

Sequencing National Contributions: To Paris and Beyond

Prepared as Input to Towards 2015: An International Climate Dialogue

COP 19 invited parties to communicate their “intended nationally determined contributions” to the new climate agreement to be concluded at COP 21 in Paris.

Core challenges in shaping the Paris outcome include:

- How to structure the **sequencing** of national contributions to and beyond Paris – from their presentation and *ex ante* consideration to their inscription, *ex post* review, and updating; and
- How to address the **substantive** issues that arise across this sequence – including legal character, differentiation, accounting, and any other international specification of the nature or form of national contributions.

This background paper outlines this suite of issues through:

1. A broad overview of the sequencing of national contributions, outlining potential steps and decision points to and beyond Paris.
2. A set of illustrative scenarios depicting alternative sequencing approaches.
3. A closer look at key issues and options concerning:
 - The nature of nationally determined contributions;
 - How to provide for *ex ante* consideration of intended contributions;
 - How the Paris agreement addresses transparency/accountability; and
 - Whether and how the agreement provides for the updating of initial, or inscription of new, contributions.

Cross-cutting issues such as differentiation and legal character are addressed in the context of these elements.

Greater clarity and consensus on this set of issues will help inform 1) decisions due at COP 20 in Lima on the information to accompany parties intended contributions, and 2) the shape and content of the Paris outcome. This paper does not directly address a wide range of other issues relevant to the Paris agreement, such as adaptation, finance, the overall structure of the agreement, and its legal form.

Overview: Sequencing the Presentation, *Ex Ante* Consideration, Inscription, *Ex Post* Review, and Updating of Nationally Determined Contributions (NDCs)

LIMA	PRE-PARIS	PARIS	POST-PARIS	POST-2020
<ul style="list-style-type: none"> • Guidance re information parties to provide with intended NDCs • Any further guidance/decisions re: <ul style="list-style-type: none"> ○ Nature and scope of NDCs ○ <i>Ex ante</i> consideration of intended NDCs ○ Rules to be adopted in Paris 	<ul style="list-style-type: none"> • Parties present intended contributions • <i>Ex ante</i> consideration of intended contributions 	<ul style="list-style-type: none"> • Are NDCs final or provisional? • If provisional: <ul style="list-style-type: none"> ○ Will there be further <i>ex ante</i> consideration? ○ How, when and where will contributions be inscribed? • Do parties adopt – or initiate a process to develop – rules (e.g., on accounting)? • How does the agreement address <i>ex post</i> review of NDCs? • Any provisions for: <ul style="list-style-type: none"> ○ updating NDCs after they are inscribed? <i>and/or</i> ○ inscribing a second round of NDCs? 	<ul style="list-style-type: none"> • Adoption of any rules on accounting, etc. • If NDCs are provisional in Paris: <ul style="list-style-type: none"> ○ Any further <i>ex ante</i> consideration ○ NDCs are finalized 	<ul style="list-style-type: none"> • Implementation of any provisions for: <ul style="list-style-type: none"> ○ <i>Ex post</i> review of implementation of NDCs ○ Updating initial and/or inscribing new NDCs

Illustrative Scenarios: Alternative Sequencing Approaches

These three scenarios illustrate alternative approaches to the sequencing of nationally determined contributions (NDCs). The elements employed and their timing vary across the scenarios, which range generally from least to most ambitious in their design. **Bold face** indicates a new element not in the previous scenario.

	LIMA	PRE-PARIS	PARIS	POST-PARIS	POST-2020
1	Decision on info to accompany NDCs	NDCs communicated <i>Ex ante:</i> - Informal consultation among parties	NDCs inscribed		<i>Ex post</i> review of implementation
2	Decision on info to accompany NDCs Guidance on <i>ex ante</i> process	NDCs communicated <i>Ex ante:</i> - Informal consultation among parties - In-session	NDCs provisional Guidance on continued <i>ex ante</i> process Process launched to develop rules on accounting, etc.	Continued <i>ex ante</i>: - Informal consultation among parties - In-session Rules adopted NDCs inscribed	<i>Ex post</i> review of implementation Mid-term review of NDCs
3	Decision on info to accompany NDCs Guidance on NDCs Guidance on <i>ex ante</i> process	NDCs communicated <i>Ex ante:</i> - Informal consultation among parties - Expert assessment - In-session	NDCs provisional Guidance on continued <i>ex ante</i> process Rules adopted on accounting, etc.	Continued <i>ex ante</i> : - Informal consultation among parties - Expert assessment - In-session NDCs inscribed	<i>Ex post</i> review of implementation Mid-term review of NDCs New round of post-20XX contributions

Nature of Nationally Determined Contributions

The Warsaw decision:

- Says nationally determined contributions should be communicated “in a manner that facilitates the clarity, transparency and understanding of the intended contributions”; and
- Asks the ADP to identify by COP 20 the “information that Parties will provide when putting forward their contributions”;
- But does not speak to the scope or form of nationally determined contributions (other than being explicitly without prejudice to their legal nature);

Parties may seek to further define the nature of nationally determined contributions in the ADP, at COP 20, in the Paris agreement, and/or in subsequent COP decisions.

Potential issues include:

Timeframe – Should parties agree on a common timeframe for national contributions so they can be more easily compared? If so:

- Should contributions run through 2025? 2030?
- Could parties employ multiple timeframes (i.e., both 2025 and 2030)?

Scope – Should the ADP/COP provide any guidance to parties on the scope of their intended contributions? If so:

- Should all parties’ contributions address mitigation?
- Should the contributions of some or all parties also address adaptation, technology and finance?
 - If so, should they address domestic efforts and/or international support?

Legal character – Related to, but distinct from, the legal form of the Paris agreement is the question of the legal nature of nationally determined contributions. (A legally binding agreement could, for instance, include both binding and nonbinding provisions.)

- Should nationally determined contributions be legally-binding commitments? If so:
 - Should they be binding at the international level? In other words, should parties have an international legal obligation to fulfill their contributions?
 - Or should they reflect measures that are binding under domestic law?

Differentiation – There is broad agreement that the principle of “common but differentiated responsibilities and respective capabilities” applies to the 2015 agreement, since the agreement will be “under” the UNFCCC. But the Durban and Warsaw decisions provide no specific guidance as to how the agreement might reflect CBDRRC.

- Should nationally determined contributions be fully self-differentiated; or should differentiation be in any way expressly defined?
- If the latter:
 - Should differentiation apply to:

- The scope or form of nationally determined contributions?
- Their legal character?
- Their timing?
- Should differentiation be on the basis of:
 - Agreed list(s)?
 - Type of action (e.g., absolute economy-wide target, economy-wide intensity target, policies and measures, etc.), with parties self-selecting?

Inscription – Nationally determined contributions could be finalized and inscribed in the Paris agreement or at a later stage.

- If in Paris, should they be part of the core legal agreement or in a related instrument or decision?
- If post-Paris, when and in what form?

Ex Ante Consideration

The process through which pledges were incorporated into the Cancún Agreements provided little opportunity for parties to examine one another’s contributions before they were finalized. In inviting parties to communicate their intended contributions well ahead of Paris, and in its reference to “the clarity, transparency and understanding of the intended contributions,” the Warsaw decision anticipates some form of *ex ante* consideration of parties’ contributions under the Paris agreement.

Potential issues include:

Timing – Parties must decide when *ex ante* consideration should take place.

- Should it take place only in advance of Paris? Or, if contributions are not finalized in Paris, should *ex ante* consideration continue in some form post-Paris?
- Should there be a trigger for initiating *ex ante* consideration? When a critical mass of countries have put forward their intended contributions?

Objective – Should the aim of *ex ante* consideration be to:

- Clarify parties’ intended contributions?
- Assess them, individually and/or collectively, with respect to:
 - Adequacy (e.g., against the 2-degree goal)?
 - Equity?

Manner – It is anticipated that parties will independently, though consultations with other parties and their own analyses, undertake some evaluation of others’ intended contributions.

- Should a formal process for *ex ante* consideration be established under the UNFCCC?
- If so, should it entail or include:
 - In-session presentations by parties of their intended contributions, with opportunity for other parties to comment and question?

- Written comments and questions regarding parties' intended contributions, with written responses from the party concerned?
- Some form of expert assessment?

Indicators – To aid in assessing the adequacy and/or equity of intended contributions:

- Should parties, in presenting their contributions, describe them according to agreed indicators; or should parties decide individually whether to employ indicators?
- If common indicators are agreed, should they be applied in some manner during *ex ante* consideration?

Inputs – Apart from parties' intended contributions, should there be other inputs to *ex ante* consideration, such as:

- Written comments and questions from parties?
- Expert assessments from the UNFCCC or other entities?
- Input from UNFCCC observer organizations?
- Parties' biennial reports?
- Outputs from international consultations and analysis and international assessment and review?
- Scientific inputs such as IPCC's Fifth Assessment Report?

Outputs – Should *ex ante* consideration result in any formal outputs, such as:

- A compilation of questions regarding a party's intended contribution, and the party's responses?
- Expert reports?
- Input to the 2013-15 review?
- COP decision or conclusion?

Differentiation – Independent of whether there is express differentiation in the nature of nationally determined contributions, should *ex ante* consideration be in any way differentiated?

- Should it apply to all parties or only a subset? If the latter, which ones?
- Should the timing or manner of *ex ante* consideration be different for different countries?
- If agreed indicators are employed, should different indicators be used for different countries?

Transparency/accountability regarding implementation of NDCs

A wide range of mechanisms have been established to promote transparency and accountability, including: national communications, emissions inventories, and review procedures under the Convention; the Kyoto Protocol's detailed accounting rules and compliance mechanism; and new biennial reports and peer review processes (international consultations and analysis, and international assessment and review) for measurement, reporting and verification (MRV) under the

Cancún Agreements. All reflect some form of differentiation between developed and developing countries.

Potential issues include:

Existing mechanisms – Parties must assess how to draw or build on the many mechanisms already in place.

- Should any of the existing mechanisms be incorporated as is into the new agreement?
- Should others be incorporated in modified form?
- How can the agreement streamline or rationalize the existing system to reduce the burden on parties and the Secretariat?

Scope – Should the agreement’s transparency/accountability provisions:

- Address only mitigation?
- Or also address parties’ provision or use support?

Accounting – How should the agreement address emissions accounting, particularly in areas such as land use and the use of market mechanisms?

- Should it establish common accounting rules, or set that as a longer-term objective?
- Should it set broad guidelines and require parties to describe in detail how they are applying them?

Compliance – Should the agreement include provisions on compliance? If so, should they be facilitative in nature?

Differentiation – Should transparency/accountability provisions apply equally to all parties or be differentiated? If the latter:

- Should there be a single system with differentiated provisions; or parallel, differentiated systems?
- Should differentiation be on the basis of:
 - Agreed list(s) of countries?
 - Type of action (i.e., different provisions depending on whether a national contribution takes the form of an absolute economy-wide targets, an economy-wide intensity targets, policies and measures, etc.)?

Revision/updating of contributions

The Paris agreement could include one or more mechanisms to: 1) modify nationally determined contributions, after they are inscribed, or 2) produce a subsequent round of contributions.

Examples of the former include the ADP Workstream 2 and the mid-term review of the 2013-2020 Kyoto Protocol targets. An example of the latter is the Kyoto provision that triggered negotiations for a second commitment period following the protocol’s entry into force.

Modifying initial contributions

- Should parties be allowed to unilaterally revise their nationally determined contributions at any time they wish?
- Should they be required to revisit their contributions at a specified time (i.e., a mid-term review)?
- Should revisions be subject to any process similar to *ex ante* consideration?
- Should parties be precluded from adjusting their contributions downward (i.e., making them less ambitious)?
- Should an updating process apply to all parties or be differentiated in any way?

Producing subsequent contributions

- Should the agreement set a time, or a trigger, for the submission and inscription of contributions beyond the initial period?
- If so:
 - Should this process include any reconsideration of the nature of nationally determined contributions?
 - Should it include any reconsideration of the nature of *ex ante* consideration?
 - Should it take into account the outputs from any transparency/accountability mechanism established under the agreement?
 - Should it be differentiated in any way?