WHAT ARE TRANSFORMATIVE NATIONALLY DETERMINED CONTRIBUTIONS?

BRIEFING PAPER FOR NDC ENHANCEMENT

JUNE 2020
CLIMATE ACTION NETWORK

INSIDE

Elements of Transformative NDCs
Raising Mitigation Ambition through Different Sectors
Tackling Impacts: Adaptation and Loss & Damage
Supporting the Transformation Accountability Methodologies
Introduction

Elements of Transformative NDCs
  1. A whole of society approach - binding public participation 7
  2. Just Transition 10
  3. Gender Responsiveness 12

Raising Mitigation Ambition through Different Sectors
  1. Energy to lead the transition 14
     1.1. A closer look at the transport sub-sector 17
  2. The agricultural sector in the transformation 18
  3. Forest and land use with environmental and social integrity 19
  4. Nature-Based Solutions (NBSs) 21

Tackling Impacts: Adaptation and Loss & Damage 23

Supporting the Transformation 25
  1. Finance 25
  2. Technology and Capacity Building 27

Keeping an Eye on the Results: Accountability Methodologies 29

Conclusions 30
2020, the year of ambition for climate change suddenly turned into a year that demands us to exercise compassion and solidarity in ways many of us haven't in a long time.

The COVID19 pandemic is taking place against the backdrop of an ecological crisis. Just like the pandemic, the climate crisis has no borders and will require sustained international efforts and global solidarity.

While capacities and resources might be stretched as the Covid19 pandemic unfolds in different regions, countries will still need to act to fulfill the tasks ahead of them on stepping up climate action, in light of their common but differentiated responsibilities and capabilities. In a context where global climate meetings are being postponed to protect people's health, it becomes even more critical that governments, through nationally driven processes, deliver transformative national climate plans this year along with emergency and rescue packages that put people and the planet before polluters corporate interests.

All actions taken now, including the ones related to climate targets, should reinforce the transformational shift we need for resilient, healthy and sustainable societies.

In this regard, this briefing paper, led by the CAN NDC Working Group, is civil society’s perspective of what short-term transformative nationally determined contributions (NDCs) should entail in order for them to fully tackle the challenges in addressing the climate emergency.

In this paper, we refer to NDCs as comprehensive climate action plans to better capture the wider purpose of policies and plans that must steer the transformation of our societies with climate safe, just, equitable and sustainable pathways. Transformative NDCs also need to be seen in a strategic longer-term context of national long-term strategies (LTS) that are commensurate with near zero global gross emissions by 2050 and build resilience in accordance with the anticipated threats posed by the changing climate. The NDCs should be the building blocks towards achieving this strategic vision for a country’s 2050 social, environmental and economic development.
Transformative NDCs should be enhanced to the highest possible level of ambition every five years and submitted to the United Nations Framework Convention on Climate Change (UNFCCC) taking into account every country’s fair share - they should address all three goals of the Paris Agreement. They should define a range of measures which are mutually reinforcing:

**THE PARIS AGREEMENT TEMPERATURE GOAL**

- Committing to deep emission cuts in line with equity and capability and based on a global goal to cut emissions by half by 2030 compared to 2010 levels in order to keep warming to 1.5°C;
- For industrialised countries, setting ambitious near-term milestones that can incentivise transformation as soon as possible to put the planet on a safe pathway; and
- Recognising that to limit global warming above the pre-industrial level to 1.5°C, the IPCC highlights that a rapid phase-out of fossil fuel carbon dioxide (CO2) emissions needs to be combined with uptake of CO2 emissions from the atmosphere by protecting and restoring natural ecosystems such as forests, grasslands, peatlands, mangroves, oceans and wetlands.

"It’s imperative that NDCs are seen as building blocks towards a strategic vision that embraces near-zero global gross emissions by 2050 and builds the resilience of people and the ecosystems life depends upon under a changing climate. This paper offers civil society’s perspective of what transformative NDCs must entail for them to fully tackle the climate emergency while also building sustainable social, environmental and economic development.

- Fernanda Carvalho,
Global Policy Lead - Climate and Energy Practice at WWF International"
THE PARIS AGREEMENT RESILIENCE GOAL:

- Significantly enhance efforts for resilience-building, disaster risk reduction and adaptation nationally, regionally and locally in all relevant sectors, recognizing environmental and social co-benefits where they exist such as in ecosystem protection and restoration.

THE PARIS AGREEMENT FINANCE GOAL:

- A deep transformation of both the public and private financial systems by 2030 compatible with a 1.5°C world. Including a financial system that is supportive of achieving a low carbon, resilient, just and equitable, climate safe future;
- Including a target of ceasing financing fossil fuel projects and investing in 100% renewable energy projects and in energy efficiency; and
- Developed countries should include information on aligning financial flows in their NDCs, including the ongoing and predictable provision of support for developing countries amounting to USD 100 billion a year.

CROSS-CUTTING MEASURES:

- Supporting integrated action including targets for sustainable solutions that address the climate emergency, while also considering nature and the natural environment, as well as addressing poverty and human wellbeing;
- Ensuring that all climate policies, measures, and actions respect, protect and fulfill human rights – including the right of people to be fully informed and empowered to participate in a meaningful way in climate decision-making; and
- Taking a whole of society approach that addresses just transition, equity, ecosystem integrity and income distribution at both national and international contexts.
In spite of mobilisation by the people, signs of ecosystem devastation and a clear message from scientists, global leaders failed to deliver the strong message and commitment people were expecting as a rational outcome of United Nations climate talks, COP25, in Madrid in December 2019.

In 2020, countries are expected to submit enhanced and updated NDCs that outline how they will increase their national climate targets and implement a robust climate agenda in line with the long-term goals of the Paris Agreement. The COP25 outcomes were particularly weak and widened the gap between what civil society demands on the one hand and what governments are delivering on the other. Civil society wants to - and needs to - play an even stronger role in local, national and regional fora in order to secure strong and ambitious outcomes from the NDC processes that are truly transformational.

So far, none of the major emitters like the G20 and/or other wealthy countries have committed to enhancing their NDCs. The EU, one of the few developed country groupings to step forward has only stated an intention to “update” its NDC. While more than 100 countries have stated an intention to enhance ambition or action in their NDCs, the countries that are actually stepping up account for only 15.1% of global emissions.

The recent IPCC reports (The Special Reports on 1.5°C Global Warming, the Special Report on Land Use and the Special Report on Oceans and the Cryosphere) have shown that climate change and the corresponding policy responses are not just a question of agreeing to implement policies and measures that meet a topline mitigation target. Transformative NDCs could build the bridges between intergenerational concerns, education, capacity building, the gender gap and other issues. If done holistically, national climate policies and action plans have the potential to contribute to Sustainable Development Goals (SDGs) as well as to the goals of other relevant international conventions such as the Convention on Biological Diversity (CBD), for example. On the other hand, they can also undermine SDGs and CBD efforts if not done properly and this should be avoided at all costs.
People-centered mitigation and adaptation solutions should be implemented taking into account the needs of the most vulnerable. Such solutions are often decentralised, context-specific and oriented towards the common good. It has been widely recognised that different social groups are impacted differently by climate change and therefore there must also be differentiated solutions to climate change in policies, plans and implementation. Whereas the role of subnational governments and the need for ensuring sectoral buy-in on national climate measures has been recognised, the role of civil society and its integration in policy planning and policy development processes have been less practiced in the context of developing NDCs and related climate plans.

In the 2020 round of NDCs, civil society needs to be fully engaged in developing and defining climate change policies that will be implemented across society and supported by various stakeholder groups. Public participation needs to be meaningful, going beyond the mere attendance and presence of civil society at workshops.

“...In this new round of NDCs, we need to see clear, inclusive, meaningful, transparent and binding participatory processes that enable also marginalised and often less-represented groups to make their voices heard and bring forward solutions that address the main concerns and challenges of those affected by climate change. Only with their participation we will find real solutions that have the potential for a successful implementation at the local level. Only with full engagement of civil society we’ll design climate change policies that can be successfully implemented across society and supported by various stakeholders.

- Rixa Schwarz
Co-team leader for International Climate Policy, Germanwatch
There is a need to clearly carve out inclusive, transparent and binding participatory processes that enable marginalised and less-represented groups to make their voices heard and bring forward solutions that address the main concerns and challenges of those affected by climate change and to provide real solutions that have the potential for a successful implementation at the local level.

In the same way, just transitions in energy and agriculture must be underpinned by inclusive and participatory processes that enable communities to articulate the risks they face and to shape positive futures that are supported by comprehensive policy frameworks.
Local knowledge, needs, and aspirations, which are domestically and internationally represented by NGOs and CSOs, must be recognised in NDCs. To achieve this, an inclusive participatory process must be established taking into account the following aspects:

**RESOURCES**
Participatory processes take time and require financial resources. Align processes and share responsibilities with stakeholders. Consider international support to finance inclusive dialogue for a reasonable update.

**MAPPING**
Identify and map relevant civil society actors who might be affected by or contribute to climate policy from local to national level by accessing civil society’s networks.

**ACCESSIBILITY**
Ensure that processes are inclusive and accessible to identified stakeholders to engage in through, inter alia, clear, timely and transparent communication. Build stakeholders’ capacities where needed.

**RESPONSIBILITIES**
Share responsibilities with involved actors and clarify roles in advance. Clarify how participation is organized and how decisions will be made.

**ENGAGEMENT PRACTICES**
Develop a thoroughly organised engagement plan that combines different forms of consultation, cooperation and participation. This can be achieved through planning face-to-face meetings, online surveys and so on.

**TIMELINE**
Design a transparent timeline of engagement. Consider the global stocktake and the cyclic NDC updates every 5 years. Start two years or earlier before the submission deadline.

**INSTITUTIONALIZATION**
Define roles for relevant government agencies to coordinate and sustain participatory processes in climate policy.
2. JUST TRANSITION

Transformative climate action plans take into account the effects that increased climate action and ambitious policies have on various sectors and workers. Therefore, any just transition should ideally be economy-wide and inclusive. A number of cases illustrate the benefits of local and national economy transformations towards a more sustainable path for jobs and well-being is growing but it is also pivotal to recognize that not all workers directly benefit from the new opportunities. While this happens for several reasons (such as demand for different skill sets, location, price and knowledge barriers, etc.), transformative NDCs need to be developed in close cooperation with these communities and need to consider unequal effects on female and male workers.

An equitable just transition will also recognise that countries’ financial capacity to shift will vary; and in places in which a high proportion of the population and national tax base is dependent on high-carbon industries, the challenges will be greater and will likely take more time. Strategies will not only include shifting towards a more sustainable and circular economy, but also require economic diversification, possibly into new and different sectors altogether.

They should, therefore, be accompanied by investments and strong plans to support affected workers and communities. The reason is simple: We can't afford to maintain and to continue support for the status quo. Mono-industrial systems concentrate power and perpetuate inequalities. The transition provides an opportunity to address both future and current inequalities. However, to ensure all opportunities are tapped and the benefits of the transitions spread fairly, governments must plan the transition, factoring in and respecting human, social, economic, and environmental rights.
Therefore, transformative climate action plans need to be built on strong principles and guidelines:

- Existence of strong social consensus on the goal and pathways to the transition towards a diversified sustainable economy;
- Promotion of policies that respect, promote and provide means for implementation of fundamental principles and rights at work, taking into account the strong gender dimension;
- Creation of politically robust timelines and plans for implementing the transition to ensure certainty to investors and that needed change will happen in a cost-optimal and socially-fair, planned way;
- Previous assessments of possible impacts on employment, displacements, need for skills development and social dialogue;
- Support for international cooperation among countries, while also strongly recognizing that policies need to be tailor-made for each city/state/country, in accordance with their stage of development, economic sectors, population characteristics, types and sizes of enterprises; and
- Ensure that processes are inclusive and accessible to identified stakeholders to engage in through, inter alia, clear, timely and transparent communication. Build stakeholders’ capacities where needed.;

Transformative climate action plans take into account the impact that increased climate action and ambitious policies have on various sectors, communities, and workers. That means that they are accompanied by investments and strong plans to support affected workers and communities. The reason is simple: **It is immoral for us to maintain and to continue support for the status quo. Only then will the transition provide an opportunity to address both future and current inequities and injustices.**

- Rev. Michael Malcom
  Founder/Executive Director, People’s Justice Council
2015 saw not only by the adoption of the Paris Agreement but also by the 2030 Agenda for Sustainable Development. Both of these recognise gender equality as a critical cross-cutting social development issue central to actions to tackle climate change and achieving the SDGs. Gender was, perhaps, one of the areas that delivered the best outcome of COP25 with the adoption of a Gender Action Plan - but more still needs to happen at local, national and regional levels.

From a procedural perspective, a transformative climate action plan ensures equal participation of men, women and non-binary people in the decision-making process to respond to the gender-differentiated impacts of the climate crisis.
Inclusive processes will facilitate the leadership women and gender non-conforming people can exert in mitigation and adaptation measures in all key sectors of economy (energy, land use, water, etc), by:

- Establishing a mitigation plan that takes into consideration the gender implications that each of the proposed actions and targets can have;
- Supporting capacity building and development programs that promote gender justice and actively break down systemic barriers to the participation of women, gender diverse people and other vulnerable groups;
- Placing the knowledge of women, traditional cultures and Indigenous Peoples as relevant ingredients at the centre of planning for resilience and adaptation; and
- Setting the path for financing mechanisms to be developed in a way that also ensures proper resource allocation for gender-related sustainable development outcomes.

The achievement of such milestones requires a lot of coordination and preparation at the local/national level - for example, a comprehensive assessment of the gender-specific situation in the country when it comes to employment, division of labor, access to finance and other resources and decision-making processes. It can also be key to ensuring a greater level of social acceptance towards the final plan, as well as bigger chances of the targets and actions these set to be implemented.
Various international organisations, including UNEP, IPCC, UNDP, Carbon Action Tracker and numerous other organizations and reports are clear in their findings: with present climate policy commitments we are on a global temperature pathway heading towards a 3-4°C world.

This means there is no time to waste: countries must significantly enhance their NDCs and overall climate action plans in line with the best available science, to put us on a 1.5 degree Celsius pathway and these plans must be ready for fast and ambitious implementation. For us to successfully tackle climate change, all sectors must be involved and considered. Only specific sectoral targets and clear implementation pathways will make the most of our local, national and international capabilities.
1. ENERGY TO LEAD THE TRANSITION

Worldwide, fossil fuel use, both for energy and industrial processes, is responsible for about three quarter of all greenhouse gas emissions. A transformative change in the production and consumption patterns of energy, including increasing energy efficiency and lowering unsustainable demand by rich countries is pivotal to stop ecological breakdown. In fact, by 2030, the sum of NDCs must have grown renewable energies and energy efficiency efforts by three to fourfold of what is there today, providing the long-term strategy that is based on implementing a sustainable, equitable and just transition of our societies.

According to IRENA studies, "the transformation of the energy system would not only bring the world closer to achieving global climate objectives but would also bring socio-economic benefits and be less expensive than a business-as-usual scenario". A rapid and just energy transition hinges on unprecedented political will – to equitably shift each country’s economy from fossil fuels to renewable energy.
The energy transition plan should therefore be a central piece of all climate action plans. It should include clear wording and commitments outlining how a country is going to achieve a rapid increase in renewable energy, recognizing that there is a strong social dimension in the energy transition and taking into account the needs of local communities and residents, and unpacking the concrete measures to be taken for the just transition towards 100% clean and renewable energy to be achieved as soon as possible and no later than 2050:

- Clear, ambitious and equitable targets for 2030 reductions of fossil fuel production, burn and export/import, explicitly setting a path towards total phase out;
- Renewable energy specific targets for all economic sectors (like transport, power, building, etc.), so that on a global average they reach at least 40% of all energy used by 2030;
- Ambitious short-term targets that lead to reduction of the, production, consumption and financing of fossil fuels, with a clear provision of such a pathway to be reinforced by national legislation. For wealthy countries, such targets are expected to be highly ambitious, making it clear that they are taking the lead on moving first and fastest to phase out any kind of fossil fuel extraction;
- Explicit and ambitious targets for energy efficiency. Tougher legislation and standards for all products in all sectors like buildings, industry and transport will harvest the huge energy savings potentials. Most of the energy savings will also save the economy and the consumer’s money over a few years through reduced fuel bills; and
- Clear and progressive efforts to promote (a) consumption reduction among society (awareness), (b) more efficient consumption through instituting a circular economy and (c) more sustainable consumption due to use of renewable energies.

The energy transition plan should therefore be a central piece of all climate action plans. It should include clear wording and commitments outlining how a country is going to achieve a rapid increase in renewable energy, recognizing that there is a strong social dimension in the energy transition and taking into account the needs of local communities and residents, and unpacking the concrete measures to be taken for the just transition towards 100% clean and renewable energy to be achieved as soon as possible and no later than 2050:

- Clear, ambitious and equitable targets for 2030 reductions of fossil fuel production, burn and export/import, explicitly setting a path towards total phase out;
- Renewable energy specific targets for all economic sectors (like transport, power, building, etc.), so that on a global average they reach at least 40% of all energy used by 2030;
- Ambitious short-term targets that lead to reduction of the, production, consumption and financing of fossil fuels, with a clear provision of such a pathway to be reinforced by national legislation. For wealthy countries, such targets are expected to be highly ambitious, making it clear that they are taking the lead on moving first and fastest to phase out any kind of fossil fuel extraction;
- Explicit and ambitious targets for energy efficiency. Tougher legislation and standards for all products in all sectors like buildings, industry and transport will harvest the huge energy savings potentials. Most of the energy savings will also save the economy and the consumer’s money over a few years through reduced fuel bills; and
- Clear and progressive efforts to promote (a) consumption reduction among society (awareness), (b) more efficient consumption through instituting a circular economy and (c) more sustainable consumption due to use of renewable energies.
1.1. A CLOSER LOOK AT THE TRANSPORT SUBSECTOR

It is worth taking a closer look at this sub-sector. In a business-as-usual scenario, transport emissions are predicted to double. Yet we all know our society and planet cannot handle such a forecast. In spite of its key role in contributing to climate change, transport is a sector that several NDCs mention but very few actually establish concrete targets for.

This needs to change during the new NDC review period, so that countries:

- Establish clear targets for electrification of transport sector that go along with a matrix transition to 100% renewables;
- Embrace a more holistic approach to transport, not only through electrification, but also by stimulating the reduction of motorized commutes and flying by citizens, the growth of low-carbon/non-motorized models and the massive improvement of public transport (the so-called "Avoid-Shift-Improve" approach);
- Set a step-by-step target to decarbonize the freight sector (responsible for 40% of the transport sector emissions worldwide);
- Commit to a process to review national and local land use and urban mobility plans, engaging and consulting civil society; and
- Where possible and appropriate, countries consider innovative and ambitious strategies such as free public transport which can contribute to social mobility and livelihood opportunities, and reduce national health costs, in addition to providing climate benefits.
2. THE AGRICULTURAL SECTOR IN THE TRANSFORMATION

The agriculture sector is both one of the main contributors to climate change (when summed up with forest and land use) and one of the most impacted by mainly affecting small-holder farmers. This highlights the importance of equity in every action, especially if we are to address the Paris Agreement’s concern with food security and poverty alleviation. The past round of NDCs left several gaps that need to be filled. Therefore, transformative climate action plans must:

- Clearly integrate adaptation strategies that strengthen resilience of food security and farmers’ livelihoods in the face of climate change, while also safeguarding the land rights of farmers as a way to encourage investments in sustainable agriculture practices;
- Set clear mitigation specific targets differentiating carbon dioxide, methane and nitrous dioxide emissions, that bring clear indications of what will be done, by when, how the target will be achieved and how much it will cost;
• Establish clear targets to improve soil and water management (while also setting a clear link with animal rights and the protection of natural ecosystems), reduce enteric fermentation, reduce soil degradation including decreasing soil organic matter, improve soil fertility and manure management, among others;
• Support the transition to agroecological methods that work with nature, thus progressively eliminating use of agrochemicals and related emissions, and enhancing the climate resilience of the sector;
• Reduce food loss and waste to reduce the wasting of emissions in food production, while also aligning with strategies to ensure that food reaches people that are food insecure;
• Take a participatory and inclusive approach to ensuring a just transition in agriculture, that addresses inequalities and meets the needs of diverse actors in the food system, including informal, seasonal and migrant workers up and down the food chain; and
• Shift subsidies for the use of synthetic nitrogen fertilisers towards supporting agroecology.

3. FOREST AND LAND USE WITH ENVIRONMENTAL AND SOCIAL INTEGRITY

Along with reducing emissions from fossil fuels, the forest and land use sectors offer a major opportunity for countries to reduce their greenhouse gas emissions with cost-effective, sustainable solutions that provide additional ambition. Peatlands have a special role in the land use sector, storing twice as much carbon as forests do. Collectively forests and peatlands can also provide significant adaptation benefits to society (for example, by playing a major role in regulating and purifying water and helping to keep rainfall cycles predictable).

Transformative NDCs should propose specific targets and measures for this sector with a clear view that its actions and planning are long-term oriented. They shall, at least:

• Ensure clear quantitative greenhouse gas targets for this sector (e.g. tonnes of carbon dioxide emitted) as well as non-greenhouse gases quantitative targets (e.g. hectares of forest conserved) with a significant proportion of these targets (to be defined country by country) not being contingent on international finance;
• Establish specific and quantitative targets related to land use change, with particular emphasis in reducing peatland degradation and deforestation, and increasing protection and restoration, including rewetting of peatlands and reforestation and afforestation;

• Be based on studies that assess the co-benefits brought by forest, peatland and land use conservation beyond mitigation, incorporating the results into the plans;

• Specify measures that will be taken to improve resilience to wildfires, pests and diseases;

• Support the creation/enforcement of regulations limiting natural or semi-natural conversion of forests and peatlands into commodity croplands or plantations and recognise that different types of forest require separate definitions;

• Create a timeline for the development of appropriate mechanisms to source and allocate financial resources to protect/enhance forest and peatland ecosystem services; and

• Lastly, forest removal or protection should not be an excuse or substitute for emission reductions in other sectors.
4. NATURE-BASED SOLUTIONS (NBS)

Protecting and restoring biodiversity-rich ecosystems can close around one-third of the mitigation gap and will strengthen adaptive capacity and resilience in a warming world. Indeed, the IPCC Special Report on 1.5°C was unequivocal: we cannot keep global warming below 1.5°C without tackling the biodiversity crisis. It is essential that ecosystems play a significant role in climate action plans.

This must:
- Ensure NBS are implemented in both the near term and in the context of long-term strategies looking across and planning land use country-wide;
- Prioritise protecting natural ecosystems including primary forests and other intact ecosystems rich in carbon and biodiversity. We need to reconnect these ecosystems and restore previously degraded ones; urgently reducing deforestation and forest degradation; and maximising resilience and adaptation potential by identifying areas where NBSs could maintain and increase local/landscape level resilience;
Furthermore, it is key for governments, the private sector and civil society to have a strong position when it comes to NBS. Ecosystem solutions should not be allowed to be used as an excuse to continue with a business-as-usual approach in other sectors, such as energy. Altogether, the proposed actions would enhance our resilience to an increasingly dangerous climate, reduce the risks of floods and fires and help stop the catastrophic loss of biodiversity.

- Melanie Coath
  Senior Climate Change Policy Officer at RSPB

“Protecting and restoring biodiversity-rich ecosystems can close around one-third of the mitigation gap and will strengthen adaptive capacity and resilience in a warming world. To do that, NDCs need to prioritize the protection of natural ecosystems, restoration of previously degraded ones and urgently reduce deforestation and forest degradation.”
Many people are already badly suffering from climate change impacts. These are set to increase. Therefore, it is important that adaptation measures are included in all relevant policies to ensure that necessary steps and actions are taken to build more resilient societies.

While many current NDCs already set such a direction, the second round of NDCs and the overall process of developing climate action plans should include measures for climate-resilient development, adaptation and loss and damage to an even greater extent.

It is crucial that the policies and measures in the climate action plans are aligned with the National Adaptation Plans (NAPs), the national plans for achieving the Sustainable Development Goals and the Sendai Framework for Disaster Risk Reduction to ensure coherence and win-win solutions.

“The poorest of the poor across South Asia are the worst impacted by the ongoing climate crisis. The current COVID-19 pandemic has once again exposed the fault lines due to the inherent inequity in our current economic systems. To build resilient societies, ambitious climate action requires that governments must take urgent steps to reduce the vulnerability of poor communities first and foremost.”

- Sanjay Vashist
  Director,
  Climate Action Network South Asia
NDCs and NAPs must reinforce and support each other. Transformative climate action plans must make the most of all these opportunities by:

- Using common approaches across the mitigation and adaptation agendas to address climate change strategy comprehensively;
- Ensuring cross-sectoral policies across national and local government that reinforce and support NAPs;
- Including up-to-date adaptation information in NDCs towards supporting NAP processes;
- Ensuring the capacity for national and local adaptation planning by creating mechanisms for finance and technology transfers;
- Integrating development planning with climate adaptation and community resilience building within NDCs; and
- Including mechanisms for assessing and addressing loss and damage.

Commitments, plans and implementation under NDCs must put the most vulnerable communities at the heart of adaptation planning and response. Government policies that reduce the vulnerability of poor communities by addressing structural inequality need to be implemented urgently before climate change impacts become much greater. The international community must ensure that development is rapid, inclusive and climate-informed. To prevent this from becoming an endless cycle, development must be achieved alongside emission reductions.
1. **FINANCE**

Mobilising the finance required for transformative NDCs to be implemented remains a core and urgent challenge of the Paris Agreement that impacts the NDC revision process as well. The public and private financial systems need to be transformed to be compatible with a 1.5°C world. So far, countries in their NDCs have primarily focused on mitigation targets and policies and to some extent on adaptation. However, going forward transformative NDCs need to also address the financial systems and investigate how these can be supportive of achieving a low carbon, resilient, just and equitable, climate safe future.

A transformative NDC can bridge the policy gap in this area by:

- Setting a clear transformative finance strategy, aligned with the 1.5°C target and national climate ambition, clarifying the risks and opportunities, while also sending a clear message to financial institutions and investors;

---

“...The financial system also needs to be supportive of achieving a low carbon, resilient, just and equitable, climate-safe future. One way to do that is by committing to transform the public and private financial system by 2030, ensuring that financial flows are compatible and in line with a 1.5°C pathway, which includes ceasing financing of fossil fuel projects, and investing in 100% renewable energy projects.

- Eddy Pérez, International Lead, CAN-Rac Canada
Developing or establishing a clear mandate for the development of a strong and comprehensive investment plan, outlining existing domestic climate-oriented budget and what the need is for additional finance support;

- Supporting the domestic private sector in the process of building financially attractive projects by setting public policy guidelines that strengthen such projects;
- Including measures (policies and new regulation provisions, etc.) to shift the financial system to be responsive to climate change (for example, by developing climate risk assessment guidelines);
- Committing to transform the public and private financial system by 2030, ensuring that financial flows are compatible and in line with a 1.5°C pathway and climate-resilient development, which includes ceasing financing of fossil fuel projects, and investing in 100% renewable energy projects;
- Shifting subsidies away from harmful practices such as producing fossil fuels or fertilisers, towards climate solutions such as renewable energy and agroecology;
- Including climate related assessments in financial risk analysis; and
- For the richer countries, substantively increasing the support, finance and technology cooperation with and for poorer developing countries mitigation and adaptation efforts through predictable and ongoing support.

What are Transformative Nationally Determined Contributions?
Technology and capacity building are key elements of climate change mitigation, implementation and adaptation: almost all the first NDCs mentioned it. When it comes to developing countries, almost 95% of them did as well - either in the context of requesting international support, the need for climate technology innovation or referring to technology needs assessments.

In order to ensure technology will be an effective ally to tackle climate change, the enhanced NDCs must:

- Take into account the social, environmental and economic risks and benefits brought by each technology to communities, in order to avoid unintended consequences such as loss of livelihoods and land, or unmanageable disasters;
- Set a clear process for understanding the country's climate technology and capacity building needs must be established as a priority, so that a demand-based process/framework can then be developed;
- Define a timeline for the climate technology to be implemented must be defined, with a clear indication of costs involved and actions that the country will take to attract the needed finance;
- Assess the needs of vulnerable communities and populations must be assessed, so that such programs can be tailored in a way to address their needs and culture, leaving no one behind; and
- For developed countries, the support that will be provided to developing countries must be indicated.

In addition to financial, technical and capacity building support, action for climate empowerment (ACE) can play an important role in the transformative processes. ACE should therefore be integrated in the implementation of NDCs.
As important as developing and enhancing climate action plans is, it remains for countries to establish an Accountability Measurement, Reporting, and Verification (MRV) system. Only by properly managing actions taken and monitoring their impacts, will it be possible to verify whether the global efforts are effective or not and in line with what the country has committed to under the Paris Agreement.

When it comes to accountability and overall MRV transformative NDCs need to:

- Establish an accountability methodology for estimating greenhouse gas emissions that is compatible with the country’s national inventory and with the IPCC guidelines, while also defining a clear path for increasing ambition of the indicators themselves;
- Avoid any methodology that might lead to double counting;
- Include more than one indicator to ensure a comprehensive follow up; and
- Not allow pre-2020 units and credits from the Kyoto Protocol, including Clean Development Mechanism credits to be counted towards the achievement of a country’s NDC.

Highly important when talking about MRV is the issue of finance and capacity building, as establishing such mechanisms represent several technical and financial challenges to developing countries. Therefore, it is important to recognize that MRV obligations should be according to countries’ capacities and where detailed accounting is not economically feasible, reporting measures can be adopted instead.
CONCLUSIONS

In the light of the coronavirus pandemic the challenge of increasing climate ambition has not become any less. However, we have also seen how some governments acted early and decisively to avoid the worst, informed by the science and supported by communities. The climate emergency needs to be addressed by governments in the same vein.

Five years after the Paris Agreement, we are finally in 2020 - the year in which more ambitious NDCs are expected from governments. This outcome is unlikely if civil society is not deeply involved in the process. Transformative NDCs will often need to be enabled by international support but they need to have their foundation in (i) proper public participation; (ii) a constant search and support for a just transition; while also promoting (iii) gender responsiveness and be based on human rights.

What are Transformative Nationally Determined Contributions?
Mitigation actions need to address greenhouse gas reduction with specific near-term sectoral targets and clear implementation pathways in all the main economy sectors: energy, transport, agriculture, industry, forest and land-use and ecosystems. But at the current rate of change and impacts, transformative NDCs also need to urgently address adaptation and resilience as well as loss and damage. All the targets and commitments, however, will only be implementable if they have adequate finance and technical support mechanism and a robust monitoring, verification and reporting (MRV) system.

Transformative NDCs are the opportunity to address the climate emergency by decarbonizing our economies and creating resilient societies while at the same time achieving the Sustainable Development Goals. A translation of transformative NDCs into concrete policies, regulations, national budgets and investment plans can help shape a bright future! Many people and organizations are already working towards these deep and rapid transitions. Let’s join hands and ramp up these activities to keep warming to less than 1.5°C.
WHAT ARE TRANSFORMATIVE NATIONALLY DETERMINED CONTRIBUTIONS?
© CLIMATE ACTION NETWORK, ASSOCIATION, E.V., MAY 2020

Contact: administration@climatenetwork.org

Photo Credits:
"Solar energy, Amersfoort" by Eneco Group, (CC BY 2.0)
"Break Free from Fossil Fuels" by John Englart (CC BY-SA 2.0)
"Greta Thunberg Climate Change Rally In Denver Colorado 2019" by Anthony Quintano, (CC BY 2.0)
"Scaffold Workers" by Dan DeLuca, (CC BY 2.0)
"Stone Worker" by Mr. Mohammad Rakibul Hasan, (CC BY-NC-ND 2.0)
"Farr Wind Farm" by Steve Abraham (CC BY 2.0)
"Cheonggyecheon" by Steve Boland (CC BY-NC-ND 2.0)
"Faces of the Climate Fight" by CAN Europe/Noemi Rodrigo Sabio
"Floods in Uttarkashi, India, June 2013" by Jan Vikas Sansthan (Oxfam India partner). (CC BY-NC-ND 2.0)
"Training - Harvesting Water Course" by International Center for Agricultural Research in the Dry Areas (ICARDA) (CC BY-NC-ND 2.0)
"Main phases in implementing a National ACE Strategy" by UNESCO & UNFCCC, 2016