

SUBMISSION BY COSTA RICA ON BEHALF OF THE AILAC GROUP OF COUNTRIES COMPOSED BY CHILE, COLOMBIA, COSTA RICA, HONDURAS, GUATEMALA, PANAMA, PARAGUAY AND PERU

APA Agenda Item 6: Matters relating to the global stocktake referred to in Article 14 of the Paris Agreement

INTRODUCTION - BACKGROUND CONTEXT

Article 14, paragraph 1 of the Paris Agreement, requires the CMA to periodically take stock of the implementation of the Paris Agreement to assess *collective progress* towards achieving its purpose and its long-term goals, in a comprehensive and facilitative manner, considering mitigation, adaptation and the means of implementation and support, and in the light of equity and the best available science. The CMA is to undertake the first global stocktake in 2023 and subsequent global stocktakes every five years thereafter unless otherwise decided by the CMA.

Following the first session of the APA in May 2016, Parties were invited to submit their views on *the identification of the sources of input for the global stocktake; and the development of the modalities of the global stocktake, noting the work under Subsidiary Body for Scientific and Technological Advice on advice on how the assessments of the Intergovernmental Panel on Climate Change can inform the global stocktake.*

RATIONALE ON THE GLOBAL STOCKTAKE

AILAC envisages the Global Stocktake to be a process occurring every five years rather than a single moment. Conceptualizing the Global Stocktake as a process composed of different stages will enable the integration of both its technical and political dimensions. The outcome of the Global Stocktake should enable a general understanding of the global state of play in all areas of climate action and generate the momentum to inform the update and progression of ambition of Parties' climate action and contributions.

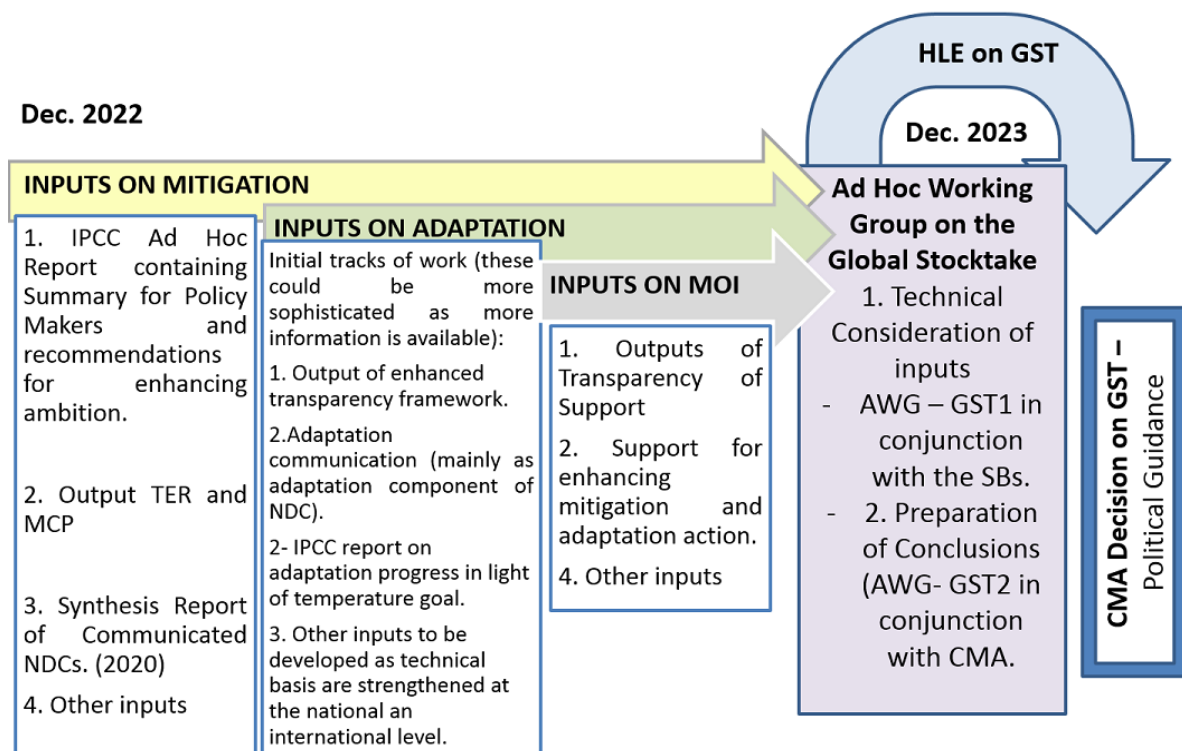
The Global Stocktake should be understood as a **political process** with a strong scientific basis, which will encompass separate, yet interlinked assessment milestones with a focus on the aggregate progress in each of the three main elements of climate action, i.e. mitigation, adaptation and means of implementation. For this purpose, several mandates need to be given, related to the preparation of inputs and for the periodical aggregation of information to serve as an input to the stocktake.

With this in mind, it is critical that the modalities for the Global Stocktake process define specifically the timeframe in which specific processes will take place every time. In AILAC's understanding the stocktake shall serve as a common moment for Parties to come together and assess the collective progress towards the long-term goals established under the Agreement. This assessment in turn will guide Parties in updating and enhancing their contributions and thus it is important that the

modalities contemplate ensuring the relevant political involvement and guidance at the highest levels.

Considering the above, the definition of Inputs and of Modalities for the Global Stocktake process are intrinsically linked, and must be tailored bearing in mind the benchmarks or targets against which collective progress is to be tracked on each of the three elements of climate action. As such, the following sections look to further elaborate on these inputs and modalities, bearing in mind the particularities of each of the elements under the scope of the Global Stocktake.

OVERVIEW OF THE GLOBAL STOCKTAKE PROCESS



The GST should be developed over the course of a year, to give enough time to prepare technical and scientific inputs and ideally also to seek inputs and share information with non-state actors.

Technical inputs would then be brought for discussion among Parties under an *Ad - Hoc Open Ended Working Group on the Global Stocktake* (AWG GST) which will meet twice on the year of the Global Stocktake. The first meeting of the AWG GST will take place in conjunction with the year's meeting of the Subsidiary Bodies with the aim to consider the technical inputs available; whereas the second meeting of the AWG GST will be held in conjunction with the year's CMA in order to produce conclusions. The CMA shall subsequently hold a High Level Event on the Global Stocktake to consider and, where appropriate, complement these conclusions.

The outcome of the GST, as a result of the works of the AWG GST and the above mentioned High Level Event should be brought forward for the consideration and endorsement of the CMA, to be captured in a decision on the stocktake of the collective progress towards the achievement of the Agreement's purpose and long-term goals, reflecting political guidance for increasing ambition and making it a landmark proceeding that enables the renewal of the political commitment of Parties. Every information considered in the course of the GST will be publically shared and available for the use by Parties and the general public through the UNFCCC web site.

IDENTIFICATION OF THE SOURCES OF INPUT AND MODALITIES FOR THE GLOBAL STOCKTAKE

MITIGATION

Benchmark to take stock of implementation and assess collective progress: Article 2.1 (a) & Article 4.1	Sources of Input and Modalities
<p>✓ Holding the increase in the global average temperature to well below 2°C and pursuing efforts to limit it to 1.5°C</p> <p>✓ Reach global peaking of GHG emissions as soon as possible</p> <p>✓ Balance between emissions by sources and removals by sinks of GHG in the second half of this century</p>	<p><u>Inputs</u></p> <p><i>AILAC considers that the primary input for the collective assessment of progress towards the global goals on mitigation set out under Article 2 and Article 4.1 of the Paris Agreement is the enhanced transparency framework¹ and the information it will generate on progress in the implementation of Nationally Determined Contributions.</i></p> <p><i>Inputs derived from the enhanced transparency framework will include:</i></p> <ul style="list-style-type: none"> (i) <i>National GHG inventories and their reports,</i> (ii) <i>Synthesis Report prepared by the Secretariat on the outputs from the technical review and the multilateral consideration of progress processes set out under Article 13.</i> (iii) <i>Summaries of GHG emissions and emissions trends of all Parties elaborated by the Secretariat biennially, on the basis of national GHG inventories and biennial communications.</i> <p><i>Additionally, the modalities of the enhanced transparency framework, need to include a mandate to the Secretariat to aggregate information and prepare inputs (ii) and (iii) above.</i></p> <p><i>Further to this, an additional input for the mitigation assessment track under the GST will be the Nationally Determined Contributions as reflected in the public registry set out for their recording, as a benchmark reference to track implementation.</i></p> <p><i>Ultimately the outputs of the GST should allow to assess whether progress in implementation of NDCs is enabling progress towards achieving the goals set out by the Paris Agreement.</i></p> <p><u>Overall effect of the nationally determined contributions</u></p> <p><i>The variable pertaining to the ambition communicated by Parties in their proposed NDCs is captured to some extent in paragraph 99 (a) (i) of Decision 1/CP.21, This element as an input to the GST but should be significantly developed so as to ensure that the modalities for the stocktake include an exercise similar to that undertaken through the synthesis report prepared by the Secretariat on the aggregate effect of the communicated INDCs</i></p>

¹ AILAC further elaborates on some of the concepts referenced in this submission regarding the enhanced transparency framework in its Submission on that item which should be considered in conjunction with this document.

under decisions 1/CP.19 and 1/CP.20. AILAC considers that the Secretariat should be given a mandate, so it periodically produces a synthesis report of the aggregate effect of newly communicated NDCs, seen as this mandate does not exist at present. This report should be part of the inputs to the GST and would play the role of a baseline.

Thus, for the effects of the 2023 GST, the Secretariat would produce a report on the NDCs communicated in 2020, it would be due in 2021 and would be considered in the GST of 2023. The outputs of the 2023 GST would inform the preparation of the NDCs to be presented in 2025. The next aggregate report would be due in 2026 and considered in 2028, and so on. The timely preparation of this report will enable it to be considered by Parties under the GST and in the preparation of new NDCs for subsequent periods.

Modalities

AILAC believes that to assess collective progress towards the agreed temperature targets, the COP/CMA can request the IPCC to periodically produce an ad – hoc/ special report, to serve as an input for the Global Stocktake process in what regards to mitigation long-term goals.

The IPCC should undertake this special report on the basis of inputs derived from the enhanced transparency framework, and any other scientific information that may be relevant. The IPCC would have access to country by country data but at the end the results would be presented only in an aggregate form.

Such a report should cover specifically:

- (i) Progress towards the long term temperature goal;*
- (ii) Assessment of peaking trends, both proposed and implemented, in accordance with NDCs;*
- (iii) Progress towards balance between emissions and removals and projections, towards the achievement of net zero by the end of the century.*

The report should include a summary for policy makers with conclusions and recommendations that reflect an assessment of the status and trends with regards to the three variables related to the long term mitigation targets, as well as recommendations on the mitigation ambition required to meet these targets.

The report would be forwarded to the Ad - Hoc Open Ended Working Group on the Global Stocktake (AWG GST) to consider its findings, together with the outputs of the enhanced transparency framework and produce conclusions on the collective progress with regards to the mitigation long term goals, including specific guidance on the necessary actions to raise the level of ambition so as to inform the preparation of the next round of NDCs.

Such conclusions will be ultimately forwarded to the CMA in the form of a decision to be adopted as the Global Stocktake for that specific year.

Timings

A key variable that will underpin the effectiveness of the linkage between the enhanced transparency framework and the Global Stocktake will be the coherent articulation of the timings as one of the variables within the modalities of each. Whereas the Global Stocktake as a whole has been set out to occur every 5 years, the complexities of the

assessments that it implies make it reasonable to assume that it will be the result of a continuum of milestone assessments that lead up to the final statement of the status quo of progress under the Agreement.

As such, the timings defined for the inputs that come from the transparency framework, must be coherent with the demands of the timings of the Global Stocktake. The reporting obligation under the enhanced transparency framework is continuous (no less frequently than on a biennial basis). All the reports that are prepared by Parties should thus serve as an input to the GST. Coherence in timing is required when it comes to the technical expert review and the facilitative multilateral consideration of progress (FMCP). When the FMCP takes place needs to be considered in light of the GST.

ADAPTATION

OVERARCHING CONSIDERATIONS

AILAC is of the view that adaptation is an essential part of the ambition mechanism of the Paris Agreement. However, with regards to adaptation, the Global Stocktake will be a work in progress, given that there is less experience in terms of follow up, metrics and internationally accepted parameters for aggregate assessment.

Considering that the outcomes of the Global Stocktake (GST) entails that Parties will periodically revisit their contributions and, regardless of the vehicle for the adaptation communication, Parties will have an opportunity to assess their adaptation priorities as well as their support for adaptation and the needs identified, so as to increase these efforts in the light of the Global Goal on Adaptation and Art. 2 paragraph 1 sub paragraph (b).

So as to fulfil the ultimate purpose of the GST of informing the update of commitments and enhancing Parties’ actions and support for adaptation, the manner in which the adaptation communication is understood and constructed by Parties is critical. The adaptation communication must be as clear as possible allowing for an appropriate identification of Parties’ adaptation priorities, plans and support needs. AILAC has submitted a separate yet complimentary submission that elaborates on this matter under item 4 of the APA Agenda.

In the definition of inputs and modalities regarding adaptation in the context of the global stocktake, the group has considered how the formulation of priorities and needs will ultimately allow Parties to enhance adaptation actions, by means of providing specific guidance including to the different means of implementation mechanisms under the Convention, other forms of enhancing support and the Paris Agreement.

It is very important that the inputs and modalities presented below be understood as initial standpoint and that these may be sophisticated over time. As science evolves and capacities increase in countries there will be further inputs and modalities that may be considered to improve the global stocktake and ensure that the provisions under Article 7 paragraph 14 are fulfilled comprehensively.

Guidance on adaptation under the Global stocktake (Art. 7.14)	Initial Sources of Input and Initial Modalities
(a) Recognize adaptation efforts of developing country Parties (b) Enhance the implementation of	<p><u>Initial inputs</u></p> <p><i>So as to recognize the adaptation efforts of developing countries, the reporting instruments under the Enhanced Transparency Framework, whose main input initially would be the National Communication, will provide the main output that will feed into the dimension of the Global Stocktake relating to the adaptation action that has already been implemented by developing countries.</i></p>

<p>adaptation action taking into account the adaptation communication referred to in paragraph 10 of this Article</p>	<p><i>Further to this, bearing in mind the need for the adaptation outcome of the Global Stocktake to enhance the implementation of adaptation action, the adaptation communication is the enabling input for the global stocktake process to provide guidance on how to catalyse further adaptation action based on the nationally determined needs, priorities, and plans submitted (in adaptation communication) by the parties in light of mitigation trajectories.</i></p>
<p>(c) Review the adequacy and effectiveness of adaptation (...)</p>	<p><i>In light of providing an adequacy assessment of adaptation action in a manner that relates to the effectively implemented global emission pathways or mitigation trajectories, an additional input to the adaptation track under the Global Stocktake process would be the input that the IPCC can provide on the impacts and vulnerability in light of the global emission pathways. This input can provide insight into progress towards an adequate adaptation response in the context of the temperature goal referred to in Article 2 of the Paris Agreement.</i></p>
<p>(d) Review the overall progress made in achieving the global goal on adaptation referred to in Article 7 paragraph 1</p>	<p><i>As such, as part of the Inputs to the Global Stocktake process the COP/CMA should request the IPCC to prepare a periodic ad – hoc/special report on these issues. Such a report, should include a summary for policy makers and conclusions.</i></p>
	<p><i>Finally, for AILAC the primary input for the collective assessment of progress towards the global goal on adaptation set out under Article 2 and Article 7.1 of the Paris Agreement (Art. 7.14 (c) and (d)) is also the Enhanced Transparency Framework and the information it generates on progress of the implementation of the adaptation communication as a component of the Nationally Determined Contributions or any other vehicle used to submit it, in accordance with Article 7 paragraph 11 of the Paris Agreement.</i></p>
	<p><u>Initial modalities</u></p>
	<p><i>Bearing in mind that the Adaptation Committee is currently developing modalities for the recognition of adaptation efforts of developing countries in accordance to Paragraph 41 of Decision 1/CP.21, AILAC considers that such a recognition of the adaptation action that has been implemented or that is currently being undertaken could be part of the political outcome to be produced by the high level event that is to take place in conjunction with the Global Stocktake every 5 years. As such, at the year of culmination of the GST (i.e. 2023 for the first Global Stocktake) there could be a concrete outcome that captures and fulfils the mandate of Article 7 paragraph 14, subparagraph (a) regarding the recognition of adaptation efforts of developing countries.</i></p>
	<p><i>As to the modalities of the GST aiming at enhancing adaptation action, building on the adaptation communication as the primary input, these could include:</i></p>
	<ul style="list-style-type: none"> <i>(i) Preparation of a synthesis report by the Secretariat that reflects the priorities, needs and plans that have been communicated through the adaptation communication aimed at enhancing adaptation action.</i> <i>(ii) Collective analysis of the adaptation communication submitted by Parties by the Adaptation Committee and the Secretariat which can build on the Synthesis report prepared by the Secretariat, and which shall aim at</i>

	<p><i>identifying trends and opportunities of priorities and needs submitted to enhance implementation of adaptation actions.</i></p> <p><i>(iii) The Adaptation Committee could also, produce concrete recommendations towards this end, including specific guidance to the financial mechanism (which ultimately should influence priorities funded), technology mechanism, and capacity building frameworks.</i></p> <p><i>(iv) Recommendations to be forwarded to the Ad -Hoc Open Ended Working Group on the Global Stocktake, together with the report to be produced by the IPCC as well as other inputs that are to be further developed as technical basis on adaptation are strengthened, to produce conclusions that are to be forwarded to the High Level Event on the Global Stocktake and subsequently to the CMA for endorsement and instruction to the relevant bodies under the Convention and the Paris Agreement.</i></p> <p><i>(v) Further to this, at the High level Event there should be a space where initiatives can be strengthened and launched aimed at matching the needs and priorities identified in the adaptation communications to enhance implementation of adaptation action in various countries.</i></p>
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MEANS OF IMPLEMENTATION

OVERARCHING CONSIDERATION

For AILAC, it is important to highlight that the consideration of Means of Implementation in the context of the Global Stocktake, shall aim at articulating the provision of these– finance, technology and capacity building – towards implementation of NDCs, fulfilling the needs of developing countries and continuously increasing ambition on both mitigation and adaptation action. This means that the dimension of the Global Stocktake that looks at means of implementation is not a mere accounting exercise, but rather an assessment that looks to enhance the adequacy and effectiveness of support, under the terms of the Paris Agreement.

As such, the benchmark against which collective progress will be assessed in accordance with Article 2.1 (c) addresses a transformational goal, of a functional nature, related to both mitigation and adaptation action on behalf of developing countries, as opposed to a concrete target to be reached.

Despite the fact that there are no benchmarks to assess progress in the mobilization and provision of means of implementation regarding technology and capacity building, AILAC considers that it is worth to engage in further discussions on these issues seen as they are critical aspects of the balance achieved in the Paris Agreement been enablers for the enhancement of ambition in both mitigation and adaptation action, and the achievement of the collective long term goals.

Means of Implementation	Sources of Input and Modalities
<p>(Finance) Benchmark to take stock of implementation and assess collective progress : Article 2.1 (c) ✓ Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient</p>	<p><u>Inputs</u></p> <p><i>AILAC considers that the GST track that looks at the issue of means of implementation, should consider the reports provided by Parties and the information that is contained in their NDCs where these identify needs for support, as an important reference source to assess adequacy towards enhancing adaptation and mitigation action. In this regard there are two aspects to be considered in the information on Mol. On the one side the information on support mobilized and provided, communicated by developed country Parties and on the other hand the information of needed and received support, communicated by developing country Parties.</i></p> <p><i>As such, specific inputs for this assessment track under the GST should include outputs from the enhanced framework for transparency of support including:</i></p> <ul style="list-style-type: none"> - <i>Information on financial, technology transfer and capacity building support provided to developing countries by developed countries and other Parties that provide support, bearing in mind that capacities for reporting on support provided by developing countries have to be strengthened.</i> - <i>Information on financial, technology transfer and capacity building support needed and received by developing countries.</i>

<p>development</p>	<p><i>It is worth noting that since the GST has a collective approach, there is a need to have modalities that allow for the inputs from the transparency framework on support to be aggregated.</i></p> <p><i>In terms of adequacy, the GST should therefore assess the manner in which finance flows are enabling enhanced action on mitigation by looking at the information on the costs of conditional component of NDCs communicated by Parties, bearing in mind that the modalities under the transparency framework in accordance with Article 13 paragraph 10 are an enabler for developing country Parties to provide this information. Together with this, the GST should look at information on support provided to implement conditional component of NDCs.</i></p> <p><i>In a similar manner, so as to assess the manner in which such flows are enabling enhanced action on adaptation, in accordance to Article 7 paragraph 14 (c) which establishes that the GST shall “review the adequacy and effectiveness of adaptation and support provided for adaptation”, the GST should look at information on the costs of priorities and needs identified in the adaptation communication, NAP, NDC (or other vehicles used by Parties) in accordance with Article 7 paragraphs 10 and 11 of the Paris Agreement. To this end, information derived from developing country reports on use of funds received for specific goals and needs set out by the Parties in any of the relevant vehicles for the adaptation communication (NDC, NAP or National Communication), are also a useful input towards the assessment of adequacy of support to enhance adaptation action.</i></p> <p><u>Modalities</u></p> <p><i>Based on the above mentioned information, the Standing Committee on Finance (SCF) should prepare a periodic report for the purposes of the Global Stocktake to provide insight on the manner in which financial flows are delivering the necessary support to enhance adaptation and mitigation action in accordance with the needs identified by the Parties themselves. Such a report would be forwarded to the AWG GST to consider its findings, together with the outputs of the enhanced transparency framework and produce conclusions and guidance on further mobilization of means of implementation so as to raise the level of ambition, mobilization and provision of support.</i></p>
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