Parties and other Parties in a position to do so to cooperate to enhance the capacity of developing country Parties in all areas of climate change action, to support the implementation of their commitments/contributions under this agreement and to foster South-South and triangular cooperation schemes.

**Option 2:** No commitments on capacity-building in the agreement.

Institutional arrangements

51. The institutional arrangements established under the Convention shall enhance and intensify their work on capacity-building.

51.1 The Durban Forum on Capacity-building established by decision 2/CP.17/ the institutional arrangements on capacity-building established under the Convention shall serve this agreement by:

a. Enhancing the monitoring and review of the effectiveness of capacity-building;

b. Identifying and address capacity gaps in developing countries;

c. Enhancing the coordination between institutions established under the Convention and the agreement as relates to their work and mandates on capacity-building:

- The governing body may provide further guidance to the Durban Forum and assign specific functions, as appropriate;

- The governing body shall periodically review the commitments of developed country Parties to provide capacity-building support to developing country Parties and take appropriate actions which may include the adjustment of such commitments in accordance with identified national needs and priorities of the developing country Parties;

- The governing body shall regularly review the outcomes of the Durban Forum and take appropriate actions.

52. **Option 1:** An international capacity-building mechanism is hereby established:

52.1 The purpose of the international capacity-building mechanism under the agreement, which is funded through the financial mechanism of the Convention and linked to technology and adaptation institutions established under the Convention, shall be to enhance the capacity of the developing country Parties to plan and implement mitigation and adaptation actions, including human skills development for the strengthening of domestic institutions, technology innovation and the development of endogenous technologies, and to make a structured assessment of the capacity needs of developing countries and match them with support.

52.2 The international capacity-building mechanism shall comprise:

a. A capacity-building committee with the following functions:

- Measurement, reporting and verification of support received for capacity-building against needs identified by the developing country Parties;

- Facilitation of the effective implementation of capacity-building interventions at the national and regional levels;

- Provision of normative guidance on capacity-building related issues concerning this agreement to inform other institutions and mechanisms established under the Convention to serve this agreement;

- Promotion of coherence between relevant institutions and mechanisms established under the Convention and this agreement.

b. An evaluation mechanism with the function:

- To assess the effectiveness of the delivery of capacity-building.

c. Regional capacity-building centres:

- To facilitate building capacity at the national and regional levels.

d. An institute for capacity-building to operate as a consortium of tertiary institutions in all major regions of the world:

- To build capacity in developing countries as a means of strengthening the ability and effectiveness of mitigation and adaptation actions.
52.3 The governing body shall adopt modalities and procedures for the operation of the international capacity-building mechanism. The international capacity-building mechanism should become operational as soon as possible after 2015 to prepare all countries for the implementation of the agreement by 2020.

Option 2: No provisions on the establishment of new institutions.

J. Transparency of action and support

General

53. A transparency framework, applicable to all Parties, shall promote transparency of action and support, by providing information on the implementation of each Party’s commitments/contributions in an efficient and flexible manner in order to:

   a. Enhance clarity, comparability, accountability and mutual trust, and promote ambition;
   b. Facilitate the tracking of progress of implementation of the commitments/contributions;
   c. Ensure that commitments on support are implemented and complied with and verified through a robust verification system, and to facilitate comparison of MRV of all types of support received with the needs expressed and identified by developing country Parties;
   d. Facilitate the use of mitigation outcomes resulting from international market mechanisms in the accounting of each Party’s commitments/contributions;
   e. Avoid double counting;
   f. Ensure the environmental integrity of the agreement.

54. The transparency framework shall encompass measurement, reporting and verification of emissions and removals and the accounting of the commitments/contributions, including those related to support, and shall be based on agreed rules guided by:

   a. Taking into account differing national circumstances and respective capabilities;
   b. Accommodating different contributions and countries’ differing capacities; and/or providing for differentiation in reporting and common international review of reports in accordance with paragraph 55;
   c. Avoiding imposing onerous burdens on poor and vulnerable countries or developing countries with respect to support received for adaptation, capacity-building as well as access and adoption of appropriate technology;
   d. Recognizing that the transparency framework will evolve building on existing decisions.

55. The transparency framework shall be:

Option 1: Built on the existing MRV arrangements under the Convention:

a. Developed country Parties and other Parties undertaking quantified emission reduction commitments to report information relating to the implementation of their commitments/contributions in accordance with the relevant decisions of the COP through national communications (NCs) and biennial reports (BRs) which will be subject to international assessment and review (IAR); and

b. Developing countries Parties /Parties not undertaking quantified emission reduction commitments to report information relating to the implementation of their commitments, in accordance with the relevant decisions of the COP through NCs and biennial update reports which will be subjected to international consultation and analysis.

Option 2: A common framework with common MRV provisions applicable to all Parties with flexibilities for developing country Parties in the level and depth of the application of the common MRV provisions;

Option 3: A single system with common MRV provisions applicable to all Parties from 2020.

Commitments

56. Each Party to provide transparent, consistent, complete, accurate and comparable information on the implementation of its commitments/contributions, including in relation to mitigation, adaptation, finance, technology development and transfer, and capacity-building.

57. All Parties to ensure transparency of support:
a. The MRV of support provided to be enhanced based on NCs, BRs, IAR and KP rules using common templates;

c. Developing countries to provide information on support received and its use recognizing the special circumstances of countries;

d. With Annex II Parties and Parties in a position to do so to provide biennial adaptation support reports indicating the level of support they are providing to developing country Parties, in particular LDCs, SIDS and countries in Africa, to inform a regular review by the governing body in line with science;

e. International financial institutions are invited to provide information on how their development assistance finance incorporates climate-proofing measures in all forms of support.

Rules and modalities

58. The governing body shall elaborate the rules related to transparency of action and support, including MRV as well as accounting, which:

a. Adjust the existing MRV arrangements and accounting rules to fit the objectives and purposes of the agreement;

b. Ensure harmonization and coordination of existing data systems as well as methodological consistency and commonality in defining and tracking the commitments/contributions;

c. Apply IPCC greenhouse gas inventory guidelines and common metrics;

d. Recognize the importance of greenhouse gas emissions by sources and removals by sinks resulting from land-use change and forestry activities;

e. Recognize the use of markets in relation to mitigation commitments/contributions;

f. Recognize the importance of accounting of support for adaptation and means of implementation;

g. Use accounting mechanisms for support based on common templates for developed countries / Annex II Parties;

h. Place greater emphasis on effectiveness of support and include better provisions for reporting on the use of international support and results achieved with support;

i. With respect to the provision and receipt of finance:

• Include information on support provided and received, including on: delivery, use and impact, sources, scale, channels, and instruments, and on South–South cooperation;

• Provide transparency on the levels of financing, what financing is used for, which countries are benefiting, and whether funds are new and additional and outcomes achieved through accounting rules for mitigation and adaptation actions and for financial support, as well as public and private resources invested;

• Be enhanced based on annual reporting on delivery of climate finance;

• Address the need for a common agreed definition of climate finance and inconsistencies on climate finance data:

  o Providing clarity on what type is most appropriate for what action;

  o Building on the work done by the Organisation for Economic Co-operation and Development’s Research Collaborative and the SCF on methods for measuring and tracking private climate finance;

  o As outlined in the MRV proposal by Ecuador.4

j. With respect to the monitoring and reporting of support on enhanced action on technology development and transfer:

• Overseen by the TEC.

k. With respect to the effectiveness of capacity-building support:

• Based on the impact and knowledge created in developing country Parties against performance indicators at the national level and/or by a committee on capacity-building;

• Be conducted against needs identified by developing country Parties;

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4 FCCC/AWGLCA/2012/CRP.1.
• Include an assessment of the effectiveness of capacity-building activities based on performance indicators at the international level;

• Supported by the Durban Forum on Capacity-building and the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention.

K. Time frames and process related to commitments/contributions

Commitment/contributions

59. Pursuant to Article 2 of the Convention, Parties to periodically communicate or update their commitments/contributions:

Option 1: Every 5 years for all Parties or every 5 years for developed country Parties only;

Option 2: Every 5 years indicating the commitment/contribution for the subsequent 5-year period as well as an indicative commitment/contribution for the following 5-year period;

Option 3: Every 10 years;

Option 4: For a period to be determined by the governing body.

59.1 The scope of the commitments/contributions will:

a. Be nationally determined;

b. Be defined by the provisions of this agreement;

c. Include mitigation, adaptation, finance, technology, and capacity-building;

d. Include mitigation, recognizing that commitments on adaptation, finance, technology and capacity-building are subject to separate provisions under this agreement.

59.2 Parties to provide up-front information that facilitates the clarity, transparency and understanding of those commitments/contributions (as detailed in decision x/CP.x). Upon communication, commitments/contributions will be made publicly available by the secretariat.

Ex-ante consideration

60. Option 1: No ex-ante consideration process.

Option 2: After their communication, commitments/contributions will be subject to an ex-ante consideration process that will:

a. Assess the extent and availability of support from Annex II Parties to non-Annex I Parties, and in that context the potential additional ambition of non-Annex I Parties;

b. Assess the adequacy and fairness of aggregated contributions compared with science as part of the principle based reference framework;

c. Address deficits in light of the ambition required;

d. Assist countries that have not communicated their commitments/contributions.

60.1 The ex-ante consideration process shall:

a. Facilitate transparency, clarity and understanding of the commitments/contributions:

b. Be science-based, and informed by the assessments of the IPCC;

c. Be inclusive, consultative, facilitative and supportive, non-prescriptive, non-intrusive and non-punitive;

d. Be conducted in accordance with Article 4, paragraph 2(d), of the Convention.

60.2 The ex-ante consideration process to take place:

Option 1: In the year in which the commitments/contributions are communicated;

Option 2: In the year after the commitments/contributions have been communicated.

60.3 Parties’ commitments/contributions to be considered based on:
A principle-based reference framework to be established;

b. A consultative process to ensure clarity, transparency and understanding of the commitments/contributions;

c. Existing arrangements and processes under the Convention.

60.4 On the basis of the ex-ante consideration process:

Option 1: Each Party to consider the recommendations from the process;

Option 2: Each Party to revise its commitment/contribution on a voluntary basis;

Option 3: Each Party to adjust its commitment/contribution upwards, through an adjustment procedure in accordance with decisions of the governing body;

Option 4: Parties will undertake top-down adjustments based on a global carbon budget.

60.5 The governing body shall develop and adopt modalities and procedures for the ex-ante consideration process:

a. A web platform where Parties and other actors are able to pose questions and Parties are encouraged to answer the questions they receive;

b. Consultations among Parties, including through workshops and roundtables;

c. A joint Subsidiary Body for Implementation (SBI)/SBSTA programme to prepare recommendations for the COP;

d. A technical body/panel/task force to be established that undertakes analytical work, examines the adequacy and fairness of commitments/contributions and prepares recommendations; and/or

e. Inputs to the process, including modalities for analysis, synthesis and/or compilation of the commitments/contributions.

60.6 The governing body shall review, on a periodic basis, the modalities and procedures with a view to ensuring adaptability and efficiency over time.

Formalization/finalization

61. The commitments/contributions communicated by Parties to be:

Option 1: Inscribed in a single annex to this agreement;

Option 2: Inscribed in annexes to the agreement:

Annex A for quantified emission reduction commitments (QERC) and Annex B for emission limitation commitments and strategies.

Option 3: Inscribed in attachments to the agreement;

Option 4: Adopted in a decision of the governing body;

Option 5: Contained in national schedules to be communicated to the secretariat. The secretariat shall make publicly available all national schedules;

Option 6: Inscribed in a country contribution document.

62. Parties may, at any time, make upward adjustments to their commitments/contributions through a simplified procedure:

a. By way of communication to the secretariat or the depositary;

b. By way of an amendment to the respective annex;

c. The governing body shall adopt modalities of the simplified procedure.

63. Option 1: A Party to be allowed to exceptionally adjust its commitment/contribution subject to conditions, including if subsequent rules differ substantially from the Party’s assumptions.

Option 2: No other adjustments allowed.
64. The governing body shall regularly conduct a strategic review of the aggregate effect of implementation in order to assess progress towards operationalizing the ultimate objective as set out in Article 2 of the Convention pursuant to paragraph 3.

65. The review shall take place every 5 years starting in [X].

66. The review shall be:

**Option 1:** Applicable to developed country Parties;

**Option 2:** Applicable to all Parties.

67. On the basis of the strategic review the governing body shall recommend action to harness unrealized opportunities to mitigate and adapt to climate change and to mobilize the necessary financial support.

68. Parties to take into account the recommendations arising from the strategic review in preparing successive commitments/contributions with the objective of:

a. Adjusting existing commitments/contributions upwards or communicating more ambitious mitigation commitments/contributions;

b. Addressing barriers and constraints to implementation related to the provision of finance, technology and capacity-building support.

69. The review shall be informed by:

a. Each country’s progress toward the achievement of its commitments/contributions, aggregated global emission trends and the aggregate progress toward attaining the global goals established under the agreement;

b. Assessments undertaken pursuant to other provisions of this agreement on the adequacy and progress in relation to adaptation and finance, technology and capacity-building support;

c. A process to facilitate the clarity, transparency and understanding of the commitments/contributions whereby the ambition and fairness of Parties’ mitigation commitments can be considered in the light of the long-term temperature limit;

d. The assessment reports of the IPCC;

e. Information reported by Parties on the implementation of their commitments/contributions as set out in section J (Transparency of action and support);

f. Information communicated by Parties on their future commitments/contributions as set out in this section;

g. A process of technical examination of mitigation potential, opportunities and policy options to enhance mitigation ambition.

70. The governing body shall develop and adopt modalities for the strategic review drawing upon lessons learned from previous review processes under the Convention and the KP to ensure its effectiveness.

**I. Facilitating implementation and compliance**

71. In order to assist Parties in implementing their commitments/contributions and/or to address compliance issues:

**Option 1:** The governing body shall adopt procedures and/or mechanisms;

**Option 2:** A compliance mechanism or committee is established.

**Option 3:** Implementation shall be strengthened through enhanced transparency, including through consideration of the multilateral consultative process under Article 13 of the Convention;

**Option 4:** No specific provisions required.

For option 1 and option 2 arrangements shall cover:

a. Regarding commitments/contributions (substantive scope):

**Option 1:** All commitments/contributions in the agreement;

**Option 2:** Specified commitments/contributions, excluding adaptation.
b. Regarding Parties:

**Option 1:** All Parties;

**Option 2:** Developed country Parties regarding their commitments/contributions on mitigation, finance, transfer of technology and capacity-building.

c. Structure of the mechanism/committee:

- Separate branches – an enforcement branch for Parties that have QERC in Annex A and a facilitative branch for commitments and strategies in Annex B;
- Platforms to deal with early warning, facilitation and enforcement; or
- One body for facilitation.

d. Modalities such as:

- Membership;
- Triggers to commence a procedure;
- Procedures;
- Measures and/or consequences:
  - **Option 1:** Facilitative measures only;
  - **Option 2:** Facilitative measures and sanctions for recurring non-compliance / facilitative measures for non-Annex I Parties and sanctions for Annex I Parties.

**M. Procedural and institutional provisions**

**Institutional arrangements**

72. **Provisions relating to the governing body of the agreement (based on Article 13(1) of the KP):** The Conference of the Parties, the supreme body of the Convention, shall serve as the meeting of the Parties to this agreement.

73. **Provisions relating to the secretariat (based on Article 14 of the KP):** The secretariat established by Article 8 of the Convention shall serve as the secretariat of this agreement. Article 8, paragraph 2, of the Convention on the functions of the secretariat, and Article 8, paragraph 3, of the Convention on arrangements made for the functioning of the secretariat, shall apply mutatis mutandis to this agreement. The secretariat shall, in addition, exercise the functions assigned to it under this agreement and the governing body.

74. **Provisions on the SBSTA and the SBI (based on Article 15(1) of the KP):** The SBSTA and the SBI established by Articles 9 and 10 of the Convention shall serve as, respectively, the SBSTA and the SBI of this agreement. The provisions relating to the functioning of these two bodies under the Convention shall apply mutatis mutandis to this agreement. Sessions of the meetings of the SBSTA and the SBI of this agreement shall be held in conjunction with the meetings of, respectively, the SBSTA and the SBI of the Convention.

**Procedural provisions/Final clauses**

75. **Signature, ratification, acceptance, approval and accession (based on Article 24(1) of the KP):**

75.1 This agreement shall be open for signature and subject to ratification, acceptance or approval by States and regional economic integration organizations (REIOs) which are Parties to the Convention at a specified place and time. Thereafter, the agreement would be open for accession by such States and REIOs.

75.2 **Provisions on REIOs (based on Article 22(2) and (3) of the Convention):** Any REIO which becomes a Party to the agreement without any of its member States being a Party shall be bound by all the obligations under the agreement. In the case of such organizations, one or more of whose member States is a Party to the agreement, the organization and its member States shall decide on their respective responsibilities for the performance of their obligations under the agreement. In such cases, the organization and the member States shall not be entitled to exercise rights under the agreement concurrently. In their instruments of ratification, acceptance, approval or accession, REIO shall declare the extent of their competence with respect to the matters governed by the agreement. These organizations shall also inform the Depositary, who shall in turn inform the Parties, of any substantial modification in the extent of their competence.
75.3 Additional requirements on deposit of instruments of ratification, acceptance, approval or accession:

   a. Requirements relating to the submission of national schedules at the same time as deposit of instruments of ratification, acceptance, approval or accession; or

   b. No additional requirements.

76. Entry into force:

76.1 **Option 1:** This agreement shall enter into force on the thirtieth/ninetieth day after the date on which not less than 10/50/[X] (a number that is not over or under inclusive) Parties to the Convention have deposited their instruments of ratification, acceptance, approval or accession;

77. **Option 2:** The agreement will come into effect on and be implemented from 2020, subject to [X] number of ratifications;

78. **Option 3:** A double threshold that includes both a number of Parties ratifying, and a percentage of global emission reductions covered by the ratifying Parties / a minimum of global emissions from Parties.

76.2 For each State or REIO that ratifies, accepts or approves the agreement or accedes thereto after the entry into force according to paragraph 76.1, the agreement shall enter into force on the ninetieth/[X] day after the date of deposit by such State or REIO of its instrument of ratification, acceptance, approval or accession (based on Article 23(2) of the Convention).

76.3 Provisions on REIOs (based on Article 23 (3) of the Convention): For the purposes of paragraph 76, any instrument deposited by a REIO shall not be counted as additional to those deposited by States members of the organization.

76.4 Provisional application:

   **Option 1:** A Party to the Convention that intends to ratify, approve, accept or accede to this agreement, may at any time notify the Depositary that it will apply this agreement provisionally for a period not extending beyond the time of entry into force of the agreement;

   **Option 2:** No specific provision on provisional application.

77. Amendments to the agreement: Article 15 of the Convention to apply mutatis mutandis to this agreement.

78. Amendments to any Annexes to the agreement: Amendments to the Annexes to this agreement, which are an integral part of the agreement, shall be adopted by the governing body and shall apply forthwith, without the requirement of a ratification process.

79. Settlement of disputes (based on Article 19 of the KP): The provisions of Article 14 of the Convention on settlement of disputes shall apply mutatis mutandis to this agreement.

80. Voting/Right to vote (based on Article 18 of the Convention): Each Party shall have one vote, except as follows: Regional economic integration organizations, in matters within their competence, shall exercise their right to vote with a number of votes equal to the number of their member States that are Parties to this agreement. Such an organization shall not exercise its right to vote if any of its member States exercises its right, and vice versa.

81. Depository (based on Article 19 of the Convention): The Secretary-General of the United Nations shall be the Depository of this agreement:

   **Option 1:** In addition to the normal functions of the Depositary, the Depositary should also hold and manage a repository of country contribution documents;

   **Option 2:** No additional functions for the Depositary.

82. Reservations (based on Article 24 of the Convention): No reservations may be made to this agreement.

83. Withdrawal (based on Article 25 of the Convention): At any time after [X] years from the date on which this agreement has entered into force for a Party that Party may withdraw from this agreement by giving written notification to the Depositary. Any such withdrawal shall take effect upon expiry of one year from the date of receipt by the Depositary of the notification of withdrawal, or on such later date as may be specified in the notification of withdrawal. Any Party that withdraws from the Convention shall be considered as also having withdrawn from this agreement.
84. **Authentic text (based on Article 26 of the Convention):** The original of this agreement, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Secretary-General of the United Nations.

N. **Annex/Annex A/Annex B/Attachments (for paragraph 61, options 1, 2 and 3)**

[...]