CLIMATE ACTION NETWORK EUROPE SUBMISSION

THE EUROPEAN COMMISSION STAKEHOLDER CONSULTATION
The 2015 International Climate Change Agreement

Climate Action Network Europe is Europe's largest coalition working on climate and energy issues. With over 120 member organisations in more than 25 European countries, CAN Europe works to prevent dangerous climate change and promote sustainable climate and energy policy in Europe.

CAN Europe is the European node for CAN International, a worldwide network of more than 750 Non-Governmental Organizations committed to limiting human-induced climate change to ecologically sustainable levels.

Introduction:

CAN Europe firmly believes that for the 2015 agreement to have a chance of adequately tackling the climate challenge facing us, active and ambitious input from the European Union is crucially important.

We acknowledge that the EU has been instrumental in many of the successes at the UNFCCC, including the first initial offers for the Kyoto Protocol, the EU's climate and energy package on the road to Copenhagen and the Durban Decisions. We also appreciate the EU's role in adopting the 2°C target at the UNFCCC, and acknowledge the EU's important efforts around comparability, common accounting and legal bindingness. The EU also serves as model for de-linking economic growth and emissions.

As a result, the world is moving forward on climate action, and many countries are doing more than the EU. In the run up to Copenhagen, most G20 members developed pledges to reduce or limit greenhouse gas emissions up to 2020. These pledges had different forms, with developed countries aiming for economy-wide emission reductions and developing countries taking measures to reduce or limit emissions in specific sectors.

A recent GLOBE study concludes that out of the 18 G20 countries reviewed, only one (Canada) showed negative progress on significant climate or energy-related legislation. The review also showed much of the substantive progress on legislative activity on climate change in 2012 took place in emerging economies. Furthermore, while the EU still received a positive score due to the agreement on the Energy Efficiency Directive, the individual EU country reviews (France, Germany, Italy, Poland and the UK) did not indicate substantial change in 2012, as opposed to countries such as Australia, Brazil, China, India, Indonesia, Japan, Mexico, South Africa, South Korea and the USA.

However, current action both in the EU and globally falls devastatingly short of addressing the urgency of climate change. A recent World Bank report warned that the world is currently on a path to warm 4ºC by the end of this century. There is a widespread view that adaptation to the projected 4°C warming will not be possible. As the EU Communication concludes, the world needs to more than triple current efforts by 2020 in order to have a chance of limiting warming below 2°C and being able to avoid the worst consequences of a warming planet. It is clear that there is an urgent need to step up all global efforts, including the EU's currently stalling climate policies.

In addition to being able to influence the overall level of ambition by setting the benchmark at the international level, the EU also plays a very central role in shaping the content of more technical aspects in the UNFCCC negotiations. Two out of three of the next COPs will take place in Europe - this year in Poland and in 2015 in France. This will increase the EU's influence in the international process even more than usual.

The EU's best leverage to ensure a successful global agreement on climate change in 2015 will be its domestic post-2020 climate and energy policy. This will need to reflect the EU's fair share of the global effort and to be agreed early in 2014, before the Ban Ki-moon meeting.

Equity, including a dynamic approach to common but differentiated responsibilities and respective capabilities (CBDRRC), must be at the heart of the new agreement if it is to deliver adequate results for the climate. We consider the EU to be in a position that allows it to play a constructive role in facilitating an agreement on sharing global efforts.

The impacts of a warming planet are increasingly being felt everywhere, also in developed countries. Adaptation to climate change, as well as issues related to loss and damage, are due to become more prominent; therefore, finding sufficient innovative sources of public finance becomes more urgent for the post-2020 period.

Questions and CAN Europe's answers:

Question 1 **How can the 2015 Agreement be designed to ensure that countries can pursue sustainable economic development while encouraging them to do their equitable and fair share in reducing global GHG emissions so that global emissions are put on a pathway that allows us to meet the below 2°C objective? How can we avoid a repeat of the current situation where there is a gap between voluntary pledges and the reductions that are required to keep global temperature increase below 2°C?**

CAN Europe:

The failure to consider equity principles for a global effort sharing agreement – an equitable approach to sharing the costs of mitigation and adaptation amongst countries – has been a stumbling block to agreeing sufficient ambition. Countries are concerned that they will be asked to do more than is their fair share, and fear that other countries will 'free ride' off their efforts. CAN Europe believes that a common understanding of fair shares can help overcome this trust barrier and lead to higher levels of ambition from all.

The goal must be to cooperatively limit climate disruption, while supporting poor countries with the means to keep within the remaining constrained carbon budget, and to adapt to the inevitable impacts of climate change. The challenge is vast: the developed world must do much more than they are currently doing. But also in poorer countries, where capacity to pay is much lower, very challenging emissions pathways will be necessary.

We firmly believe that if the 2015 negotiations are to be successful, countries must urgently work towards a common understanding of equitable burden sharing. We believe that this can be done through a process of exploring (and agreeing) a number of equity principles and indicators.

The internationally legally binding protocol now under negotiation must include common and accurate accounting, MRV, strong compliance and enforcement, all respecting the principles of equity, including CBDRRC. It must have fair targets and actions that are consistent with meeting a 2°C global carbon budget, and thus keeping a 1.5°C budget within reach. It should build on, develop and improve the rules already agreed under the Convention and the Kyoto Protocol.

In order to avoid the repetition of a gap between the required efforts and how much countries seem willing to engage in the post-2020 era, it is necessary to give countries more explicit and quantitative guidance. This guidance should be based on the Convention's equity principles, regarding a fair allocation of both mitigation action as well as the provision of financial and technological support. The regime that goes into effect in 2020 must focus pressure on those countries that are not contributing their fair share toward the global effort, and it must promise to do so as well in 2030 and beyond, even as the structure of the global economy changes.

At COP15 in Copenhagen countries' vastly inadequate commitments came at the last minute and weren't available for any scrutiny beforehand. Some of these pledges are still unclear in content, and estimating the real amount of reductions that Copenhagen pledges deliver has been a lengthy and complicated task.

CAN Europe supports the EU's proposal of a stepwise approach toward 2015 (EU submission to the UNFCCC 27 May 2013 on WS1): agreeing ex-ante clarity on typology in Warsaw in 2013, setting a deadline for initial targets and commitments in 2014, requiring a review of targets and commitments against science and equity, and inscribing the new (revised) fair and adequate targets and commitments by all countries in Paris in 2015.

The national target setting processes that need to take place during 2014 also need to be guided by scientific adequacy and equity. Therefore, as a first step on the road to Warsaw we need to develop an understanding of the scale of reductions necessary for the post-2020 framework. The IPCC 5th assessment report that will be released in September will be able to give countries guidance for those conclusions.

The work on an Equity Reference Framework must begin simultaneously. For that we propose a process of exploring (and agreeing) a number of equity principles and indicators.

CAN Europe considers as key equity principles:

1) The adequacy principle. The proposed regime must be capable of keeping global temperature below 2°C and 1.5°C an achievable goal.

2) The principle of common but differentiated responsibilities and respective capabilities (CBDRRC). We need a common understanding of equitable effort sharing, one that moves forward to a dynamic approach based on clear principles and indicators – an approach to global differentiation that is adequate to the complexities of the emerging world system. This must give due account to both historical responsibility for the climate problem and the capability to act on it.

3) The right to sustainable development. This principle (and its reach beyond "poverty eradication") is inevitably controversial, but we don't believe there can be effective global ambition without it. "Equitable access to sustainable development" implies no right to unconstrained emissions; such a misinterpretation would conflict with the fundamental objective of the Convention (to protect the climate system). Adaptation is an integral element of sustainable development.

4) Precautionary Measures. Article 3.3 of the Convention is based on the precautionary principle and requires all countries to take measures to "anticipate, prevent and minimise the causes of climate change and its adverse effects."

The next step is to look into a set of indicators that properly express these principles, and to build them into an Equity Reference Framework. An Equity Reference Framework together with an understanding of emission reductions necessary should give countries guidance to countries when setting their national targets during 2014.

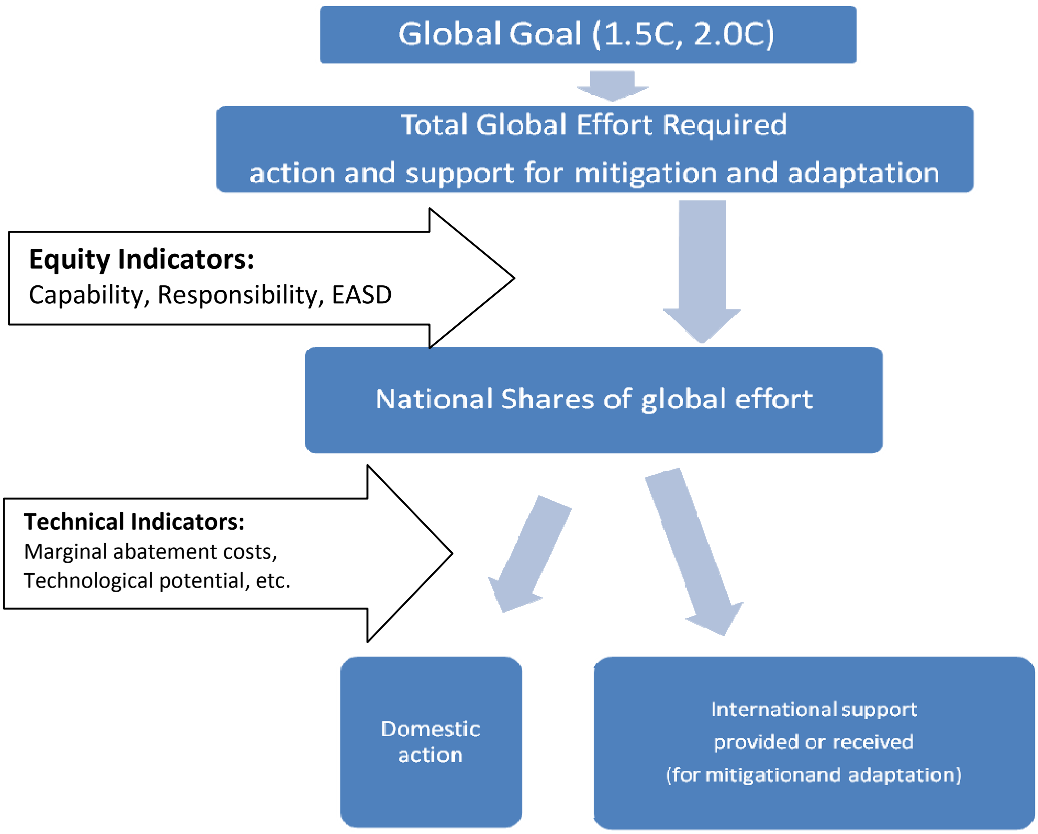
We want to highlight that Equity Reference Framework is not a "formula". Equity Reference Framework can be a tool that countries can use when setting their national targets. At later stage an Equity Reference Framework can be used when scrutinizing when reviewing and improving targets to scale up aggregate commitments until they finally have a set that fairly distributes the effort of holding warming below 2°C, and 1.5°C an achievable goal.

CAN has looked into a number of equity framework proposals in its discussion paper[1] and CAN Europe believes that it is possible to gradually leave the Annexes behind. In their place, over time, we can introduce a dynamic, principle and indicator driven equity reference framework that expresses the notion of common but differentiated effort in a manner that more effectively captures the political and economic realities of the 21st century world.

The scope, structure and design of the 2015 agreement should be consistent with a 2°C global carbon budget with high likelihood of keeping 1.5°C in the reachable distance. It should include targets and actions within an equitable framework that provides the financial, technology and capacity building support to countries with low capacity. It should be serious about ensuring sufficient support for dealing with the unavoidable impacts of climate change. It should be built on, developing and improving the rules already agreed under the Kyoto Protocol and the Convention including transparency

[1] CAN Fair Effort Sharing Discussion Paper at http://www.climatenetwork.org/publication/can-discussion-paper-fair-effort-sharing-jul-2011

through common and accurate accounting and effective compliance processes, respecting the principles of equity. The form of the 2015 agreement should be a fair, ambitious and legally binding protocol.



Question 2 **How can the 2015 Agreement best ensure the contribution of all major economies and sectors and minimise the potential risk of carbon leakage between highly competitive economies?**

CAN Europe:

The 2015 climate protocol will need to be designed so that it contains both "carrots" and "sticks" i.e. incentives for participation and disincentives for non-participation. Potential incentives and disincentives that could be explored include access to markets or to technology, trade befits or other trade measures and investments. Looking critically at the current political landscape in the USA it is very likely that the US will not ratify the 2015 protocol. Therefore it is also important to look into provisions for "non-Party compliance" in which a Party's access to "carrots" is contingent on domestic enforcement of a set of minimum elements for environmental integrity, including robust accounting and MRV standards. Any non-Party to the agreement would also need to have effectively equivalent domestic provisions.

The reality of competitiveness concerns must be discussed transparently. Energy intensive sector concerns on competitiveness have been the main hurdle to progress on climate and energy policy. There is however very little factual evidence substantiating the claims made by industrial companies. The recent CE Delft study 'Carbon leakage and the future of the EU ETS market' shows that applying more realistic assumptions than those used by the European Commission in 2009, would imply a drastic reduction of the number of sectors deemed at risk of carbon leakage, falling from the current 60% of sectors, representing 95% of industrial emissions, to a mere 33% of sectors, accounting for only 10% of emissions.

Question 3 **How can the 2015 Agreement most effectively encourage the mainstreaming of climate change in all relevant policy areas? How can it encourage complementary processes and initiatives, including those carried out by non-state actors?**

CAN Europe:

The best way to ensure mainstreaming of climate action into all sectors and across policy areas are economy-wide emission reduction targets. We would not wish for the UNFCCC to be too prescriptive, but to let countries define ways to implement policies that deliver emission reductions.

Establishing emission pathways consistent with the 1.5/2°C limit requires the steady transformation of economies away from a high carbon economic growth model. All countries should produce zero emission development strategies that are both visionary and pragmatic, and outline the pathway to near-zero emissions by 2050. For poor countries this should be enabled through appropriate financial and technical support and should be part of the country's overall development planning. Such plans would provide a visionary roadmap and outline a pathway to a low- carbon and climate resilient economy, building upon and be integrated into national development plans or planning processes already in place in many countries. These plans should be developed through a bottom-up country- driven process.

These low emission strategies should detail an emissions reduction trajectory through 2020, 2025 2030, and 2040 consistent with complete decarbonization by 2050, and be further divided into 5-year emissions reduction budgets, the first of which will be country targets for the 2020-2024 period, identify the policies and measures to transform all relevant sectors of its economy. Such policies and measures should include early and urgent domestic action to avoid lock-in of carbon intensive investments and infrastructure and short and medium term energy efficiency and renewable energy targets. They should outline a clear roadmap for investments in clean technology with sustained scaling up of development, diffusion and deployment of clean technologies in the short, medium and long term.

Complementary processes and initiatives, including those carried-out by non-state actors can and should help state actors in achieving and potentially over-achieving their respective emission reduction targets. State-actors must however be responsible for the necessary aggregate reductions as a whole, as any emission reductions achieved through complementary initiatives will be in any case counted towards national inventories. Furthermore, it will be very difficult to ensure enforcement for non-state actors in case of non-compliance.

For encouraging increased action by non-state actors and individual sectors, one possibility could be a sector/non-state actor -specific accounting within the national inventories. Maintaining the overall accounting within the inventories would prevent double-counting, and could describe specific progress by a sector/non-state actor.

Question 4 **What criteria and principles should guide the determination of an equitable distribution of mitigation commitments of Parties to the 2015 Agreement along a spectrum of commitments that reflect national circumstances, are widely perceived as equitable and fair and that are collectively sufficient avoiding any shortfall in ambition? How can the 2015 Agreement capture particular opportunities with respect to specific sectors?**

CAN Europe:

CAN's assessment of the wide range of equity principles indicates that a small number of "core" principles should form the foundation of the discussion and negotiation.

1) **The adequacy principle,** which is an equity principle for the simple reason that catastrophic climate change, would be the ultimate injustice. If any proposed regime is incapable of delivering an ambitious global mobilization (using 1.5°C and the survival of the most vulnerable as our ultimate benchmark) it simply cannot be accepted as equitable.
2) **The principle of common but differentiated responsibilities and respective capabilities (CBDRRC)** remains key. We do need a common understanding of equitable effort sharing, one that moves forward to a dynamic approach based on clear principles and indicators – an approach to global differentiation that is adequate to the complexities of the emerging world system. A spectrum approach, obviously, must give due account to both historical responsibility for the climate problem and the capability to act on it.
3) **The right to sustainable development**. This principle (and its reach beyond "poverty eradication") is inevitably controversial, but, in truth, there will be no effective global ambition without it. To be very clear, "equitable access to sustainable development" implies no right to unconstrained emissions; such a misinterpretation would conflict with the fundamental objective of the Convention (to protect the climate system). Adaptation is an integral element of sustainable development.
4) **Precautionary Measures.** Article 3.3 of the Convention is based on the precautionary principle and requires all Countries to take measures to "anticipate, prevent and minimize the causes of climate change and its adverse effects." This is arguably the Convention principle that most strongly supports the objective of a strong, science-based level of ambition, because a responsibility to "prevent or minimize the causes of climate change" speaks directly to the core of the issue: emission reductions. Article 3.3 specifies that efforts should take into account different socio-economic contexts, linking it to Article 3.1 and CBDR, yet in the context of a comprehensive agreement that can "cover all relevant sources." It also implicitly references the reality that reconciling strong ambition with CBDR entails carrying out efforts cooperatively among Parties.

New interpretation of CBDRRC

CAN believes that the ADP negotiations can only succeed if they reaffirm, and embody, the principles of differentiated responsibility and capability, as well as other key equity principles and goals like "equitable access to sustainable development." As a step towards that end, CAN calls upon the Parties to consider a new, dynamic, principle- and indicator-driven interpretation of "common but differentiated responsibilities and respective capabilities."

More precisely, CAN believes that the Parties should seek a new approach to global differentiation that is transparently based upon explicit and clearly-stated equity principles, and upon indicators that embody those principles. Not that such an approach can alone define national obligations. But it can productively inform the negotiations, and it can help to shape a common understanding – a shared vision – of the equity challenge.

Parties should consider various approaches. One possibility is a hierarchical approach in which the existing annexes are reworked and then subdivided into finer annexes. Another is a spectrum approach in which all countries are assigned values on an agreed equity index. What is critical is that the equity principles that underlie any proposed approach be specified, embodied in well-designed indicators, and used to estimate a set of national obligations – for both mitigation and international financial and technical support.

In the spectrum approach, the "equity index" would be composed of a basket of more specific equity indictors. This basket would have to contain well-designed indicators that, taken together, measure both responsibility and capacity. It could include, inter alia, measures of per capita income, measures of per capita emissions, measures of standards of living, measures of historical responsibility, and measures of intranational income inequality.

Such an approach would not preclude country groupings (like today's annexes). In fact, it would make such groupings more coherent. For example, the set of countries that is high in capacity and responsibility would change over time - an important fact, given that such countries are candidates for ambitious, legally-binding economy-wide quantified emissions reduction targets.

Of course many other kinds of commitments are also possible, and desirable. Obvious examples include renewable energy and/or energy efficiency targets and sectoral targets, all of which could have various kinds and degrees of bindingness. Also, it should be noted that some kinds of actions – for example, nationally-appropriate mitigation actions – can be explicitly contingent on financial and technical support.

Finally, it must be said that all commitments and actions should be amenable to measurement and reporting.

Question 5 **What should be the role of the 2015 Agreement in addressing the adaptation challenge and how should this build on ongoing work under the Convention? How can the 2015 Agreement further incentivise the mainstreaming of adaptation into all relevant policy areas?**

CAN Europe:

The agreement should further strengthen principles contained in the Cancún Adaptation Framework, such as to follow a country-driven, gender-sensitive, participatory and fully transparent approach, taking into consideration vulnerable groups, communities and ecosystems; and be based on and guided by the best available science and, as appropriate, traditional and indigenous knowledge; with a view to integrating adaptation into relevant social, economic and environmental policies and actions, where appropriate.

Enhanced action on adaptation could be delivered through

- immediately scaling up of funding for adaptation;
- urgent need to scale-up action on mitigation required by science, in order to limit the adverse effects from climate change, and to scale-up action on adaptation to build up adaptive capacity early on; both strategies will also help to limit loss and damage associated with climate change impacts;
- the immediate design of National adaptation plans (for LDCs and others) and actions to implement key elements provides a key source of learning and information for scaling-up adaptation beyond 2020, so enhanced action is required to speed up this process;
- full implementation of priority projects under NAPAs (for LDCs)
- implementation of adaptation actions should be based on a human-rights based approach;
- a permanent SBI agenda item on adaptation should be established to allow consideration of further needs under the Convention in addition to work of Adaptation Committee, SBSTA, etc.
- the ADP process as such should be regularly informed by other bodies such as Adaptation Committee, Adaptation Fund, GCF, International mechanism on Loss and Damage etc. to shape the 2015 agreement.
- consider additional action initiatives, such as a Global Action Plan on Community-based Adaptation which might not be contained in the agreement but could be pursued as concrete initiatives to be pushed by the 2015 political agreements
- adaptation finance on grant-based with direct access, new and additional over and above 0.7% commitment

The instrument should include and partially reaffirm a number of commitments.

All Parties commit to, taking into account national circumstances,
- scale up adaptation and integrate it into development planning, in accordance with the above principles
- priority for vulnerable developing countries (but broad definition)
- implement polluter pays principle within their jurisdiction, including as a means to reduce loss and damage
- reduce activities in their jurisdiction which may have an adverse effect on the adaptive capacity of other Parties;

- strengthen integrated approaches to adaptation and mitigation, where appropriate
- promote paradigm shift towards low-carbon and climate-resilient development.

In accordance with the Convention and taking into account changing responsibilities and capabilities, developed countries and other countries in a position to do so commit to provide financial means for in particular vulnerable developing countries truly reflecting their expected adaptation needs and loss and damage (see also finance section below).

The instrument should aim to recognise progress achieved in the institutional approach under the Convention to further strengthen and enhance action on adaptation. It should recognise the severe climate change risks, and support vulnerable developing countries who are planning their adaptation in light of 3 or 4°C increase adequately, despite the globally agreed goal of limiting global warming to below 2°C. It should recognise the international mechanism on loss and damage, it is expected that this will be established at COP19 and operationalised until COP21, is a crucial element that compensate the loss and damage occurred in vulnerable developing countries and helps to address the adverse effects of climate change in particularly vulnerable developing countries, and commit to build this up further also in the period covered by the instrument. It should establish a periodic review of the action on adaptation in relation to the identified needs, with modalities to be elaborated by the COP, taking into account reports by the loss and damage mechanism and the support provided based on inter alia the periodic overview reports of the Adaptation Committee.

Question 6 **What should be the future role of the Convention and specifically the 2015 Agreement in the decade up to 2030 with respect to finance, market-based mechanisms and technology? How can existing experience be built upon and frameworks further improved?**

CAN Europe:

We see the following elements as critical elements of a fair 2015 protocol on finance that will address climate change in the context of sustainable development.

Adequacy and scaling-up

- Notwithstanding the role of private finance in low-carbon investments, parties commit to an agreed target for public finance during the period 2020-2025 - in accordance with the scale of needs assessed by the Standing Committee - which prioritizes the needs of the poorest and most vulnerable recipient countries and communities and includes a dedicated amount for adaptation.
- These public finance commitments are defined in line with estimates of developing country needs, the best available climate science on emission trajectories and climate impacts, and within the objective to maintain a pathway to stay below 2°C, and maintaining the 1,5°C within reach.
- The agreement includes a review mechanism to reassess finance commitments regularly, both in terms of the types of the needs and of regional allocation.
- The agreement includes alternative sources of financing that will contribute to raising public finance on the scale required, including carbon pricing in the international transport sector, and other potential sources such as FTTs, and SDRs.

Equity
- In line with the reviewed distribution of CBDRRC, a broader number of countries commit to mobilizing climate finance for the needs of the most vulnerable developing countries.

Additionality
- Climate finance commitments provided by developed countries are recognized and accounted as separate and additional to ODA commitments.

Coherence
- All international flows of finance to developing countries are climate-resilient and compatible with the UNFCCC's new mitigation objectives.

Rationalization
- The Green Climate Fund becomes the main channel for international climate finance.

Transparency
- The common reporting formats include significantly more stringent accounting rules and clear definitions to track climate finance flows.

Question 7 **How could the 2015 Agreement further improve transparency and accountability of countries internationally? To what extent will an accounting system have to be standardised globally? How should countries be held accountable when they fail to meet their commitments**

CAN Europe:

Parties made the MRV system operational in Durban: Parties developed guidelines for reporting and review including: biennial reports by developed countries; biennial update reports (BUR) by developing countries; international assessment and review (IAR) for developed countries, and international consultation and analysis (ICA) for developing countries. However, the outcome fell significantly short of what is needed for a robust regime to account for mitigation actions and finance. Further work is critical to help ensure the environmental integrity of the regime.

On clarification of pledges, a common template for A1 Parties was agreed, but not for NA1 Parties, and this is needed. More clarity and detail, especially related to coverage of sectors and gases, role of LULUCF and offsets/credits, mechanisms for preventing double counting of offsets/credits, and assumptions and methods for calculating baseline (BAU) scenarios for NA1 Party reduction efforts, is critical for tracking progress toward national goals and progress toward the agreed aggregate global goal of limiting warming to less than 2oC, and ensuring that the option to limit warming to less than 1.5oC remains viable. Additionally, Parties should agree on general guidelines for developing country domestic MRV, and initiate immediate steps to provide support for building the necessary capacities and arrangements for effective in-country MRV, as well as for the robust preparation of GHG inventories.

With respect to verification, the current ICA processes do not yet provide the authority for the Technical Team of Experts (TTE) or the Subsidiary Body for Implementation to make recommendations to the Party under review. Thus, in addition agreeing on the modalities for the composition of TTE for ICA, Parties should agree at COP 19 to allow recommendations by TTEs and the SBI to Parties under ICA. Furthermore, the IAR process for developed countries must have compliance consequences attached to the review.

It is also critical to ensure that important opportunities for public participation in MRV processes that were stripped from the final decision are brought back into MRV rules and agreed at COP19.

Parties should also agree to develop common reporting format tables for developing countries at COP19. Such formats were agreed in Doha for developed countries, with a view to strengthen the transparency of information on mitigation action and support. However, a double book keeping, through the use of common reporting format table by both developed and developing countries would be necessary to ensure an effective tracking of financial contributions. Robust MRV rules will be particularly important in the design of the new market-based mechanism called for of the Durban LCA text. Parties must develop strong rules to ensure commitments are being achieved and that double counting of emission reductions is prevented. Such rules must apply to all Parties who participate in international market-based mechanisms, for both pre-2020 and post-2020 commitments.

Parties should agree to incorporate reporting on the existence of fossil fuel subsidies and, separately, efforts to remove these subsidies in their reporting (either through National Communications or Biennial Reports, as appropriate). Increased transparency on this issue is critical to ensuring that efforts to remove these subsidies are comprehensive and well-planned in order to be successful.

Significant work is needed to agree to common, consistent, complete, comparable, transparent and accurate accounting rules for all developed countries to help ensure comparability and compliance. In particular, common accounting rules must be adopted by developed countries regarding the coverage of sectors and gases and the treatment of LULUCF, offsets, and assigned amount units (AAUs) by emissions reduction targets. Respecting CBDRRC, a work program should be established to assess mitigation reductions from developing countries in a facilitative manner to help gauge aggregate global emission reductions and keep track of progress against the 2 degree / 1.5 degree goal. In particular, the work program should aim to standardize methods for assessing the GHG impacts of NAMAs, developing baseline (BAU) scenarios, assessing emissions reductions from the land use sector, and preventing the double counting of offsets and credits. At present, developing countries have varying, often limited, capacities to participate in a common accounting framework. Over time, this capacity will need to be built up. The international framework should allow for a reasonably smooth transition in methodologies, reporting requirements, and capabilities, over nationally-appropriate time periods; it should facilitate moving from accounting and reporting for project-level NAMAs through to wider scale NAMAs (including sectoral NAMAs), and eventually to economy-wide plans and actions. Such transitions could continue to be addressed through a tiering of accounting and reporting methodologies, respecting CBDRRC. Over time common accounting rules will have to apply to an ever growing set of Parties.

Moving beyond existing processes and in the context of a post-2015 regime, the ADP must build on and strengthen current MRV rules. Any outstanding issues from the LCA should be delegated to the COP to relevant subsidiary bodies to carry forward into the ADP. Additionally, the text must include a mandate to elaborate future compliance mechanisms with both facilitative and enforcement aspects, while respecting CBDRRC. Also, the Durban Platform must agree on common criteria for the technology registry for support framework under the Durban Platform by the end of 2013, which should be made operational by 2015 under the MRV system.

Question 8 **How could the UN climate negotiating process be improved to better support reaching an inclusive, ambitious, effective and fair 2015 Agreement and ensuring its implementation?**

CAN Europe:

1. Produce a balanced package from every COP

A clear lesson from Copenhagen is that the 'nothing is agreed unless everything is agreed' approach simply cannot deliver in negotiations covering as complex an array of issues as under consideration in the UNFCCC. The ADP will therefore need to be constructed in ways that create balanced packages of agreement at each COP, starting with outcomes from the Warsaw COP.

2. Detailed negotiating text, with specific commitments, by May 2015

The negotiating text agreed by May 2015 (or earlier) must have full details not only on the structure of the agreement but importantly the ambition of mitigation and support/means of implementation commitments, to ensure delegations come to COP21 with legal and political authority to adopt a fair and ambitious Protocol.

3. Ensure Leaders' Involvement

The experience of Copenhagen demonstrates that there are certain decisions that will only be taken at the Head of Government level. CAN Europe suggests that these could include decisions on the legal form of the 2015 agreement, the levels of ambition for each country and decisions around means of implementation, especially provision of climate finance. These are complex and interlinked decisions and as a result, they cannot be left to the final night in France to be discussed. There is a need to ensure that leaders are able to contribute to the process in a timely manner to ensure that they have sufficient understanding of the issues and opportunities for discussion with each other, to make wise decisions commensurate with the levels of action the global climate crisis requires. Ban Ki Moon's proposed leaders' meeting in 2014 would be a timely moment of such a process, but other opportunities for leaders to engage need to be considered.

Finance and other ministers will need to be engaged in the process more actively, as well as the current annual engagement with environment ministers at the COP. All countries should engage in the Kyoto Protocol high-level ministerial round table in mid-2014, and all countries should increase their level of ambition.

4. Ensure adequate negotiating time

To complete the large amount of work ahead of it on the agreed timelines, the ADP will need to ensure that there is sufficient negotiating time, including intersessional meetings. The periods between sessions should be used to amass and analyse information in technical papers and to allow for rounds of submissions from Parties and Observers.

5. Embrace multi-stakeholder process

The expertise and knowledge of observers should be valued as a resource and a culture of transparency and inclusiveness in the negotiations fostered. This should include creating regular opportunities for NGO interventions, calling for submissions from observers, opportunities to present in workshops, and opportunities to speak from the floor, as has been increasingly offered in the UNFCCC in recent years.

6. Account for work done in other negotiating tracks:

The ADP workplans should take into account work that is undertaken or has been undertaken in the other negotiating tracks, the LCA, KP and SBs, and ensure that it does not build in duplication of work. There should be clarity on scope and institutional linkages (AWG-LCAs/KP and SBI/SBSTA, GCF, Adaptation Committee, new work on Loss and damage, MRV/compliance) and any other relevant areas. The ADP should be informed by the Review incorporating outcomes of the IPCC reports.

Question 9 **How can the EU best invest in and support processes and initiatives outside the Convention to pave the way for an ambitious and effective 2015 agreement?**

CAN Europe:

The ADP should also focus on getting agreement, including adopting COP decisions triggering action, on ways to reduce emissions that are not currently covered in the UNFCCC regime. Such as:

Measures to address international aviation and maritime transport under the IMO and ICAO

A clear signal from the UNFCCC is urgently needed to address the emission of the international transport sector. The ADP must make a fresh start on finding a way forward on ambitious and effective measures to control emissions from international aviation and maritime transport. Emissions from these inherently international sectors can only be dealt with comprehensively through multilateral processes, and the UNFCCC has an important role to play in this. We need a multilateral, rules based approach to the international aviation and maritime transport sectors, that, sets ambitious emissions targets, puts a price on carbon, and generates finance for climate action in developing countries, while addressing CBDRRC in a manner appropriate to these sectors. After 15 years of fruitless discussions of these sectors under the UNFCCC, Parties must agree on an approach that identifies clear roles and responsibilities for each body and puts a stop to the endless ping-pong between the sectoral bodies and the UNFCCC. The international transport sectors (aviation and maritime transport) must be included explicitly in the work of both Workstream 1 and 2 (pre and post 2020) of the ADP, specifically to:

- Ensure that these sectors are an integral part of a comprehensive and ambitious global strategy to prevent dangerous climate change, including by setting global emissions targets for these sectors in line with the requirements to prevent dangerous climate change and to close the ambition gap that currently exists;

- Ensure that any market mechanisms and offsets arrangements in these sectors that are linked to the UNFCCC mechanisms have the highest possible ecological and social integrity and result in net climate benefits;

- Ensure that financing from market based mechanisms for these sectors are used for climate action in developing countries, in line with the principals and provisions of the UNFCCC.

Removal of fossil fuel subsidies

Fossil fuel production and consumption subsidies distort markets, encourage the use of fossil fuels and thus increase greenhouse gas emissions and impede the transition to sustainable development. Developed countries should take the lead in removing their fossil fuel subsidies which will result in emissions reductions as well as financial savings that could be used for climate finance. Analysis by the International Energy Agency (IEA) shows that phasing out subsidies for fossil fuel consumption in the 37 largest developing countries could reduce energy related carbon dioxide emissions by 6.9% in 2020 compared to business as usual, or 2.4 gigatonnes. Plans for removal of subsidies in developing countries should be developed and necessary support should be provided in the short term to ensure that subsidy removal does not negatively impact poverty eradication and decent livelihoods in cases where the poor might be harmed as result of rapid price increases or lack of affordable clean energy alternatives. Many subsidies are in fact socially regressive and such resources could be better spent on ensuring renewable energy access for all. In 2011, the IEA estimated that only 8% of consumption subsidies reach the poorest 20% of the population.

A COP19 Decision must establish the enabling conditions to achieve fossil fuel subsidy removal, including a timeline for phase out, identification of ways for some developing countries to pursue fossil fuel subsidy phase-out as a supported NAMA, and requirements to include fossil fuel subsidies existence and plans for removal as part of the National Communications and/or Biennial Reporting.

The ADP conversation should be structured in such a way as to demonstrate the high level of actions being undertaken and to facilitate exchange of experience.

HFCs

In addition to (and not substituting) enhanced actions on CO2, Parties should accelerate action on phasing out HFC gases. Parties should request that the Montreal Protocol agree to phase out production and consumption of these gases as a matter of urgency at MOP25. All Annex 1 Parties should also commit to an immediate ban on the use of HFC-23 offsets for compliance with Kyoto Protocol targets. Up to 1.3 GtCO2e could be saved annually by 2020.

Black Carbon & Methane Emissions

The UNFCCC should support the relevant fora to assist in reducing these emissions.