

1 **Non-paper on elements for a draft negotiating text**

2 **Updated non-paper on Parties' views and proposals¹**

3 *11 November 2014*

4 **A. Preamble²**

5 The Parties to this agreement,

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

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

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

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

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

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

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

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

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

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

31 Have agreed to further implement the Convention as follows:

32 **B. Definitions**

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

- 34
 - The 'governing body' means the governing body of this agreement.
 - (Other definitions as needed.)
- 35

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.

36 **C. General**

- 37 1. This agreement is to further enhance the full, effective and sustained implementation of the Convention and
38 strengthen the multilateral rules-based regime under the Convention in order to achieve the objective of the
39 Convention as set out in its Article 2.
- 40 2. All Parties to strive to achieve low greenhouse gas climate-resilient economies and societies, on the basis of
41 equity and in accordance with their evolving common but differentiated responsibilities and respective
42 capabilities, in order to achieve sustainable development, poverty eradication and prosperity for the benefit of
43 present and future generations of humankind.
- 44 3. All Parties to take action and cooperate to further implement the Convention in order to reach its ultimate
45 objective as stated in its Article 2 on the basis of equity and in accordance with their evolving common but
46 differentiated responsibilities and respective capabilities by achieving an emissions pathway consistent with
47 limiting the global average temperature increase to below 2°C or 1.5°C above pre-industrial levels, which
48 entails:
- 49 3.1 Ensuring significant global greenhouse gas emissions reductions over the next few decades or a 40–70
50 per cent reduction in global greenhouse gas emissions below 2010 levels by 2050 and near zero
51 emissions of CO₂ and other long-lived greenhouse gases by the end of the century;
- 52 3.2 Ensuring resilience and adaptive capacity to the adverse effects of climate change, while recognizing
53 the local, national and global dimensions of adaptation;
- 54 3.3 Ensuring that all investments are resilient to climate change and facilitate the transition to low-emission
55 development paths and the adequacy of finance, technology and capacity-building support towards
56 achieving the implementation of this agreement.
- 57 4. Parties recognize that the level and pace of mitigation ambition will determine the extent to which Parties will
58 need to adapt as well as address loss and damage, and associated costs thereof, and the need to explore
59 holistic and mutually reinforcing approaches to enhance mitigation and adaptation efforts to increase the
60 overall level of ambition.
- 61 5. Each Party to take action at the highest level of ambition reflecting its national circumstances and to
62 progressively increase that level of ambition.
- 63 6. Parties with the greatest responsibility and highest capability to demonstrate leadership:
- 64 6.1 Developed country Parties to take the lead in fully implementing existing obligations under the
65 Convention in relation to mitigation and support in line with historic responsibility;
- 66 6.2 Leadership demonstrated by any Party to be recognized, as well as the need to incentivize and enable
67 such leadership through cooperation and support.
- 68 7. Commitments/Contributions from those Parties particularly vulnerable to the adverse effects of climate
69 change, especially the least developed countries (LDCs) and small island developing States (SIDS), to reflect
70 their efforts in the context of their specific needs and special situations.
- 71 8. All Parties to prepare, maintain, communicate and implement commitments/contributions in accordance with
72 the provisions of this agreement and to be considered, formalized/finalized and reviewed in accordance with
73 section K (*Time frames and process related to commitments/contributions*).
- 74 9. **Option 1:** Unilateral measures not to constitute a means of arbitrary or unjustifiable discrimination or a
75 disguised restriction on international trade;
- 76 **Option 2:** No reference to unilateral measures in the agreement.
- 77 10. The agreement to build on the subsidiary bodies/institutional arrangements established by or under the
78 Convention:
- 79 **Option 1:** All subsidiary bodies/institutional arrangements established by or under the Convention shall serve
80 this agreement, unless otherwise decided by the governing body. The governing body may provide further
81 guidance as appropriate;

82 **Option 2:** The subsidiary bodies/institutional arrangements established by or under the Convention shall serve
83 this agreement as specified under the specific sections.³

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

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

93 **D. Mitigation**

94 *Long-term and global aspects of mitigation*

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

98 In the form of:

99 a. A long-term decarbonisation pathway:

100 • Consistent with carbon neutrality/net zero emissions by 2050, or full decarbonisation by 2050 and/or
101 negative emissions by 2100;

102 • Consistent with science/ Intergovernmental Panel on Climate Change (IPCC) (e.g. 40–70 per cent below
103 2010 levels by 2050);

104 • Consistent with emissions peaking for developed countries in 2015 aiming at zero net emissions by 2050;

105 • Consistent with a peaking of global greenhouse gas emissions as soon as possible, reaffirming that the time
106 frame for peaking will be longer in developing countries.

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

109 c. A maximum concentration of greenhouse gases in the atmosphere of below 350ppm CO₂ eq.

110 *Commitments/contributions on mitigation*

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

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

116 15.1 Be quantified or quantifiable and can be aggregated, are transparent, comparable and/or verifiable;

117 15.2 Include an indicative long-term trajectory consistent with paragraph 13, above:

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

120 15.3 Be based on the following:

121 a. National circumstances and capacities;

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

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

³ See paragraphs 24, 26, 41-42, 46, 51.

- 128 strategies, sectoral mitigation plans and strategies, and quantified or quantifiable mitigation
129 commitments/contributions that can be aggregated;
- 130 d. Developing country Parties to take a diversity of nationally determined actions in accordance with their
131 specific needs and special circumstances as stated in Article 3, paragraph 2, of the Convention, including
132 net avoided emissions, or also manifested as adaptation co-benefits, where appropriate;
- 133 e. All major economies to take on quantified economy-wide emission reduction targets/commitments;
- 134 f. Parties not included in Annex I to the Convention (non-Annex I Parties), that are in a position to do so, to
135 take quantified economy-wide emission reduction targets/commitments;
- 136 g. LDCs are encouraged to develop and implement low-emission development strategies;
- 137 h. Provide flexibility to Parties, with incentives for developing country Parties to move towards quantified
138 economy-wide emission reduction targets over time through concentric or nuanced differentiation;
- 139 i. For all Parties on the basis of categories that are updated over time based on evolving emissions and
140 economic trends.
- 141 15.4 The mitigation commitments/contributions of:
- 142 **Option 1:** All Parties to be prepared, communicated and implemented without conditions;
- 143 **Option 2:** Developing country Parties to be prepared, communicated and implemented specifying
144 additional enhanced levels of mitigation commitments/contributions subject to the provision of support
145 by developed country Parties;
- 146 **Option 3:** Developing country Parties to be prepared, communicated and implemented subject to the
147 provision of finance, technology development and transfer, and capacity-building.
- 148 16. Parties' mitigation commitments/contributions to be communicated and considered as well as
149 formalized/finalized and reviewed in accordance with section K (*Time frames and process related to*
150 *commitments/contributions*).
- 151 17. Parties may prepare, communicate and implement mitigation commitments/contributions jointly in
152 accordance with decisions to be adopted by the governing body, and taking into account any arrangements
153 developed under paragraph 30 (*Cooperation and support for implementation*).
- 154 18. Parties to analyse and give full consideration to what actions are necessary to meet the needs arising from the
155 impacts of the implementation of response measures with respect to the mitigation commitments taken,
156 particularly the specific needs and concerns of developing country Parties.
- 157 **Option 1:** The governing body shall develop and adopt modalities for:
- 158 a. An international mechanism:
- 159 • A no-incident arrangement to be included to safeguard economic development in developing countries;
- 160 • In accordance with Article 4, paragraphs 8, 9 and 10, of the Convention.
- 161 b. An international institution;
- 162 c. A permanent forum under the Subsidiary Body for Scientific and Technological Advice (SBSTA).
- 163 **Option 2:** No new arrangements for response measures within this agreement.
- 164 *Accounting rules*
- 165 *See paragraph 58.*
- 166 ***E. Adaptation and loss and damage***
- 167 ***Adaptation***
- 168 ***Long-term and global aspects of adaptation***
- 169 19. All Parties to enhance cooperation and support to developing country Parties to adapt to the adverse effects of
170 climate change, and ensure resilience under the long-term temperature limit and to achieve sustainable
171 development, while recognizing the local, national and transboundary dimensions of adaptation.
- 172 19.1 All Parties to undertake the necessary steps to ensure that the level of support meets the support needs
173 for adaptation in developing countries under the long-term temperature limit:

- 174 • Request to the SBSTA to develop methodologies for this purpose.
- 175 19.2 All Parties commit to increase efforts to adapt to climate change impacts, reduce vulnerability and
176 increase resilience in the context of the actual increase in global mean temperature, taking into account
177 the relationship between mitigation ambition, associated climate change impacts, and consequent
178 adaptation needs and costs:
- 179 Launch an expert process to develop qualitative criteria for this purpose:
- 180 • Metrics and indicators to track individual and collective adaptation efforts and to understand how
181 individual actions contribute to the global adaptation objective.
- 182 19.3 Establish universal individual commitments.
- 183 *Commitments/contributions on adaptation*
- 184 20. Each Party to prepare, communicate and implement adaptation commitments/contributions by integrating
185 adaptation within national development planning, mainstream adaptation into national policies, undertake a
186 national adaptation plan (NAP) process, and strengthen governance and enabling environments subject to
187 modalities and procedures to be developed and adopted by the governing body.
- 188 20.1 Commitments/contributions should be country-driven, gender-sensitive, participatory, and fully
189 transparent, take into account vulnerable groups and ecosystems, be based on science and traditional
190 and indigenous knowledge, and promote the engagement of subnational and local authorities and other
191 stakeholders.
- 192 20.2 Developed country Parties' commitments/contributions to be in accordance with relevant provisions of
193 the Convention, reflecting their obligation to support adaptation in developing countries in accordance
194 with realizable temperature scenarios, in particular in SIDS and LDCs.
- 195 20.3 Developing country Parties' adaptation commitments/contributions to:
- 196 a. Be in accordance with the relevant provisions of the Convention;
- 197 b. Include economic diversification;
- 198 c. Encourage developing country Parties to showcase their efforts and needs and to help to recognize
199 national efforts consistent with the long-term temperature limit;
- 200 d. Be supported by measurable finance, technology, and capacity-building support from developed country
201 Parties, Parties included in Annex II to the Convention (Annex II Parties), and/or all Parties in a position
202 to do so;
- 203 e. Not impose additional burdens or reporting requirements on developing country Parties, in particular on
204 the LDCs;
- 205 f. Build on adaptation mechanisms and processes under the Convention, including NAPs and national
206 adaptation programmes of action, and existing arrangements for finance.
- 207 20.4 Commitments/contributions to be consistent with the NAP process subject to modalities and procedures
208 to be developed and adopted by the governing body:
- 209 a. NAPs provide the basis for all countries to assess vulnerabilities and identify and implement adaptation
210 measures;
- 211 b. NAPs to go beyond planning and mainstreaming;
- 212 c. Ensure that the NAP process is undertaken in all interested developing countries, in particular in SIDS
213 and LDCs;
- 214 d. The provision of support for NAPs to build on progress made by the Least Developed Countries Fund
215 (LDCF), the Special Climate Change Fund (SCCF), the Green Climate Fund (GCF), the Adaptation
216 Fund, the Least Developed Countries Expert Group, the Adaptation Committee and multilateral and
217 bilateral organizations and agencies.
- 218 21. Parties to communicate their commitments/contributions subject to modalities and procedures to be developed
219 and adopted by the governing body.
- 220 21.1 National communications and biennial update reports and biennial reports to be the main vehicle.
- 221 21.2 The governing body shall adopt further guidance on reporting on adaptation and further facilitating the
222 sharing of progress and experiences in preparing and implementing adaptation actions.

223 21.3 The governing body shall develop a structured dialogue to enhance communication of information on
224 adaptation.

225 *Monitoring and evaluation*

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

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

230 b. Consider indicators for governance and planning.

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

232 *Sharing information, knowledge and lessons learned*

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

235 23.1 The governing body shall request the SBSTA to develop guidelines for strengthening the sharing of
236 information, knowledge and lessons learned under the Nairobi work programme on impacts,
237 vulnerability and adaptation to climate change:

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

239 b. Strengthen local and institutional capacity;

240 c. Enhance regional and transboundary aspects;

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

243 *Institutional arrangements*

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

246 *And/or*

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

249 24.1 The governing body shall request the Adaptation Committee to:

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

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

254 c. Evaluate information on support for adaptation;

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

256 24.2 The governing body shall strengthen institutional arrangements for adaptation by:

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

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

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

263 24.3 The governing body shall further strengthen institutional arrangements for adaptation by:

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

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

266 b. An adaptation registry that:

267 • Records and showcases and/or recognizes national adaptation actions and programmes;

268 • Enhances cooperation on finance, technology and capacity-building support;

- 269 • Pools information on the work of institutional arrangements under the Convention and makes that
270 information accessible to Parties;
- 271 • Monitors and identifies progress and gaps in adaptation from a global perspective;
- 272 c. An international clearing house and registry that:
- 273 • Acts as the repository for NAPs, adaptation methods, a roster of adaptation experts, biennial adaptation
274 support reports, and for information on technology and capacity-building for adaptation;
- 275 d. An adaptation technical and knowledge platform that works on, inter alia:
- 276 • Methodologies, metrics and indicators;
- 277 • Modelling of climate change scenarios and impacts;
- 278 • Enhancing understanding of global implications of adaptation.
- 279 **Option 2:** No new institutional arrangements on adaptation are required for the purposes of this
280 agreement.

281 ***Loss and damage***

- 282 25. **Option 1:** Provision for loss and damage for cases where mitigation and adaptation will not be sufficient.
- 283 25.1 All Parties are encouraged to develop early warning systems and risk management plans, and
284 communicate them to the secretariat by [X] as part of their national communications, subject to
285 modalities and procedures to be developed and adopted by the governing body.
- 286 25.2 The governing body shall commence a process no later than its first meeting to establish a
287 compensation regime to support developing country Parties, particularly LDCs, SIDS and countries in
288 Africa affected by slow onset events.
- 289 **Option 2:** Reference to the Warsaw outcome on loss and damage.
- 290 26. **Option 1:** The Warsaw International Mechanism for Loss and Damage associated with Climate Change
291 Impacts shall serve this agreement and be fully operationalized, with modalities and procedures to be
292 developed and adopted by the governing body:
- 293 26.1 Developed country Parties and/or Annex II Parties and/or all Parties in a position to do so to support the
294 implementation of the Warsaw International Mechanism through finance;
- 295 26.2 Guidelines for a comprehensive approach to climate risk management to be developed;
- 296 26.3 Institutional arrangements under the Convention shall be strengthened to support the implementation of
297 the commitments related to loss and damage under this agreement:
- 298 a. Provisions for establishing a climate change displacement coordination facility that:
- 299 • Provides support for emergency relief;
- 300 • Assists in providing organized migration and planned relocation;
- 301 • Undertakes compensation measures.
- 302 b. Provisions for establishing a clearing house for risk transfer that:
- 303 • Provides a repository for information on insurance and risk transfer;
- 304 • Assists Parties in developing risk management strategies, and finding best insurance schemes;
- 305 • Facilitates financial support for rehabilitation.
- 306 **Option 2:** No new institutional arrangements on loss and damage are required for the purposes of this
307 agreement. The Warsaw International Mechanism for Loss and Damage associated with Climate Change
308 Impacts under the Convention to be strengthened separately from the agreement.

309 ***F. Cooperation and support for implementation***

310 ***General***

- 311 27. All Parties to cooperate in the implementation of this agreement pursuant to paragraph 3 in order to:
- 312 a. Mobilize the widest range of potential investments for adaptation and mitigation;

- 313 b. Support enhanced ambition by all Parties;
- 314 c. Enable the countries' best efforts based on their respective capabilities, foster country ownership, and
315 achieve sustainable development;
- 316 d. Incentivize and acknowledge front-runners that have taken early action;
- 317 e. Incentivize and coordinate effective mitigation and adaptation action from the broadest range of actors,
318 including the private sector, to support the implementation of this agreement;
- 319 f. Collectively exceed the aggregate ambition of individual commitments/contributions.
- 320 28. Parties to implement cooperative arrangements and support in a manner which:
- 321 a. Ensures consistency with the individual commitments/contributions;
- 322 b. Creates incentives for all actors;
- 323 c. Prioritizes the specific needs and special circumstances of the developing country Parties that are
324 particularly vulnerable to the adverse effects of climate change;
- 325 d. Develops and improves enabling environments for the enhanced mobilization of support;
- 326 e. Is predictable, quantifiable, comparable and transparent;
- 327 f. Balances the use of market and non-market approaches to address climate change;
- 328 g. Enhances/catalyzes international cooperative initiatives and recognizes their contribution to assisting
329 Parties implementation of this agreement;
- 330 h. Is consistent with the provisions for transparent accounting as contained in section J (*Transparency of
331 Action and Support*), in particular to avoid double counting;
- 332 i. Establishes links and builds synergies between mitigation and adaptation actions;
- 333 j. Recognizes the efforts of local governments, sub-regional entities, and the private sector.

334 *Commitments for support*

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

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

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

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

347 *Institutional arrangements*

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

- 353 a. The Financial Mechanism;
- 354 b. The Technology Mechanism;
- 355 c. The flexibility mechanisms established by Articles 6 and 12 of the KP;
- 356 d. The new market-based mechanism as defined by decision 2/CP.17, paragraph 83;
- 357 e. A REDD-plus mechanism;
- 358 f. A mechanism for climate resilience and sustainable development;
- 359 g. A joint mitigation and adaptation mechanism for the integral and sustainable management of forests;

360 h. Subnational, national and regional emissions trading schemes.

361 **G. Finance**

362 *General*

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

368 31.1 The mobilization and provision of finance shall:

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

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

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

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

375 e. Encourage policy signals by governments;

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

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

382 h. Facilitate developing country readiness for implementation.

383 31.2 Parties to mobilize and provide financial resources for the enhanced implementation of the Convention
384 under this agreement in a manner which:

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

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

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

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

393 e. Is regularly scaled up;

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

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

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

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

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

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

406 l. Prioritizes the most vulnerable countries recognizing the special circumstances of LDCs and SIDS,
407 giving priority to countries with least capabilities and/or ensuring a fair geographical allocation;

- 408 m. Uses the diversity of available channels and instruments in the provision of financial support, the
409 mobilization of climate finance, and the shift towards climate-friendly investments;
- 410 n. Pursues a gender sensitive approach;
- 411 o. Targets the drivers of change.

412 *Commitments/contributions*

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

- 414 a. Aggregate and enhanced specific/individual commitments/contributions by Annex II Parties,
415 complemented by other Parties in a position to do so;
- 416 b. A roadmap with annual targets of public funding for the post-2020 period or pathways with annual
417 expected levels of climate finance towards achieving short-term quantified goals;
- 418 c. Based on an agreed percentage formula for the calculation of the contributions of Annex I Parties and
419 differentiating developing country contributions based on GDP or other indicators;

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

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

- 424 a. Enhanced national regulatory frameworks, including policies and measures;
- 425 b. The dedication of sufficient domestic resources by countries seeking support;
- 426 c. Putting in place conditions to mobilize, attract and absorb climate-related investments;
- 427 d. Providing a price signal for emission reductions including through payments for verified emission
428 reductions.

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

431 34. Financial resources to be mobilized and provided from:

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

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

437 34.1 With regard to private and alternative finance:

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

- 442 • Developed country Parties to incentivize the private sector;
- 443 • A mechanism to attract the private sector to invest in projects; clear definitions, respective roles and
444 guidance on the mechanism to achieve a useful balance of public and private sources, ensuring reasonable
445 returns and full transparency;
- 446 • Efforts by export credit agencies to help investors manage risk;
- 447 • A clear signal to the private sector at all levels to contribute to the mobilization of climate finance and to
448 reorient financial flows and trigger the required investments and involvement, including of local private
449 sector;
- 450 • Public-sector finance to catalyze and avoid crowding-out of private-sector investments, ensuring that
451 private-sector investment is not displaced, with efficient use of public resources and effective public
452 policies to be the key focus of post-2020 cooperative efforts among middle- and higher-income countries;
- 453 • Need for strong public-private partnerships which should be subsidized and incentivized;
- 454 • Be strategic and in line with the national priorities and laws and be profitable for the private sector;
- 455 • Enhanced enabling environments for private-sector investment in adaptation;

- 456 b. The governing body shall develop modalities for leveraging and freeing up private finance to support the
457 implementation of this agreement. A tax on oil exports from developing to developed countries to be
458 established;
- 459 c. An international renewable energy and energy efficiency bond facility to be established;
- 460 d. The phasing down of high-carbon investments and fossil fuel subsidies.
- 461 35. Financing for adaptation to be provided in the form of multilateral financing, and/or bilateral as well as
462 multilateral financing including via:
- 463 35.1 Balanced allocation between adaptation and mitigation, or a 50:50 balance between support provided
464 for adaptation and mitigation, or at least 50% of support shall be provided to adaptation activities;
- 465 35.2 The use of levies for adaptation funding from any market mechanisms;
- 466 35.3 Financial risk management instruments;
- 467 35.4 The Adaptation Fund, the LDCF and the SCCF, and including through support to enable mobilization
468 of private-sector financial flows for adaptation investments; the GCF should provide assurance of
469 support to the adaptation efforts of countries;
- 470 35.5 Diverse sources, including private sources, to be engaged in the provision of financing for adaptation,
471 with public finance to constitute the key instrument for increased support to adaptation:
- 472 a. Identification of sources and prioritization of the public funding as well as increase of private-sector
473 financial contributions to adaptation;
- 474 b. Encourage the International Civil Aviation Organization and the International Maritime Organization to
475 develop a levy scheme to provide financial support for the Adaptation Fund.
- 476 36. Support to be provided for the financing and operationalization of the Warsaw International Mechanism for
477 Loss and Damage.
- 478 37. Support to developing country Parties for technology development and transfer and support to the Technology
479 Mechanism to ensure its effective implementation to be channeled primarily through the Green Climate
480 Fund/the operating entities of the Financial Mechanism, taking into account roles of public and private sectors
481 in mobilizing finance for technology.
- 482 38. Funding for capacity-building as well as measures in accordance with paragraph 12 in developing country
483 Parties:
- 484 38.1 To be provided by developed country Parties and other Parties and organizations in a position to do so
485 in an adequate and predictable manner;
- 486 38.2 To be primarily channeled through the financial mechanism of the Convention; taking into account the
487 potential role of the private sector in supporting capacity-building and the need for enhanced
488 coordination among donors and institutions.
- 489 39. Funding for REDD-plus to be adequate, predictable and sustainable; financing to continue to be provided,
490 including via Annex II Parties and Parties in a position to do so, private and non-market based sources and
491 results-based finance.
- 492 40. Annex II Parties and other Parties in a position to do so to provide developing country Parties with financial
493 and technical and capacity-building support to efficiently and effectively fulfill the reporting requirements of
494 this agreement.
- 495 *Institutional arrangements*
- 496 41. The financial mechanism of the Convention shall serve as the financial mechanism of the 2015 agreement and
497 existing climate finance institutions and processes shall be further developed and strengthened:
- 498 • COP to be given authority to adjust institutional settings, to take a decision consolidating and coordinating
499 institutions and processes and/or to give guidance to the operational entities as needed, at a later stage;
 - 500 • Need for simplification, improvement and rationalization of access, including direct access, especially for
501 LDCs and SIDS; and/or harmonization of approval and accreditation processes between various channels
502 and institutions leveraging of the potential non-climate specific financing mechanisms and institutions;
503 and/or operation of all funds under the Convention to be transparent, competitive and rules based, with
504 operating criteria underpinning these rules that are compatible with the requirements of private investors in
505 order to effectively stimulate co-investment; and/or information on how all disbursements include
506 provision for climate-proofing measures;

- 507 • Financial mechanism must continue to be main source of financing;
- 508 • Financial mechanism and operating entities replenishment to be linked to IPCC scientific assessment.
- 509 41.1 The GCF shall be the main financial entity of the new agreement, and/or anchored in the new
510 agreement and/or strengthened, including:
- 511 • The establishment of: a window for REDD-plus; and/or for loss and damage;
- 512 • Need for: improved and prioritized access by LDCs and SIDS and/or arrangements between thematic
513 bodies of the Convention and the GCF to be strengthened;
- 514 • GCF to operate under the guidance of the governing body for activities developed under this agreement,
515 and/or to support mitigation readiness activities in developing countries, and/or to capitalize on know-how
516 of existing funds and increasing its role by helping finance some of the pipeline projects of those funds;
- 517 • The governing body of the agreement to: explore further options to simplify access procedures to funds
518 from the GCF; and/or to, jointly with the COP, develop specific additional modalities for the operation of
519 the GCF with respect to activities developed under this agreement.
- 520 Regarding funding:
- 521 • Developed country Parties to provide 1 per cent of gross domestic product per year from 2020 to the GCF;
- 522 • Annex II Parties to provide a list of specific amounts / percentages reflecting the required share of climate
523 finance to be provided to the GCF subject to review;
- 524 • All countries in a position to do so to provide funding to the GCF;
- 525 • Funding for the GCF to be mainly drawn from public sources.
- 526 41.2 The Standing Committee on Finance (SCF) shall assist the governing body of the agreement and be
527 further strengthened:
- 528 • Through enhancing its work on coherence and coordination and on rationalizing the financial mechanism.
- 529 42. Other funding mechanisms that serve the agreement shall include:
- 530 a. The Adaptation Fund of the KP:
- 531 • To be part of the post-2015 climate finance architecture and/or to operate under the new agreement under
532 the guidance of the governing body for activities developed under the agreement;
- 533 • To be enhanced and included in the GCF as adaptation window and be inscribed in the new climate regime
534 and defined in the financing sphere of the Paris agreement.
- 535 b. Institutional arrangements for REDD-plus finance to be established;
- 536 c. The LDCF to provide support for adaptation actions for LDCs.
- 537 43. Under the agreement, coordination to be further enhanced among contributors and between institutions.
- 538 ***H. Technology development and transfer***
- 539 *General*
- 540 44. All Parties to strengthen cooperative action to promote and enhance technology development and transfer,
541 including through the Technology Mechanism/institutional arrangements for technology established under the
542 Convention and through the Financial Mechanism, in order to support the implementation of mitigation and
543 adaptation commitments under this agreement.
- 544 *Commitments*
- 545 45. ***Option 1:*** Commitments on technology development and transfer:
- 546 45.1 Developed country Parties to establish and strengthen their necessary policy frameworks to facilitate the
547 removal of barriers to, and enable and accelerate technology development and transfer to developing
548 country Parties; and to leverage enhanced support from private sector for technology development and
549 transfer to developing country Parties.
- 550 45.2 Developing country Parties, with the support of developed country Parties, to establish and strengthen
551 their national structures, policy framework, institutions and capacity, to enable and accelerate
552 endogenous technology development and transfer, attract investments, and enhance country ownership
553 and innovation.

554 45.3 All Parties to establish means to facilitate the access to and deployment of technology while promoting
555 and rewarding innovation for environmentally sound technology:

556 **Option (a):**

557 a. Developed country Parties to provide financial resources to address barriers caused by intellectual
558 property rights (IPR) and facilitate the access to and deployment of technology, including inter alia,
559 through utilizing the Financial Mechanism and/or the establishment of a funding window under the GCF
560 /the operating entities of the Financial Mechanism;

561 b. An international mechanism on IPR to be established to facilitate the access to and deployment of
562 technology to developing country Parties;

563 c. Other arrangements to be established to address IPR, such as collaborative research and development,
564 shareware, commitments related to humanitarian or preferential licensing, fully paid-up or joint licensing
565 schemes, preferential rates and patent pools.

566 **Option (b):**

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

569 **Option (c):**

570 IPR is not to be addressed through in the agreement.

571 45.4 Developing country Parties, with the support of developed country Parties, to conduct an assessment of
572 their technology needs, based on national circumstances and priorities, with a view to effectively
573 implementing the outcomes of such an assessment to support the implementation of this agreement:

574 • Parties to strengthen the process of technology needs assessment (TNAs) and enhance the implementation
575 of the outcomes of this process;

576 • Align TNAs more closely with bankable finance projects;

577 • TNAs could be linked to other processes under the Convention such as nationally appropriate mitigation
578 actions and NAPs.

579 45.5 All Parties to accelerate global collaboration on research, development and demonstration of
580 technologies:

581 a. Support to accelerate research, development and demonstration of technologies, including on endogenous
582 technologies, to be provided to developing country Parties;

583 b. Modalities for a global collaborative programme on the research, development and demonstration of
584 technologies to be established, attracting and integrating relevant stakeholders.

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

586 *Institutional arrangements*

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

589 46.1 *Anchoring:*

590 **Option 1:** *specific*

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

595 **Option 2:** *generic*

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

599 46.2 Guidance to and strengthening of the Technology Mechanism/institutional arrangements:

600 The governing body may provide further guidance to and/or strengthen the Technology
601 Mechanism/institutional arrangements for technology established under the Convention serving this
602 agreement.

- 603 ***Option 1: Specific provisions on strengthening:***
- 604 a. The TEC and the CTCN shall support the operationalization and delivery of commitments on technology
- 605 development and transfer in this agreement:
- 606
 - Include provisions on accounting;
- 607
 - Take into account specific needs and circumstances of SIDS.
- 608 b. The Technology Mechanism shall enhance cooperation and synergy with other institutional arrangements
- 609 under and outside the Convention and stakeholders, and the coherence and effectiveness of technology
- 610 action and initiatives under the Convention:
- 611
 - Establish linkages between Technology Mechanism, the Financial Mechanism and capacity-building
- 612 institutions;
- 613
 - The Poznan strategic programme on technology transfer to be linked to and/or guided by the Technology
- 614 Mechanism;
- 615
 - Provisions or measures related to other technology initiatives or regional centres;
- 616
 - Enhance the role of the private sector to support the implementation of the Technology Mechanism.
- 617 c. The governing body shall conduct a periodic assessment of the effectiveness and adequacy of the
- 618 Technology Mechanism/institutional arrangements for technology development and transfer.
- 619 ***Option 2:*** No specific provisions on guidance to and/or strengthening of the Technology Mechanism
- 620 through the agreement.

621 **I. Capacity-building**

622 *General*

- 623 47. The objective of capacity-building should be to enable developing country Parties to identify, design and
- 624 implement adaptation and mitigation actions and to enable domestic development and absorption of
- 625 technologies.
- 626 48. Capacity-building to be guided by the following:
- 627 a. The framework for capacity-building in developing countries established by decision 2/CP.7;
- 628 b. A formal, structured, clear, predictable, effective, coordinated, demand-driven, sustainable and long-term
- 629 and gender-responsive way;
- 630 c. Clear and predictable targets and outcomes;
- 631 d. Responding to national needs and fostering country ownership:
- 632
 - Building on existing provisions and lessons learned on capacity-building under the Convention;
- 633
 - Using the INDC preparation and measurement, reporting and verification (MRV) processes;
- 634
 - Supporting preparatory and readiness programmes, including on climate finance;
- 635
 - Until developing country Parties have acquired the capacity to fully implement climate change actions
- 636 under the Convention.
- 637 e. Responding to needs at the national, sub-national and local levels;
- 638 f. Taking into account the potential role of the private sector in supporting capacity-building and the need
- 639 for enhanced coordination among donors and institutions;
- 640 g. Ensuring that capacity-building is effective, demand-driven and sustainable in a long term.
- 641 49. Capacity-building to be enhanced through:
- 642 a. The development of climate policies;
- 643 b. Mobilization of private sector capital and public engagement;
- 644 c. Promotion of public awareness and education;
- 645 d. Strengthening of domestic institutions and creation of enabling environments;
- 646 e. Integrating capacity-building activities in mitigation and adaptation programmes.

647 *Commitments*

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

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

653 *Institutional arrangements*

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

656 51.1 The Durban Forum on Capacity-building established by decision 2/CP.17/ the institutional
657 arrangements on capacity-building established under the Convention shall serve this agreement by:

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

659 b. Identifying and address capacity gaps in developing countries;

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

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

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

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

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

670 52.1 The purpose of the international capacity-building mechanism under the agreement, which is funded
671 through the financial mechanism of the Convention and linked to technology and adaptation institutions
672 established under the Convention, shall be to enhance the capacity of the developing country Parties to
673 plan and implement mitigation and adaptation actions, including human skills development for the
674 strengthening of domestic institutions, technology innovation and the development of endogenous
675 technologies, and to make a structured assessment of the capacity needs of developing countries and
676 match them with support.

677 52.2 The international capacity-building mechanism shall comprise:

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

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

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

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

685 • Promotion of coherence between relevant institutions and mechanisms established under the Convention
686 and this agreement.

687 b. An evaluation mechanism with the function:

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

689 c. Regional capacity-building centres:

690 • To facilitate building capacity at the national and regional levels.

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

693 • To build capacity in developing countries as a means of strengthening the ability and effectiveness of
694 mitigation and adaptation actions.

695 52.3 The governing body shall adopt modalities and procedures for the operation of the international
696 capacity-building mechanism. The international capacity-building mechanism should become
697 operational as soon as possible after 2015 to prepare all countries for the implementation of the
698 agreement by 2020.

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

700 ***J. Transparency of action and support***

701 *General*

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

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

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

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

724 55. The transparency framework shall be:

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

- 726 a. Developed country Parties and other Parties undertaking quantified emission reduction commitments to
727 report information relating to the implementation of their commitments/contributions in accordance with
728 the relevant decisions of the COP through national communications (NCs) and biennial reports (BRs)
729 which will be subject to international assessment and review (IAR); and
- 730 b. Developing countries Parties /Parties not undertaking quantified emission reduction commitments to
731 report information relating to the implementation of their commitments, in accordance with the relevant
732 decisions of the COP through NCs and biennial update reports which will be subjected to international
733 consultation and analysis.

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

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

738 *Commitments*

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

742 57. All Parties to ensure transparency of support:

- 743 a.
- 744 b. The MRV of support provided to be enhanced based on NCs, BRs, IAR and KP rules using common
745 templates;
- 746 c. Developing countries to provide information on support received and its use recognizing the special
747 circumstances of countries;
- 748 d. With Annex II Parties and Parties in a position to do so to provide biennial adaptation support reports
749 indicating the level of support they are providing to developing country Parties, in particular LDCs, SIDS
750 and countries in Africa, to inform a regular review by the governing body in line with science;
- 751 e. International financial institutions are invited to provide information on how their development assistance
752 finance incorporates climate-proofing measures in all forms of support.

753 *Rules and modalities*

- 754 58. The governing body shall elaborate the rules related to transparency of action and support, including MRV as
755 well as accounting, which:
- 756 a. Adjust the existing MRV arrangements and accounting rules to fit the objectives and purposes of the
757 agreement;
- 758 b. Ensure harmonization and coordination of existing data systems as well as methodological consistency
759 and commonality in defining and tracking the commitments/contributions;
- 760 c. Apply IPCC greenhouse gas inventory guidelines and common metrics;
- 761 d. Recognize the importance of greenhouse gas emissions by sources and removals by sinks resulting from
762 land-use change and forestry activities;
- 763 e. Recognize the use of markets in relation to mitigation commitments/contributions;
- 764 f. Recognize the importance of accounting of support for adaptation and means of implementation;
- 765 g. Use accounting mechanisms for support based on common templates for developed countries / Annex II
766 Parties;
- 767 h. Place greater emphasis on effectiveness of support and include better provisions for reporting on the use
768 of international support and results achieved with support;
- 769 i. With respect to the provision and receipt of finance:
- 770 • Include information on support provided and received, including on: delivery, use and impact, sources,
771 scale, channels, and instruments, and on South–South cooperation;
 - 772 • Provide transparency on the levels of financing, what financing is used for, which countries are benefiting,
773 and whether funds are new and additional and outcomes achieved through accounting rules for mitigation
774 and adaptation actions and for financial support, as well as public and private resources invested;
 - 775 • Be enhanced based on annual reporting on delivery of climate finance;
 - 776 • Address the need for a common agreed definition of climate finance and inconsistencies on climate finance
777 data:
 - 778 ○ Providing clarity on what type is most appropriate for what action;
 - 779 ○ Building on the work done by the Organisation for Economic Co-operation and Development’s
780 Research Collaborative and the SCF on methods for measuring and tracking private climate finance;
 - 781 ○ As outlined in the MRV proposal by Ecuador.⁴
- 782 j. With respect to the monitoring and reporting of support on enhanced action on technology development
783 and transfer:
- 784 • Overseen by the TEC.
- 785 k. With respect to the effectiveness of capacity-building support:
- 786 • Based on the impact and knowledge created in developing country Parties against performance indicators at
787 the national level and/or by a committee on capacity-building;
 - 788 • Be conducted against needs identified by developing country Parties;

⁴ FCCC/AWGLCA/2012/CRP.1.

- 789 • Include an assessment of the effectiveness of capacity-building activities based on performance indicators
790 at the international level;
- 791 • Supported by the Durban Forum on Capacity-building and the Consultative Group of Experts on National
792 Communications from Parties not included in Annex I to the Convention.

793 **K. Time frames and process related to commitments/contributions**

794 *Commitment/contributions*

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

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

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

800 **Option 3:** Every 10 years;

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

802 59.1 The scope of the commitments/contributions will:

803 a. Be nationally determined;

804 b. Be defined by the provisions of this agreement;

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

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

808 59.2 Parties to provide up-front information that facilitates the clarity, transparency and understanding of
809 those commitments/contributions (*as detailed in decision x/CP.x*). Upon communication, commitments/
810 contributions will be made publicly available by the secretariat.

811 *Ex-ante consideration*

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

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

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

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

819 c. Address deficits in light of the ambition required;

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

821 60.1 The ex-ante consideration process shall:

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

823 • Facilitate understanding of the comparability of effort of the commitments/contributions;

824 • Facilitate understanding of the level of ambition and fairness of the commitments/contributions in the
825 context of a Party's long-term low-emissions development pathway;

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

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

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

829 60.2 The ex-ante consideration process to take place:

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

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

832 60.3 Parties' commitments/contributions to be considered based on:

- 833 a. A principle-based reference framework to be established;
- 834 b. A consultative process to ensure clarity, transparency and understanding of the
835 commitments/contributions;
- 836 c. Existing arrangements and processes under the Convention.
- 837 60.4 On the basis of the ex-ante consideration process:
- 838 **Option 1:** Each Party to consider the recommendations from the process;
- 839 **Option 2:** Each Party to revise its commitment/contribution on a voluntary basis;
- 840 **Option 3:** Each Party to adjust its commitment/contribution upwards, through an adjustment procedure
841 in accordance with decisions of the governing body;
- 842 **Option 4:** Parties will undertake top-down adjustments based on a global carbon budget.
- 843 60.5 The governing body shall develop and adopt modalities and procedures for the ex-ante consideration
844 process:
- 845 a. A web platform where Parties and other actors are able to pose questions and Parties are encouraged to
846 answer the questions they receive;
- 847 b. Consultations among Parties, including through workshops and roundtables;
- 848 c. A joint Subsidiary Body for Implementation (SBI)/SBSTA programme to prepare recommendations for
849 the COP;
- 850 d. A technical body/panel/task force to be established that undertakes analytical work, examines the
851 adequacy and fairness of commitments/contributions and prepares recommendations; and/or
- 852 e. Inputs to the process, including modalities for analysis, synthesis and/or compilation of the
853 commitments/contributions.
- 854 60.6 The governing body shall review, on a periodic basis, the modalities and procedures with a view to
855 ensuring adaptability and efficiency over time.
- 856 *Formalization/finalization*
- 857 61. The commitments/contributions communicated by Parties to be:
- 858 **Option 1:** Inscribed in a single annex to this agreement;
- 859 **Option 2:** Inscribed in annexes to the agreement:
860 Annex A for quantified emission reduction commitments (QERC) and Annex B for emission
861 limitation commitments and strategies.
- 862 **Option 3:** Inscribed in attachments to the agreement;
- 863 **Option 4:** Adopted in a decision of the governing body;
- 864 **Option 5:** Contained in national schedules to be communicated to the secretariat. The secretariat shall make
865 publicly available all national schedules;
- 866 **Option 6:** Inscribed in a country contribution document.
- 867 62. Parties may, at any time, make upward adjustments to their commitments/contributions through a simplified
868 procedure:
- 869 a. By way of communication to the secretariat or the depositary;
- 870 b. By way of an amendment to the respective annex;
- 871 c. The governing body shall adopt modalities of the simplified procedure.
- 872 63. **Option 1:** A Party to be allowed to exceptionally adjust its commitment/contribution subject to conditions,
873 including if subsequent rules differ substantially from the Party's assumptions.
- 874 **Option 2:** No other adjustments allowed.

875 *Strategic review of implementation*

- 876 64. The governing body shall regularly conduct a strategic review of the aggregate effect of implementation in
877 order to assess progress towards operationalizing the ultimate objective as set out in Article 2 of the
878 Convention pursuant to paragraph 3.
- 879 65. The review shall take place every 5 years starting in [X].
- 880 66. The review shall be:
- 881 **Option 1:** Applicable to developed country Parties;
- 882 **Option 2:** Applicable to all Parties.
- 883 67. On the basis of the strategic review the governing body shall recommend action to harness unrealized
884 opportunities to mitigate and adapt to climate change and to mobilize the necessary financial support.
- 885 68. Parties to take into account the recommendations arising from the strategic review in preparing successive
886 commitments/contributions with the objective of:
- 887 a. Adjusting existing commitments/contributions upwards or communicating more ambitious mitigation
888 commitments/contributions;
- 889 b. Addressing barriers and constraints to implementation related to the provision of finance, technology and
890 capacity-building support.
- 891 69. The review shall be informed by:
- 892 a. Each country's progress toward the achievement of its commitments/contributions, aggregated global
893 emission trends and the aggregate progress toward attaining the global goals established under the
894 agreement;
- 895 b. Assessments undertaken pursuant to other provisions of this agreement on the adequacy and progress in
896 relation to adaptation and finance, technology and capacity-building support;
- 897 c. A process to facilitate the clarity, transparency and understanding of the commitments/contributions
898 whereby the ambition and fairness of Parties' mitigation commitments can be considered in the light of
899 the long-term temperature limit;
- 900 d. The assessment reports of the IPCC;
- 901 e. Information reported by Parties on the implementation of their commitments/contributions as set out in
902 section J (*Transparency of action and support*);
- 903 f. Information communicated by Parties on their future commitments/contributions as set out in this
904 section;
- 905 g. A process of technical examination of mitigation potential, opportunities and policy options to enhance
906 mitigation ambition.
- 907 70. The governing body shall develop and adopt modalities for the strategic review drawing upon lessons learned
908 from previous review processes under the Convention and the KP to ensure its effectiveness.

909 ***L. Facilitating implementation and compliance***

- 910 71. In order to assist Parties in implementing their commitments/contributions and/or to address compliance
911 issues:
- 912 **Option 1:** The governing body shall adopt procedures and/or mechanisms;
- 913 **Option 2:** A compliance mechanism or committee is established.
- 914 **Option 3:** Implementation shall be strengthened through enhanced transparency, including through
915 consideration of the multilateral consultative process under Article 13 of the Convention;
- 916 **Option 4:** No specific provisions required.
- 917 **For option 1 and option 2** arrangements shall cover:
- 918 a. Regarding commitments/contributions (substantive scope):
- 919 **Option 1:** All commitments/contributions in the agreement;
- 920 **Option 2:** Specified commitments/contributions, excluding adaptation.

- 921 b. Regarding Parties:
- 922 ***Option 1:*** All Parties;
- 923 ***Option 2:*** Developed country Parties regarding their commitments/contributions on mitigation,
924 finance, transfer of technology and capacity-building.
- 925 c. Structure of the mechanism/committee:
- 926 • Separate branches – an enforcement branch for Parties that have QERC in Annex A and a facilitative
927 branch for commitments and strategies in Annex B;
 - 928 • Platforms to deal with early warning, facilitation and enforcement; or
 - 929 • One body for facilitation.
- 930 d. Modalities such as:
- 931 • Membership;
 - 932 • Triggers to commence a procedure;
 - 933 • Procedures;
 - 934 • Measures and/or consequences:
 - 935 ○ ***Option 1:*** Facilitative measures only;
 - 936 ○ ***Option 2:*** Facilitative measures and sanctions for recurring non-compliance / facilitative measures for
937 non-Annex I Parties and sanctions for Annex I Parties.

938 **M. Procedural and institutional provisions**

939 *Institutional arrangements*

- 940 72. *Provisions relating to the governing body of the agreement (based on Article 13(1) of the KP):* The
941 Conference of the Parties, the supreme body of the Convention, shall serve as the meeting of the Parties to
942 this agreement.
- 943 73. *Provisions relating to the secretariat (based on Article 14 of the KP):* The secretariat established by Article 8
944 of the Convention shall serve as the secretariat of this agreement. Article 8, paragraph 2, of the Convention on
945 the functions of the secretariat, and Article 8, paragraph 3, of the Convention on arrangements made for the
946 functioning of the secretariat, shall apply mutatis mutandis to this agreement. The secretariat shall, in
947 addition, exercise the functions assigned to it under this agreement and the governing body.
- 948 74. *Provisions on the SBSTA and the SBI (based on Article 15(1) of the KP):* The SBSTA and the SBI established
949 by Articles 9 and 10 of the Convention shall serve as, respectively, the SBSTA and the SBI of this agreement.
950 The provisions relating to the functioning of these two bodies under the Convention shall apply mutatis
951 mutandis to this agreement. Sessions of the meetings of the SBSTA and the SBI of this agreement shall be
952 held in conjunction with the meetings of, respectively, the SBSTA and the SBI of the Convention.

953 *Procedural provisions/Final clauses*

- 954 75. Signature, ratification, acceptance, approval and accession (*based on Article 24(1) of the KP*):
- 955 75.1 This agreement shall be open for signature and subject to ratification, acceptance or approval by States
956 and regional economic integration organizations (REIOs) which are Parties to the Convention at a
957 specified place and time. Thereafter, the agreement would be open for accession by such States and
958 REIOs.
- 959 75.2 *Provisions on REIOs (based on Article 22(2) and (3) of the Convention):* Any REIO which becomes a
960 Party to the agreement without any of its member States being a Party shall be bound by all the
961 obligations under the agreement. In the case of such organizations, one or more of whose member
962 States is a Party to the agreement, the organization and its member States shall decide on their
963 respective responsibilities for the performance of their obligations under the agreement. In such cases,
964 the organization and the member States shall not be entitled to exercise rights under the agreement
965 concurrently. In their instruments of ratification, acceptance, approval or accession, REIO shall declare
966 the extent of their competence with respect to the matters governed by the agreement. These
967 organizations shall also inform the Depository, who shall in turn inform the Parties, of any substantial
968 modification in the extent of their competence.

- 969 75.3 Additional requirements on deposit of instruments of ratification, acceptance, approval or accession:
- 970 a. Requirements relating to the submission of national schedules at the same time as deposit of instruments
- 971 of ratification, acceptance, approval or accession; or
- 972 b. No additional requirements.
- 973 76. Entry into force:
- 974 76.1 **Option 1:** This agreement shall enter into force on the thirtieth/ninetieth day after the date on which not
- 975 less than 10/50/[X] (a number that is not over or under inclusive) Parties to the Convention have
- 976 deposited their instruments of ratification, acceptance, approval or accession;
- 977 **Option 2:** The agreement will come into effect on and be implemented from 2020, subject to [X]
- 978 number of ratifications;
- 979 **Option 3:** A double threshold that includes both a number of Parties ratifying, and a percentage of
- 980 global emission reductions covered by the ratifying Parties / a minimum of global emissions from
- 981 Parties.
- 982 76.2 For each State or REIO that ratifies, accepts or approves the agreement or accedes thereto after the
- 983 entry into force according to paragraph 76.1, the agreement shall enter into force on the ninetieth/[X]
- 984 day after the date of deposit by such State or REIO of its instrument of ratification, acceptance,
- 985 approval or accession (*based on Article 23(2) of the Convention*).
- 986 76.3 Provisions on REIOs (*based on Article 23 (3) of the Convention*): For the purposes of paragraph 76, any
- 987 instrument deposited by a REIO shall not be counted as additional to those deposited by States
- 988 members of the organization.
- 989 76.4 Provisional application:
- 990 **Option 1:** A Party to the Convention that intends to ratify, approve, accept or accede to this agreement,
- 991 may at any time notify the Depositary that it will apply this agreement provisionally for a period not
- 992 extending beyond the time of entry into force of the agreement;
- 993 **Option 2:** No specific provision on provisional application.
- 994 77. *Amendments to the agreement:* Article 15 of the Convention to apply mutatis mutandis to this agreement.
- 995 78. *Amendments to any Annexes to the agreement:* Amendments to the Annexes to this agreement, which are an
- 996 integral part of the agreement, shall be adopted by the governing body and shall apply forthwith, without the
- 997 requirement of a ratification process.
- 998 79. *Settlement of disputes (based on Article 19 of the KP):* The provisions of Article 14 of the Convention on
- 999 settlement of disputes shall apply mutatis mutandis to this agreement.
- 1000 80. *Voting/Right to vote (based on Article 18 of the Convention):* Each Party shall have one vote, except as
- 1001 follows: Regional economic integration organizations, in matters within their competence, shall exercise their
- 1002 right to vote with a number of votes equal to the number of their member States that are Parties to this
- 1003 agreement. Such an organization shall not exercise its right to vote if any of its member States exercises its
- 1004 right, and vice versa.
- 1005 81. *Depositary (based on Article 19 of the Convention):* The Secretary-General of the United Nations shall be the
- 1006 Depositary of this agreement:
- 1007 **Option 1:** In addition to the normal functions of the Depositary, the Depositary should also hold and manage a
- 1008 repository of country contribution documents;
- 1009 **Option 2:** No additional functions for the Depositary.
- 1010 82. *Reservations (based on Article 24 of the Convention):* No reservations may be made to this agreement.
- 1011 83. *Withdrawal (based on Article 25 of the Convention):* At any time after [X] years from the date on which this
- 1012 agreement has entered into force for a Party that Party may withdraw from this agreement by giving written
- 1013 notification to the Depositary. Any such withdrawal shall take effect upon expiry of one year from the date of
- 1014 receipt by the Depositary of the notification of withdrawal, or on such later date as may be specified in the
- 1015 notification of withdrawal. Any Party that withdraws from the Convention shall be considered as also having
- 1016 withdrawn from this agreement.

1017 84. *Authentic text (based on Article 26 of the Convention)*: The original of this agreement, of which the Arabic,
1018 Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the
1019 Secretary-General of the United Nations.

1020 ***N. Annex/Annex A/Annex B/Attachments (for paragraph 61, options 1, 2 and 3)***

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