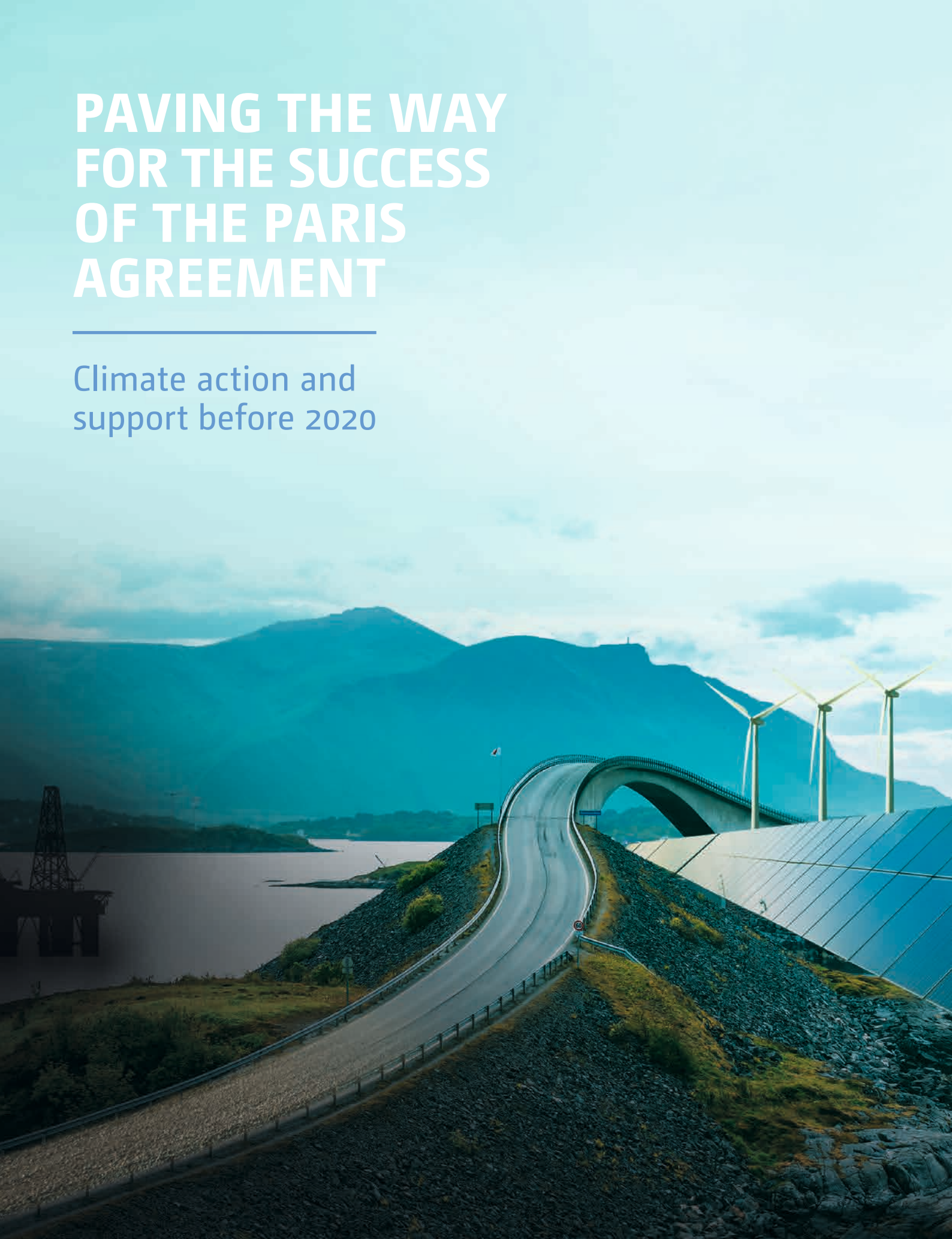


# PAVING THE WAY FOR THE SUCCESS OF THE PARIS AGREEMENT

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Climate action and  
support before 2020



United Nations  
Climate Change Secretariat

# Key messages

**13** per cent emission reductions were achieved by developed countries in 1990–2018.



Developed countries are progressing towards achieving their 2020 emission reduction targets, but gaps remain for some countries.



Developed countries reported **2,624** mitigation actions in 2017–2018.



Developed countries are making efforts to decarbonize their economies, including by expanding their portfolio of climate actions focused on Paris Agreement and long-term low carbon and carbon neutrality goals.

Transformational change towards low or zero-emission economies is under way, as manifested in developed countries' long-term goals and strategies for 2050.



**19** developed country Parties have set goals to achieve carbon neutrality.

Climate finance reported in 2017–2018 increased by **9.9** per cent over 2015–2016, on a comparable basis.



Climate finance continues to increase, reflecting a continued commitment to supporting the global transition to a low-emissions, climate-resilient future.

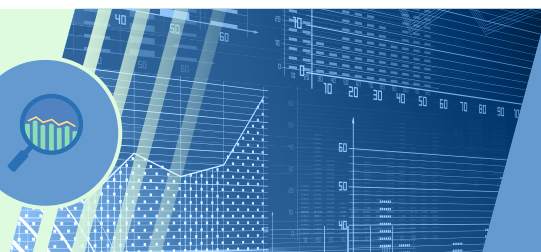


Developed countries supported **391** technology transfer activities and **686** capacity-building activities in developing countries.



Support for technology development and transfer and capacity-building has increased significantly in recent years as these activities are considered key to successfully implementing the Paris Agreement.

Well-functioning systems for the transparency of action and support have enhanced the quality of reporting and domestic policymaking.



**124** experts from **66** Parties have participated in reviews of the fourth biennial reports of developed country Parties.

As part of the international assessment and review process under the Convention, developed countries prepare a report every two years.

These biennial reports highlight the assessment by developed country Parties of their progress in meeting their 2020 targets and their provision of financial, technology and capacity-building support to developing country Parties. The reports also showcase the innovative climate actions and institutional frameworks developed countries are putting in place to serve as a launch pad for success under the Paris Agreement in the post-2020 period.

The information in this brochure is from the report on the compilation and synthesis of fourth biennial reports of Parties included in Annex I to the Convention (FCCC/SBI/2020/INF.10/Add.1). The fourth biennial reports cover the 2017–2018 period.

# Developed countries are progressing towards achieving their 2020 emission reduction targets, but gaps remain for some countries.

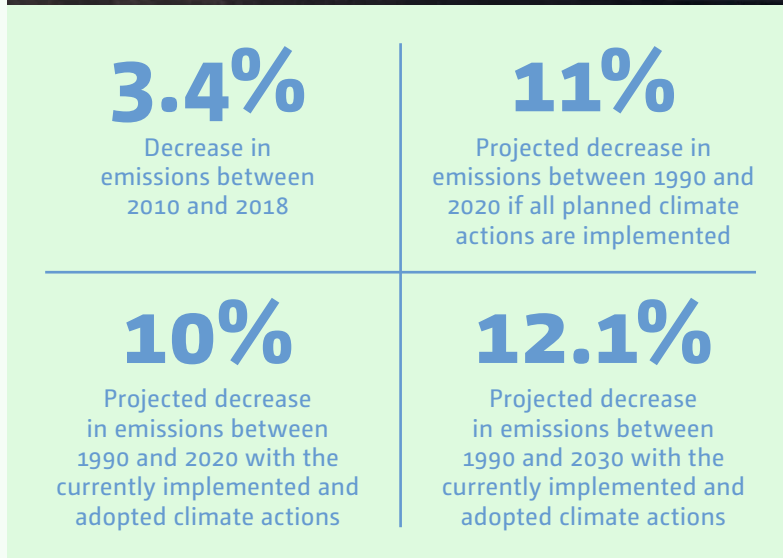


- ▶ While most developed countries expect to meet their 2020 targets, a few must make more effort to do so by accelerating implementation of appropriate mitigation actions or by using market-based mechanisms.
- ▶ Between 1990 and 2018, the greenhouse gas emissions of developed countries decreased by 13 per cent, with emissions falling by just 3.4 per cent between 2010 and 2018.
- ▶ Developed countries' greenhouse gas emissions are projected to increase slightly between 2017 and 2020 and then decrease by 2.2 per cent between 2020 and 2030, suggesting the need for stronger policies and actions – supported by legislative and institutional frameworks – that will effectively and irreversibly change the trajectory of emissions. Without fundamental structural changes in the global economy, global emissions will continue to rise, notwithstanding the one-off 8 per cent decline in global carbon dioxide emissions expected in 2020 owing to the coronavirus disease 2019 pandemic.<sup>1</sup>
- ▶ For most developed countries, the levels of greenhouse gas emissions per capita and per gross domestic product unit using purchasing power parity have shown a downward trend, suggesting a decoupling of emissions from economic growth.

<sup>1</sup> OECD. 2020. *Making the Green Recovery Work for Jobs, Income and Growth*. OECD Policy Responses to Coronavirus (COVID-19). Available at <https://www.oecd.org/coronavirus/en/policy-responses>.

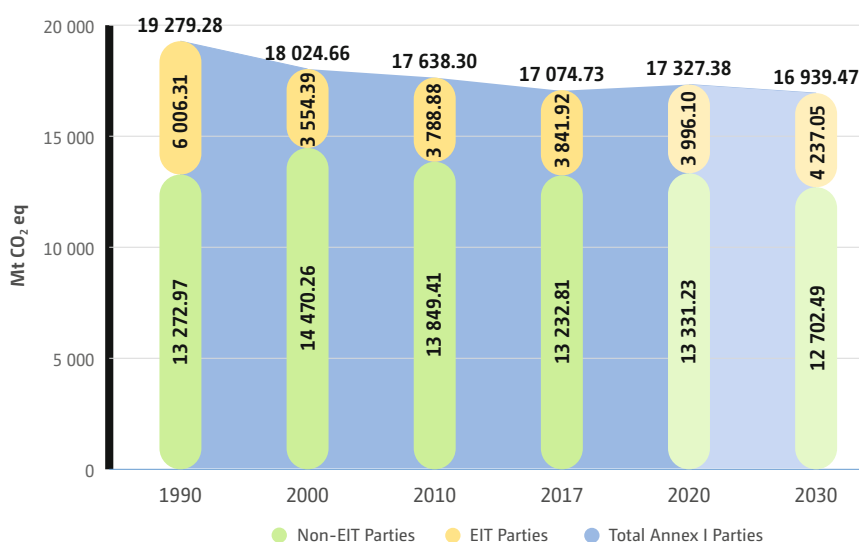


© Wind is blowing pollution from a coal burning power plant, Getty Images.



## Historical and projected greenhouse gas emissions without land use, land-use change and forestry 'with existing measures' for Parties included in Annex I to the Convention

Note: EIT: Party with an economy in transition; non-EIT: Party that does not have an economy in transition.



# Developed countries are making efforts to decarbonize their economies, including by expanding their portfolio of climate actions focused on the Paris Agreement and long-term low carbon and carbon neutrality goals.



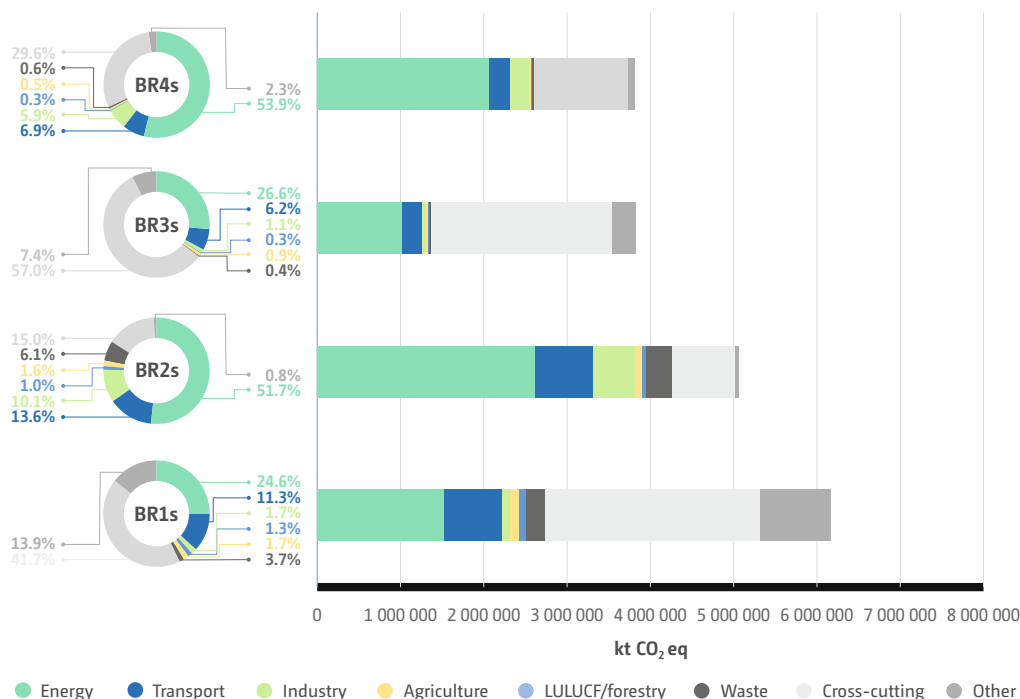
- ▶ Capitalizing on the lessons learned from previous policy cycles, developed countries continue expanding and strengthening the policies and measures key to achieving their 2020 targets, while increasingly focusing on post-2020 targets.
- ▶ The key policies and measures reported by developed countries are aimed at increasing the share of renewable energy in total power generation, phasing out coal and electrifying road transport.
- ▶ Renewable energy – which has a rapidly increasing share in power generation owing to its falling prices – has the potential to deliver sizeable emission reductions through cost-effective means and is thus fast becoming a game changer in shaping the climate policies of developed countries.
- ▶ Most developed countries use carbon pricing approaches in some form as a policy instrument, often combining levies or taxes with carbon trading systems. Carbon pricing approaches, which typically cover a sizeable share of domestic emissions, accelerate climate action (e.g. the deployment of renewable energy) by providing a price signal across the sectors covered.



© Wind turbine, Getty Images.

- ▶ **Focusing on energy:** The energy sector remains the focus of policies and measures reported in the fourth biennial reports. Key policies and measures targeting this sector include the European Union’s Roadmap to a Single European Transport Area, Germany’s Renewable Energy Sources Act, and the Russian Federation’s Energy Strategy for the period up to 2030.
- ▶ **Phasing out coal:** Portugal aims to phase out coal by 2023, Italy by 2025, Canada, Finland and the Netherlands by 2030, and Germany by 2038.
- ▶ **Promoting renewable energy:** Most developed country Parties, including the European Union, have midterm (e.g. 2030) and long-term (e.g. 2050) renewable power and heat targets. Australia has put in place the Renewable Energy Target, a scheme designed to reduce greenhouse gas emissions in the electricity sector and encourage the additional generation of electricity from renewable sources. Germany and Lithuania are moving towards technology neutral approaches when adding renewable power capacity through auctioning or tendering procedures for funding.

## Policies and measures by sector reported in the first to the fourth biennial reports (BR1 to BR4)



# Transformational change towards low or zero-emission economies is under way, as manifested in developed countries' long-term goals and strategies for 2050.



- ▶ Most developed countries view achieving emission reduction targets for 2020 as a waypoint on their path towards meeting their nationally determined contributions under the Paris Agreement, which require them to significantly step up their climate actions.
- ▶ Many developed countries are planning to implement long-term low carbon and carbon neutrality strategies under the Paris Agreement. These strategies will necessitate transformational changes in their economies and societies.
- ▶ To develop long-term climate solutions, research and development efforts are geared towards expanding opportunities for new technologies (e.g. carbon capture, use and storage), finding new applications of existing technologies (e.g. the use of renewable energy technologies for producing hydrogen) and enhancing carbon dioxide removal by land.



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-  **Denmark** adopted a new climate law in 2019 through which it committed to reducing its emissions by 70 per cent below the 1990 level by 2030 and becoming carbon neutral by 2050. Every five years, the Party will set new legally binding targets that have a ten-year perspective.
-  **France** enacted a law in 2019 that includes goals for reducing its emissions so as to enable it to become carbon neutral by 2050.
-  **Germany** has a national climate law which entered into force in 2019 and sets sectoral emission budgets for 2030 as well as mandates the pursuit of carbon neutrality by 2050.
-  **Hungary** passed a new law in 2020 committing to carbon neutrality by 2050.
-  **New Zealand** enacted a law in 2019 setting a net zero goal for all greenhouse gases by 2050 (except for biogenic methane emissions, which are to be reduced by 24–47 per cent from the 2017 level by 2050).

# Climate finance continues to increase, reflecting a continued commitment to supporting the global transition to a low-emissions, climate-resilient future.



- ▶ Developed countries' continued commitment to supporting developing countries in their transition to a low-emissions, climate-resilient future is reflected in the increase in the average annual financial support provided to developing countries. Average annual financial support to developing countries increased to USD 48.7 billion in 2017–2018. On a comparable basis, this represents an increase of 9.9 per cent over the previous biennium 2015–2016.
- ▶ In 2017–2018, climate-specific support constituted the largest share of financial support (USD 36.2 billion), while the share of core/general support (i.e. support provided to multilateral and bilateral institutions that is not considered climate-specific) has been decreasing over time, from over 40 per cent of the total in 2011–2012 to roughly 25 per cent in 2017–2018.
- ▶ Two thirds of climate finance provided in 2017–2018 flowed through bilateral, regional and other channels, while the remaining one third was channelled through multilateral institutions and funds such as the Green Climate Fund.
- ▶ While over half of all climate finance was targeted at mitigation actions, the share of adaptation support is growing, and many countries are prioritizing adaptation in their provision of financial support.
- ▶ Developed countries are increasingly engaging with the private sector, with public funding helping to leverage private sector support for the objective of the Convention and the purpose and goals of the Paris Agreement.
- ▶ More than ever before, developed country Parties without the obligation to report on their provision of support to developing countries are voluntarily doing so, helping to clarify the climate finance provided by developed countries.

## Box 1: Emerging trends in climate finance

A number of new, innovative approaches to delivering climate finance were highlighted in the fourth biennial reports.

For example, major donors, including the **European Union**, the **United States Agency for International Development** and the **Nordic Development Fund**, are exploring how multi-donor facilities such as **Climate Investor One** can help leverage private sector resources and expertise to support the construction of renewable energy infrastructure in developing countries.

Many countries, including **Canada**, **France**, **Germany**, **Japan**, **Switzerland** and the **United Kingdom of Great Britain and Northern Ireland**, are collaborating in testing and supporting new approaches, such as climate insurance, to complement traditional climate finance. One example is the InsuResilience initiative, which brings stakeholders together to provide fast, reliable and cost-effective disaster response.



**Australia** committed to providing 1 billion Australian dollars in climate finance by 2020, focusing this support on adaptation actions in the most vulnerable developing countries, particularly those in Oceania.



**France** pledged to increase its annual multilateral support for global climate action from EUR 3 billion to EUR 5 billion between 2015 and 2020, with EUR 1 billion of this earmarked for adaptation.



**Ireland** provided EUR 149 million in climate finance in 2017–2018, including EUR 500,000 in dedicated support for gender, a new area of investment aiming to help improve the gender-responsiveness of the work under the Convention and of its constituted bodies.

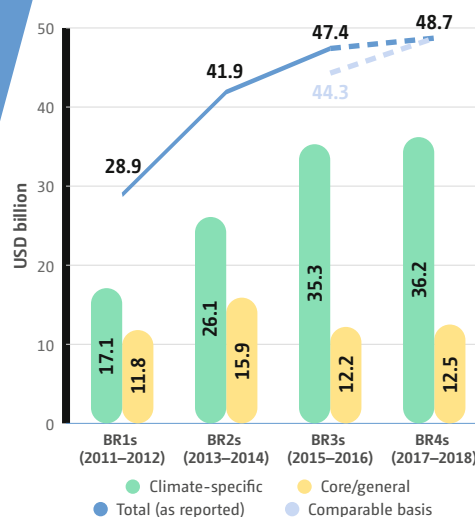


**Norway** provided USD 1.57 billion in climate finance in 2017–2018, including over USD 700 million to support REDD+ activities,<sup>2</sup> which comprised USD 265 million for bilateral support, USD 275 million for multilateral support and USD 160 million for supporting other actors in increasing their access to forest data and enhancing forest monitoring.

<sup>2</sup> <https://redd.unfccc.int/>

## Average biennial financial contributions reported in the first to the fourth biennial reports (BR1 to BR4)

USD billion per biennium



**Note:** The compilation and synthesis report of fourth biennial reports of Parties included in Annex I to the Convention includes financial information from 22 Parties that submitted their fourth biennial reports to the secretariat by October 2020. The previous compilation and synthesis reports include data from the BR submissions of 24 Parties, which limits comparability. A comparison of the fourth biennial reports of the 22 Parties for 2017–2018 with the third biennial reports of the same 22 Parties for 2015–2016 shows that climate finance increased by 9.9 per cent over this period.

# Support for technology development and transfer and capacity-building has increased significantly in recent years as these activities are considered key to successfully implementing the Paris Agreement.



- ▶ In 2017–2018, developed countries continued to enhance their provision of technology development and transfer and capacity-building support to developing countries, with a focus on facilitating climate action under the Paris Agreement.
- ▶ The main areas in which developing countries received assistance were in establishing institutional, legal and policy frameworks for implementing climate actions that will contribute to the nationally determined contributions under the Paris Agreement, and setting up and strengthening the enhanced transparency framework for assessing and reporting on those actions.
- ▶ While most of the support for technology development and transfer targeted climate change mitigation, support for adaptation has shown a strong upward trend in recent years. The key sector targeted for mitigation was the energy sector, while for adaptation, agriculture and water were the priority sectors. Most of the projects on energy focused on promoting energy efficiency and renewable energy.
- ▶ Support for technology research, development and demonstration activities increased; this support assists developing countries in laying a strong foundation for the transformational technological change called for by the Paris Agreement.
- ▶ The Asia-Pacific region continued to benefit the most from the reported technology support, while technology support for the African region and the Latin America and the Caribbean region has also not changed significantly since the third biennial report.
- ▶ Adaptation continued to be a priority for capacity-building activities, with many projects being aimed at integrating climate resilience into existing and new infrastructure and promoting green transformation in agriculture and forestry. The focus of capacity-building for mitigation was on improving the monitoring and evaluation of mitigation actions.
- ▶ African and Asia-Pacific countries continued to benefit the most from the capacity-building support provided for adaptation, while the capacity-building support provided for mitigation was primarily multi-regional or global.



Mission Innovation, a global initiative of 24 countries and the European Commission, seeks to double public investment in clean energy research and development by engaging with the private sector, fostering international collaboration and celebrating innovators.



**Austria** is supporting a project called Atmove – Biomethane Mobility for Brazil, which is working on a biogas-based mobility solution for rural areas in Brazil with a view to drastically reducing the country's dependence on fossil fuels.



**New Zealand's** Global Research Alliance on Agricultural Greenhouse Gases promotes and facilitates the development of agriculture-specific endogenous and non-endogenous capacities and technologies of developing countries relating to the agriculture sector.



The **United Kingdom's** Transforming Energy Access project aims to provide 65 million pounds sterling over five years to support early-stage testing and scaling up of innovative technologies and business models that will accelerate access to affordable, clean energy services for poor households and enterprises, especially in Africa.



**Finland's** programme for the support of upscaled mitigation actions in the solid waste management sector in Peru is aimed at supporting Peru in implementing measures to reduce greenhouse gas emissions in the solid waste sector and attracting funding from international climate finance and carbon markets.



**Japan's** Knowledge Co-Creation Program for Young Leaders is aimed at enhancing knowledge and awareness among young people on development-related topics, including renewable energy and climate change, in order to help them solve issues in the future development of their own countries.



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# Well-functioning systems for the transparency of action and support have enhanced the quality of reporting and domestic policymaking.



- ▶ Developed countries have established well-functioning systems for measurement, reporting and verification (MRV) under the Convention, thus laying the foundation for the enhanced transparency framework for climate action and support under the Paris Agreement.
- ▶ The MRV systems established under the Convention are underpinned by domestic institutional and legal frameworks and enhanced by the experience gained from more than 20 years of technical reviews under the Convention.
- ▶ Developed countries have demonstrated through their reporting and analysis a deep understanding of how their climate policies are performing over time and how they affect emission levels.
- ▶ The strengthening of MRV systems has facilitated domestic policymaking by providing policymakers with access to accurate, reliable and up-to-date country-level information on emission levels, impacts of mitigation actions and support provided.
- ▶ Voluntary reporting on the provision of financial, technical and capacity-building support by developed countries that do not have an obligation under the Convention to report on this support clearly signals their readiness to develop systems and approaches for reporting under the enhanced transparency framework of the Paris Agreement.

## The reporting and review processes

under the Convention, including the reviews of greenhouse gas inventories and biennial reports, have contributed to building robust MRV systems in developed countries.

### Australia's

Clean Energy Regulator, an independent statutory authority, administers the legislative framework underpinning the Australian Government's approach to its 2020 target, and monitors compliance with climate change laws by collecting information, conducting audits, undertaking inspections and enforcing compliance.

### The European Union's

Climate Monitoring Mechanism sets out the European Union's internal reporting framework, in accordance with internationally agreed obligations, and requires all member States to monitor and report their emissions, projections, policies and measures, adaptation actions, low-carbon development strategies and national government's use of revenues from the auctioning of allowances in the European Union Emissions Trading System.

### The Partnership on Transparency in the Paris Agreement,

with a membership of more than 100 countries, promotes international cooperation on climate transparency through practical exchanges and political dialogue with a focus on the implementation of the enhanced transparency framework under the Paris Agreement.



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