

INDEPENDENT ASSOCIATION OF LATIN AMERICA AND THE CARIBBEAN  
AILAC

UNFCCC - SBs 40, ADP 2-5

**Issues on Means of Implementation (MoI) for ADP 2-5**

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*June 7, 2014*

**I. ADP and Finance**

**Means of Implementation**

1. The 2015 agreement must address the issue of Means of Implementation (MoI) in a holistic manner, including the provision of finance, technology development and transfer, and capacity building. All of these elements are necessary to implement action on the ground.
2. Support for mitigation actions, including finance, technology transfer, and capacity building, must be secured, in a sustainable, adequate and predictable manner. An explicit link with the elements on means of implementation must be acknowledged and taken into account in the design of the agreement.
3. The LBA should also provide the resources required for a transformation in the way in which both public and private investments are made. Predictability and scale in the means of implementation are fundamental requirements to enable low-carbon climate resilient development. The ADP must be instrumental in overcoming the financial gap that developing country parties currently face vis-à-vis the UNFCCC financial mechanism, bearing in mind the commitments enshrined in the Convention in this regard.
4. The LBA needs to also include a specific recognition of the national responsibility of all countries to mobilize and invest resources in resilient and low-emission actions at the national level, to mainstream climate change in national spending;
5. In addition, transparency related to MoI should be ensured.
6. The LBA should include provisions on how contributions/commitments on MoI shall be covered by the compliance mechanism, the MRV of support, and transparency must be ensured.

7. A general principle of no back-sliding must govern the future regime, also in terms of MoI.
  
8. The fundamental principle that should govern the provision of means of implementation is that each country's efforts in this area should be independent of mitigation and adaptation efforts: the level of effort in providing means of implementation does not make up for the necessary ambition in mitigation or adaptation
  
9. Under Workstream 1, we see the following elements as fundamental:
  - i. An overarching guiding objective that should be the foundation of all the provisions related to means of implementation, addressing the need to transition to a world where all investments are resilient and low in emissions, and where climate finance, technology and capacity promote low carbon and resilient actions;
  - ii. These needs of developing countries who are less capable and most vulnerable are to be fulfilled by the provision of means of implementation by those countries that are most responsible for climate change, and who have higher financial capacities. Both historical responsibility and current capabilities are to be taken into account as key factors defining a party's fair contribution to the means of implementation.
  - iii. In this light, developed countries must take the lead on the provision of means of implementation, in line with their historical responsibility and their high capacity
  
10. Some elements are key enablers for our action in the future and for having an ambitious and adequate LBA:
  - iv. Appropriate progress must be made on long term finance pre 2020, in particular with relation fo Work Stream 2.
  - v. For this, a mid term target of at least USD 70 billion per year should be reached in 2016, in order to stay on track for achieving the goal of USD 100bn by 2020.
  - vi. Specific pathways with clearly quantified elements and defining the expected future levels of climate finance should ne defined, and transparently conveyed through the submissions on strategies and approaches.
  - vii. In addition, the GCF needs to be capitalized this year. We expect that the fundraising for initial capitalization of at least USD 15 billion is fulfilled