



## Ministerial preparatory meeting ahead of COP21 – “Pre-COP” Paris, 8-10 November 2015

### Aide-mémoire produced by France

Paris, 19 November 2015

#### 1. Introduction

The incoming French Presidency of the COP21 organised in Paris on 8-10 November 2015 the traditional “pre-COP”, the preparatory ministerial meeting held ahead of the COP. Some 70 parties to the United Nations Framework Convention on Climate Change took part in the meeting, of which 60 were represented at ministerial level or equivalent.

The incoming COP21 Presidency prepared a background note to guide the discussions of ministers and other heads of delegation at the pre-COP which was an informal, political consultation. As noted in the background note, the purpose of the pre-COP was not to negotiate the ADP text but rather to provide the necessary political guidance to the ADP negotiating process and to come up with proposals for common ground on some of the key political issues that remain open. Of course, the discussion at the pre-COP was neither exhaustive nor conclusive, and agreement in Paris will require all issues to be resolved to the satisfaction of all parties.

In order to ensure transparency, the incoming presidency has prepared, under its own authority, this aide-mémoire reflecting its understanding of the broad lines of the discussion.

The incoming presidency would particularly like to thank the ministers who kindly agreed to facilitate the working groups on key issues: Emmanuel Issoze-Ngondet (Gabon), Hakima El Haïte (Morocco), Jochen Flasbarth (Germany), Khaled Mohammed Fahmy Abdel Aal (Egypt), Rafael Pacchiano Alamán (Mexico), Tine Sundtoft (Norway), Vivian Balakrishnan (Singapore) and Winston Garraway (Grenada).

#### 2. Organisation of the discussion

Ministers and other heads of delegation had the opportunity to discuss in depth four important areas of the negotiation in parallel working groups:

- **Equity and differentiation:** how to reflect and operationalise the principle of common but differentiated responsibilities and respective capabilities in different sections of the Paris agreement, in particular on mitigation and transparency.
- **Ambition:** across the board for mitigation, adaptation, and means of implementation; issues related to the long-term goal or goals; to the global stock take; and to the periodic upward revision of individual contributions.
- **Post-2020 finance:** issues related to the scaling up and the predictability of finance; to the leadership role of developed countries and the complementary role of others; to the

improvement of transparency obligations; to the prioritisation of support and the balance between mitigation and adaptation.

- **Pre-2020 action and support:** issues related to enhanced immediate delivery of results (workstream 2, pre-2020 finance, and other elements of the Paris package).

The key messages from these working groups are set out below.

In addition to these topics, ministers and other heads of delegation had the opportunity to take stock more broadly of the negotiations three weeks before the opening of COP21 and to raise other issues that were not discussed in the working groups but which would be important to ensure that the Paris agreement will be an inclusive, comprehensive, balanced package facilitating ambitious action by all parties. Among the issues highlighted were the need for parity between adaptation and mitigation; the inclusion of loss and damage, including options for making permanent the Warsaw International Mechanism in the Paris outcome; the recognition of the challenge of tackling the impact of response measures and of the need for economic diversification; how the agreement might anchor arrangements for REDD+; and the need to base action and contributions on sound climate science.

A number of important legal issues were also raised, including the relationship between the Convention and the Paris agreement, and in particular the way in which the principles of the Convention would apply. The incoming COP21 President also urged ministers and heads of delegation to give early consideration to the rules for entry into force of the Paris agreement.

### **3.1 Messages from working group 1: Equity and differentiation**

#### *General considerations*

- It is essential to find a proper way of reflecting equity and differentiation in the Paris agreement. The two are linked: to be equitable, we need to be differentiated.
- Equity is essential to achieve ambition.
- The UNFCCC principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances (as agreed in Lima at COP20), will be reflected in the Paris agreement.
- This principle will be applied across the board (in particular on issues related to mitigation, transparency and means of implementation, including support for adaptation) but will be put into practice differently for these different elements.

#### *Mitigation*

- All countries will share a long-term global goal for mitigation.
- All countries are taking action and will continue to make their best efforts, in light of this global goal for mitigation and taking into account the principle of CBDR-RC, and different national circumstances.
- All countries will prepare, maintain and update a contribution.
- INDCs operationalise CBDR-RC through national determination, under agreed principles applying to all (no backsliding, progression...).
- Developed countries have taken and will continue to take the lead, through absolute economy wide emission reduction targets; other countries have already chosen to take similar targets.

- The provision of support (finance, technology, capacity building) is essential to enable developing countries to implement their conditional mitigation actions and enhance their future mitigation actions.
- There is an ongoing debate on conditional versus unconditional contributions by developing countries, and how they need to be supported.
- The special circumstances of LDCs and SIDS must be recognised, without neglecting support for the needs of other developing countries.

#### *Transparency for action and support*

- Transparency is key to build trust among countries.
- All countries commit to transparency in the actions they undertake and in the support they provide.
- The post-2020 transparency system must be strengthened compared to the current system.
- The post-2020 transparency system will be comprehensive (covering both actions and support).
- The post-2020 transparency system should make it possible to track progress in the implementation and the delivery of actions and support.
- A flexible transparency system that allows countries to report according to their capacities is needed, taking into consideration the need for a progressive support system to reach adequate reporting capacity.
- There will be no backsliding in the rigor of countries reporting and review requirements, and Parties will strive for continuous improvements.
- Capacity building support must and will be provided to the developing countries that need it to meet their reporting and review requirements.

### **3.2 Messages from working group 2: Ambition**

#### *General considerations*

- Everybody agrees that the ambition of the agreement is based on three elements - mitigation, adaptation and means of implementation. Capacity building, finance, and technology development and access are key to increasing ambition.
- Other means to raise ambition that were suggested included adaptation actions that generate mitigation co-benefits and market mechanisms.
- Current INDCs confirm the need to have a process to raise our collective ambition.

#### *Long-term goals*

- Are essential to provide a collective direction of travel.
- Are necessary to measure where we stand at a given moment in time.
- There was a broad consensus to reaffirm the Cancun temperature goals – as far below 2°C as possible, with language to be found to recognise that 1.5°C is necessary for the climate safety of the most vulnerable countries.

- Many countries asked for the operationalisation of these goals, with growing support for the qualitative notion of a “global transformation towards low-emission and climate resilient societies”.
- The process to increase ambition should take into account different development stages and transformation processes.
- But different timeframes are in question: short term targets (global peaking); mid-century objectives; end of the century goal of climate neutrality.
- There is widespread support for a qualitative long term goal on adaptation, and parties are converging towards “increasing resilience and reducing vulnerability”.
- The link between mitigation and adaptation still needs to find appropriate wording.
- Some countries mentioned the opportunity for countries to design indicative long-term low-greenhouse gas strategies.

#### *Global stocktake and dynamism*

- There is general agreement that the global stocktake should be comprehensive and cover all elements: mitigation, adaptation, and means of implementation. Many countries expressed the view that developed countries should take the lead to increase ambition.
- It should happen on a five-yearly basis to support dynamism; many countries suggested the first could take place in 2018/2019.
- It should be an aggregate exercise, facilitative and non-punitive; it should be designed to assess “where we stand collectively” in relation to the long term goals.
- It should be an opportunity to share best practices, and take into account new science and new technologies.
- It should inform the next round of contributions to facilitate progression.
- The global stock-take should have no automatic link with a revision of individual targets. Without backsliding, countries can voluntarily revise their targets at any time.

### **3.3 Messages from working group 3: Post-2020 finance**

#### *Scale*

- Developed countries should continue to lead. The 100 billion USD would be considered as a floor for post-2020 finance in the context of an ambitious overall agreement in terms of mitigation and transparency. The scaling up above this floor would involve a broader group of contributors. The INDCs will give indications on the national investment needs and priorities.
- Complementary contributions should be included: all countries will take action in accordance with national circumstances, but without substituting for the lead by developed countries. However, there is no understanding how best to capture this in the text (countries in position to do so; countries willing to do so ...).

### *Predictability*

- Transparency needs to be improved building on existing two-year reporting. It could take the shape of a common system for both developed and developing countries, whilst providing for flexibility. Areas mentioned: reflection on of needs, how flows are disbursed and used.
- Predictability is important for planning. Enhanced ex-ante communications will help to respond to this need. Some asked for short-term quantitative goals; others signalled that budgetary cycles limited the information that might be provided; one intervention called for a new global number for 2030.

### *Special allocation priorities*

- Adaptation needs enhanced funding with preference from public (grants and concessional finance); balance as principle is accepted but it is not clear whether a 50/50 share would be helpful; some request for consideration of special groups.
- Public finance plays a central role but by itself is far from enough to reach the necessary scale. Private finance plays an important role, in particular for mitigation, but does not replace public finance.
- Enabling environments for all parties are useful for effective use of climate finance and to attract private finance but they do not constitute a conditionality to access public finance.

### *Institutional architecture*

- The Financial Mechanism of the Convention should serve the agreement; the Green Climate Fund would become the main institution over time; the Least Developed Countries Fund would continue playing a role; some Parties highlighted the role of other institutions like the Adaptation Fund.

### *Signal to the economy*

- A signal to the economy is necessary to shift investment flows at large. It is linked to the long term goal. A range of instruments can be used including green bonds, fiscal incentives, carbon pricing, enabling environments.

## **3.4 Messages from working group 4: Pre-2020 action and support**

### *General considerations*

- Ambitious short-term action pre-2020 is essential and is central to increased ambition post-2020.

### *Institutional issues and political leadership*

- Existing mitigation commitments or pledges under the Cancún agreement have to be implemented. Ratification and entry into force of the Doha Amendment is necessary.
- A facilitative dialogue in 2017/2018 could take stock of current undertakings and explore the possibility of further enhancing action and support :
  - o Could have a specific focus on existing mitigation commitments or pledges.
  - o Non-State actors could play a role in this dialogue.
  - o For the exact timing, the existence of other stocktakes has to be taken into account.

- To unlock further action on the ground, many insisted on the importance of cooperation and multi-stakeholder engagement in the UNFCCC:
  - o The catalytic role of the Lima Paris Action Agenda to mobilise non-State actors in addition to the role of States was recognised as useful, and the decisions in Paris could call for continuity of such a cooperative framework pre-2020, and possibly beyond.
  - o The centrality of an annual high level event in the architecture was pointed out: everybody should present cooperation and partnerships on both mitigation and adaptation at the COP.
  - o There was one leadership proposal: that high-level champions should be appointed by subsequent COP presidents to catalyse cooperative actions.

### *Finance*

- The commitment by developed countries to jointly mobilise 100 billion USD per year for developing countries by 2020, from public and private, bilateral and multilateral sources, must be honoured. The results of OECD-CPI report were referenced but there were questions about methodology, climate finance definitions, scope and the need for work to be carried out in collaboration with the Standing Committee on Finance. Key points included:
  - o Public finance will remain key, including to trigger private sector financing.
  - o There is no agreed definition of climate finance and more granularity on the definition could be provided, including through work by the Standing Committee on Finance.
  - o There is a need for clarity on the path towards the 100 billion USD in 2020 but there are differing views: some proposed intermediary targets (70 billion USD in 2016, 85 billion USD in 2018) but others did not consider targets appropriate; enhanced transparency through an annual dialogue to review and assess ongoing needs and resources, was also highlighted to give clarity on progress.
  - o Transparency should provide clarity on delivery, use and impact of climate finance.
  - o Adaptation finance should be increased. Some suggested a doubling of the current share of adaptation finance so as to reach 32 billion USD in 2020. The example of the Green Climate Fund that aims for 50/50 funding for mitigation and adaptation was mentioned.
  - o Established Funds, dedicated to adaptation, and currently suffering from a lack of financing, in particular the Least Developed Countries Fund, the Special Climate Change Fund and the Adaptation Fund, should be resourced and some signalled their intention to contribute.
  - o The need to ensure improved and facilitated access to climate finance, in particular for vulnerable countries and/or countries with less capacity, including those with limited borrowing capacity, was also stressed.
  - o The role of other channels for delivering climate finance within the UN system, such as the UNDP and WMO, was highlighted.

### *Adaptation*

- There was universal recognition of the need to strengthen action and support pre-2020 for adaptation.

- Some parties supported a technical examination process on adaptation, parallel to work on mitigation, building on, and adding value to, existing mechanisms. Others considered this work could be undertaken by existing mechanisms, in particular the Adaptation Committee, which could be strengthened if required.
- Linkages and coherence among all bodies in the process and in particular, bodies working on adaptation, should be improved.

*Other issues raised*

- A mechanism for capacity building was proposed.
- Recent progress in other multilateral fora leading to mitigation benefits, such as the recent agreement of parties to the Montreal Protocol to work on a HFC amendment in 2016, were noted.

**4. Process to Paris**

The final plenary heard the reports from the working groups, and provided the opportunity for ministers and other heads of delegation give advice to the incoming Presidency on how to ensure a transparent, inclusive, efficient and effective, party-driven process throughout the COP21.

Both the current COP20 and the incoming COP21 Presidents underlined their support for the work of the ADP co-chairs and that the text produced in Bonn would be the starting point for work in Paris. The COP20 President urged for a text-specific, time-bound and results-oriented method of work in the ADP. Ministers and heads of delegation called for early progress in the ADP. The COP21 President called on the ADP to prepare a revised, shorter text before midday on Saturday 5 December and reminded ministers and heads of delegation of the need to complete negotiations well in advance of the end of the second week to enable the timely and orderly adoption of the agreement and decisions on Friday 11 December.

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