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PRE-2020 ISSUE

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Why Pre-2020 Matters for Paris

After yet another year of extreme weather events, which devastated many communities across the world, it is clear that urgency of action has become more than a slogan – it is a reality! Delivering on promises of action and support in the pre-2020 period is not only fundamental to maintain trust among Parties (though it does that as well); to limiting the severity of growing climate impacts (yep, it does that too); or making it easier to increase ambition post-2020 (are you getting that this makes sense on many levels yet?); but' simply put pre-2020 action is crucial to reaching the objectives of the Paris Agreement.

Without ambitious action now (we all know what 'now' means, right?), we cannot keep global temperature rise to 1.5°C or well below 2°C. The best available science tells us that greenhouse gas emissions need to peak by 2020 and decline thereafter. Need we say more? This is why ECO believes that there is great value in having a dedicated space for discussions on Pre-2020 - while also using all existing channels to consider relevant efforts for advancing pre-2020 action and the necessary support to enable this action in all countries.

Let it Shine – "In the Light of Equity" in the GST

The negotiations on the Global Stocktake (GST) represent a key opportunity to advance one of the most unfinished areas of the Paris Agreement -- differentiation and equity in the new regime. It's an opportunity that we better take seriously, because right now we're in danger of sliding back into unhelpful old patterns; instead of exploring new ideas on how to take into account countries' different stages of development, levels of capability and historical responsibility.

Equity, like science, is an overarching principle of the GST that needs to guide all of its workstreams. First though, ECO wants to remind everybody that equity in the context of Article 14 refers to equity between countries. Equity and differentiation allow us to consider how national actions contribute, at different scales and in different ways, to real collective progress.

Key inputs are already exist in the NDCs. Many Parties have already explained their views and perspectives of differentiation and equity in their NDCs and we suggest that one key task in the GST is to look at them. Likewise, civil society and research institutions are already developing approaches and methodologies for relevant analyses. The GST should allow them to be taken into account. By going through such exercises, the GST could thus offer differentiated guidelines that Parties can then apply when updating and enhancing their actions and support, in a nationally determined manner.

In mitigation, assessing conditional contributions that may depend on means of implementation (and/or mobilised private finance) could provide a key opportunity for further collaboration among Parties in an equitable way. Such assessment can only be done in the light of international equity, for the simple reason that Parties ought to be guided by equity when determining how large a part of their mitigation contributions they can reasonably expect others to support. Likewise, equity considerations inevitably play a large role when Parties determine how much international support they can justifiably be expected to provide.

In addition to considerations of international equity, the GST could look at distributional impacts of both mitigation and adaptation policies and measures, to ensure that they cause benefit, rather than hurt, to the most vulnerable. In practice, this is a sprawling challenge, that must recognize human rights — the right to health; food security; the rights of indigenous peoples; local communities; migrants; children; persons with disabilities and people in all sorts of other precarious situations; as well as the right to development; gender equality; the empowerment of women; intergenerational equity and the imperatives of a just transition of the workforce; and the creation of decent work and quality jobs.

In the end, all this must be taken into account in national climate plans. But let us not lose focus. The climate regime cannot solve all the problems in the world, but it can offer the first set of insights to Parties to face them.

Transparency: Seeing Through the Looking Glass on Article Five

Transparency: Seeing Through the Magnifying Glass on Item 5
With all the talk of "skeletons" in the APA informals, ECO knows that the enhanced transparency framework will be the true "backbone" of the implementation guidelines of the Paris Agreement, providing instructions for the reporting and reviewing of Parties' commitments and actions. The transparency framework needs to have strong bones if it's going to truly support the responsibility of building trust and confidence between Parties and promoting effective implementation.

Many aspects of the existing transparency system work well and should be built upon, but it's still far from perfect. Delays and incomplete information not only impact understanding, but also hold up critical review efforts to identify capacity-building gaps and needs. ECO believes the Paris Agreement means moving to a world where "common modalities, procedures and guidelines" will both allow transparency and comparability of all Parties' action and support; and deliver benefits for developing countries in enhanced capacity (with adequate support). ECO believes that it is possible to have a certain level of flexibility for countries that need it without jeopardizing transparency or a common approach that drives continuous improvement overtime.

With so much at stake, it seems worth pointing out the overarching benefits of an effective and robust transparency framework. With strong design and modalities, the transparency framework can:

- Promote cooperation; (internationally, regionally, and domestically.)
- Share experiences, best practices, and other opportunities for learning.
- Strengthen the domestic capacity for policy action.
- Identify capacity-building needs.
- Allow parties and stakeholders to share relevant information on the implementation of NDCs.

ECO also knows that the conversation on transparency isn't limited to Paris Agreement's item 5. We are also on the lookout for guidance on accounting under item 3, and have our ears to the ground on SBSTA discussions on Loss and Damage, held behind closed doors! Not at all transparent, by the way! And ECO will continue to keep our eyes and ears on the linkages and interplay between the transparency discussions and other critical elements, such as the mechanisms under Article 6, in order to get a full picture of Parties' views on transparency.

Coming soon, the "Katowice Double Counting Mechanism"

Ludwig has heard about a new proposal for carbon markets and international cooperation that sounds almost too good to be true.

Brazilian negotiators were particularly enthusiastic about the idea. As one negotiator explained, "Imagine if you could make a transfer from your bank account to another account to pay a debt. Suppose they could get paid and your bank balance doesn't change. Sounds great, right!! We have found a way to do that with carbon credits."

This proposal is called the "Katowice Double Counting Mechanism", a rebranding of the proposed Sustainable Development Mechanism. The idea, Ludwig has learned, is to turn the CDM — which has been plagued by low demand for credits, rock-bottom carbon prices, and concerns about dodgy additionality rules — into something that, after 2020, can be a win-win-win for everyone involved: buyers, sellers, project developers, etc. Everyone except the climate and the victims of climate change, but Ludwig understands you can't please everyone.

Traditional orthodoxy would claim that any time a carbon credit is transferred from one country to another and used to allow increased emissions in that country, the source country has to deduct this from reductions needed to meet their cap. This is called "corresponding adjustments" under the Paris agreement. It is based on the apparently fallacious argument that an emission reduction can be used only once. But under this innovative new proposal, both countries can use the credit to meet their targets. And not just countries. At the International Civil Aviation Organization (UN's aviation agency), member states have agreed that international aviation can offset emissions above 2020 levels through a mechanism called CORSIA.

"We think airlines should get on the double counting bandwagon", said the Brazilian negotiator. "There is no reason why countries should keep all the benefits to themselves".

But there are still naysayers harping on the need to maintain the "integrity" of the caps and carbon markets. As a leading naysayer argued, "you can't have your cake and sell it too."

Recalling, Recognizing & Reaffirming: The Global Goal on Adaptation

This Wednesday, UN Environment launched its third Adaptation Gap Report, which focuses on global assessment. The report puts a much needed spotlight on the (perhaps conveniently forgotten) Global Goal on Adaptation (GGA) of enhancing adaptive capacity, strengthening resilience, and reducing vulnerability to climate change, which is part of the Paris Agreement. The GGA not only aims to contribute to sustainable development, but also to ensure an adequate adaptation response globally to climate change, in the context of the temperature goal referred to in Article 2 of the Paris Agreement.

ECO would like to remind Parties that no substantive work has been undertaken to unpack its elements or operationalize the GGA since the adoption of the Paris Agreement.

The UN Environment report was released on the heels of its latest Emissions Gap Report, which warns that current mitigation pledges point towards a likely temperature increase of around 3 °C in 2100. Last year, the same agency published the landmark Adaptation Finance Gap Report, which brought to light that the costs of adaptation in developing countries could range from US$ 140 billion to US$ 300 billion US dollars per year by 2030.

To state the obvious, we not only have to urgently strengthen mitigation ambition but also scale up adaptation actions to minimize loss and damage. The report is a useful input for the negotiators to explore key opportunities and challenges associated with assessing progress on adaptation at the global level. Parties must consider the report and start discussions on assessing collective progress and operationalizing the GGA. This will help synthesize national adaptation planning and reporting.

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