

Rules and Ambition: A Preview of COP 24 in Katowice

Elliot Diringer
Executive Vice President, C2ES

November 26, 2018



C2ES.ORG

- **Most pivotal moment in the international climate effort since Paris summit in 2015**
- **Two major outcomes expected:**
 - Adoption of the Paris ‘rulebook’
 - Parties gave themselves until COP 24 to decide operational details on transparency, accounting, markets, compliance, stocktake, etc.
 - Conclusion of the Talanoa Dialogue
 - Year-long review of collective progress meant to inform the next round of NDCs in 2020
- **In addition, a perennial concern: finance**
 - Only limited issues on the table; more about the signals being sent

- IPCC Special Report and upcoming UNEP 'gap' report highlighting both urgency, and inadequacy, of climate action
- Climate-related disasters highlighting here-and-now impacts and the growing costs of inaction
- Many states, cities, companies are stepping up climate efforts
- High-level political attention is elsewhere: trade, immigration, nationalism, competing priorities
- Rulebook poses both political and technical challenges – it's where the rubber meets the road

- **A 'hybrid' of top-down and bottom-up elements designed to achieve broad participation and promote rising ambition**
- **Bottom up**
 - The nationally determined nature of countries' contributions (NDCs)
 - Each can tailor its commitment to its own circumstances
- **Top down**
 - Long-term goals on mitigation, adaptation and finance
 - Common, binding procedural commitments to: maintain successive NDCs, pursue domestic efforts; report periodically on emissions and implementation
 - Ongoing reviews: of each party's implementation and achievement of NDCs; and of collective progress toward long-term goals

- **‘Talanoa’ Dialogue – first of the 5-year global stocktakes**
 - This time, focused only on mitigation; to inform next round of NDCs
 - Conducted by Fiji as COP 23 President
- **Likely outcomes**
 - A report of the dialogue prepared by Fiji (possibly with Poland)
 - A COP decision accepting the report and looking forward
- **Key issues – how the COP decision will:**
 - Address the Talanoa report
 - Simply welcome? Express concern about level of ambition?
 - Reflect the findings of IPCC Special Report
 - Simply welcome? Express deep concern?
 - Address the earlier commitment by parties to revisit their NDCs by 2020
 - Simply recall? Encourage parties to initiate domestic processes to enhance ambition?

- **Deciding the nuts and bolts of the Paris architecture, including:**
 - What information parties must provide:
 - To ensure the “clarity, transparency understanding” (ICTU) of their NDCs
 - On their emissions
 - On “progress...in implementing and achieving” their NDCs
 - To account for their NDCs and use of international markets
 - Details of the expert and peer reviews that parties will undergo
 - Role of the implementation and compliance committee
 - How global stocktakes will be conducted
 - How parties will communicate on adaptation and finance
- **Cross-cutting challenges – a common set of rules that:**
 - Address diverse NDC types (e.g., absolute, intensity, BAU-based)
 - Balance national discretion and international direction
- **On transparency, a particular challenge:**
 - How to provide “flexibility” in reporting and review for developing countries that “need it in light of their capacities”

- **Issue within the rulebook negotiations**
 - Guidance on developed countries' "indicative" ex ante biennial communications on future finance (Article 9.5)
 - Guidance on developed countries' biennial reporting of finance provided and mobilized (Article 9.7)
- **Another potential issue**
 - Whether, and if so how, to address the agreement in Paris to set, prior to 2025, a new collective mobilization goal beyond \$100 billion/year
- **Broader concerns about 'predictability' of finance extend well beyond the formal agenda**
 - Require positive signals from developed countries on further progress toward the \$100 billion goal and on replenishment of Green Climate Fund

- **Based on in-depth workshops with senior negotiators from 20+ countries in all the major negotiating groups**
- **Some of the suggested outcomes:**
 - ICTU and reporting on progress
 - Specify types of information to be provided, as applicable to a party's NDC
 - Inventories
 - All to follow 2006 IPCC guidelines with additional time-limited flexibility in specified areas for developing countries that need it
 - Expert review
 - To evaluate whether a party's reported as required, not whether it's "on track"
 - Implementation and compliance committee
 - Can look at failure to fulfil binding obligation (e.g., submit NDC or report); chronic reporting issues; any issue raised by a party with respect to itself
 - Ex ante finance communication (Article 9.5)
 - Hold biennial consultations to deepen understanding of the info provided

- **United States**

- Actively negotiating Paris rulebook, despite intent to withdraw, to “protect U.S. interests and ensure all future policy options remain open”

- **China**

- Hard-liner in the room on issues like bifurcation; pressing on finance for developing countries; biggest concern is international scrutiny

- **European Union**

- Pushing for strong rules but missing past champions like Angela Merkel of Germany, who is hampered by domestic politics, including future of coal

- **Climate Vulnerable Forum**

- Group of about 50 countries, led by Marshall Islands, pushing for ambition

- **Africa Group**

- Top issue is finance for mitigation and adaptation

- **Despite the many challenges, agreement on rulebook more likely than not**
 - Governments know that a failure will be seen as the unraveling of Paris and another blow to multilateralism
- **‘Successful’ outcome is no guarantee of success**
 - Paris can facilitate stronger action, but real progress depends ultimately on domestic drivers and decisions
- **Rulebook is about ambition too**
 - The signals countries send about ambition in 2020 are important, but a strong transparency system is much more critical to building ambition over the long haul
 - The more confident countries are that others are doing their fair share, the more willing they are to do more

Essential Elements of the Paris 'Rulebook'

<https://www.c2es.org/document/essential-elements-of-the-paris-rulebook/>

General Issues in Elaborating the Paris Agreement

<https://www.c2es.org/document/general-issues-in-elaborating-the-paris-agreement/>

Elaborating the Paris Agreement: National Greenhouse Gas Inventories

<https://www.c2es.org/document/elaborating-the-paris-agreement-national-greenhouse-gas-inventories/>

Elaborating the Paris Agreement: Transparency of Finance

<https://www.c2es.org/document/elaborating-the-paris-agreement-transparency-of-finance/>

Accounting Approaches Under Article 6 of the Paris Agreement

<https://www.c2es.org/document/accounting-approaches-under-article-6-of-the-paris-agreement/>

Elaborating the Paris Agreement: Information and Accounting

<https://www.c2es.org/document/elaborating-the-paris-agreement-information-and-accounting/>

Elaborating the Paris Agreement: Implementation and Compliance

<https://www.c2es.org/document/elaborating-the-paris-agreement-implementation-and-compliance/>



FOR MORE INFORMATION

C2ES.ORG

Elliot Diringer – diringere@c2es.org

Alec Gerlach – gerlacha@c2es.org