



CLIMATE ACTION NETWORK

Briefing: UNFCCC SB50

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Climate Action Network (CAN) is the world's largest network of civil society organizations working together to promote government action to address the climate crisis, with more than 1300 members in over 120 countries.

www.climatenetwork.org

In 2019 we only have 11 years left to avoid the worst effects of the climate crisis as warned by the IPCC Special Report on 1.5°C. Outside of the negotiations people are declaring a state of emergency for their futures. To not fail the people who refuse to accept excuses for inaction, negotiations at SB50 must deliver significant progress and serve as a moment to build momentum to enable greater ambition in 2019.

At COP24, parties agreed largely on common guidelines for the Paris Agreement and a COP decision which clearly highlights the need to initiate national processes to enhance NDCs by 2020. However, COP24 fell significantly short in political will to tackle the emergency of the climate crisis and make concrete commitments to enhance NDCs: The IPCC's Special Report on Global Warming of 1.5°C makes clear we need to act now to cut emissions in half by 2030.

In 2019 countries need to significantly advance progress and deliver a package of ambitious deliveries in three key areas: Enhancing mitigation ambition, providing and scaling up support, and addressing climate impacts.

In 2019, parties must complement their work in Katowice by agreeing on strong guidelines for implementing Article 6 of the Paris Agreement, advance on the urgent issue of climate finance including finance to address loss and damage (L&D), and by strengthening and raising domestic targets in line with the 1.5°C temperature threshold. While many negotiations are of technical nature, discussions and actions at SB50 must respond to the emergency we are facing and the people demanding action. Business as usual is not an option anymore.

1. Addressing Climate Impacts

Just recently, cyclone Kenneth killed more than 1,000 people in Mozambique and forced the world's sixth poorest country to take on an extra \$118 million of debt. The increasing impacts of the climate crisis make it imperative for the international community to start addressing climate impacts adequately, namely by ensuring concrete outcomes on food security and adaptation in the Koronivia Joint Work Program on Agriculture and by starting to provide finance to address loss and damage.

1.1 Enabling an efficient Review of the International Warsaw Mechanism for Loss and Damage

Five years after its establishment, it is high time to fully operationalize the Warsaw International Mechanism for Loss and Damage (WIM), by putting in place a finance arm and by agreeing on new sources of finance able to be scaled-up quickly following the review of the WIM at COP25. The review of the WIM which Parties will perform at COP25, needs to fulfill its promise to enhance action and support. For that parties need to engage in a full-fledged discussion on the availability of finance to address loss and damage (L&D), beyond adaptation and similar finance provided, the needs of vulnerable countries, and potential sources to reduce the gap between the two.

At SB50, parties need to agree on the terms of reference for this review, ensuring it is fit for purpose and will enable the WIM to meet its objectives:

This needs to include whether (i) the mechanism is meeting the challenge of loss and damage currently faced by vulnerable developing countries, and (ii) if it is capable of meeting future loss and damage needs. The review should address any gaps in the implementation of its original mandate, and in the current and future needs of vulnerable developing countries. The clearest gap is the lack of finance, which the review must address by putting in place a finance arm, with agreement on new sources of finance. A detailed overview of other elements to be included in the WIM review and an overview of relevant COP decisions can be found [here](#).

1.2 Koronivia Joint Work Program on Agriculture

The Koronivia Joint Work on Agriculture (KJWA) begins its work to consider the technical issues around agriculture in a series of workshops starting at SB50. For the SBSTA-SBI work to be effective in guiding implementation of NDCs, parties should consider outputs that the KJWA can develop, for example: A set of social and environmental guidelines for climate action in the land sector, to ensure that the food security, livelihoods and ecosystems so integral to the food sector are not compromised, and those rights are respected and promoted; criteria and objectives for climate action in agriculture; recommended guidance and safeguards for the GCF in funding actions in agriculture; and/or guidance and safeguards for bilateral funding of climate action in agriculture.

As the KJWA undertakes the workshops, presentations and discussions must seek to contribute to the following objectives: Food security, adaptation, absolute and equitable emission reductions, ecosystem integrity and gender-responsiveness. CAN believes that strengthening the adaptive capacities of small-scale farms, and approaches to ensure gender-responsiveness merit particular attention under the KJWA (for further details see also our detailed KJWA Briefing [here](#).)

2. Increasing Ambition

On May 11, 2019, we observed the highest atmospheric CO₂ concentrations with 415 ppm in since probably 10 million years. The newest research after the groundbreaking 1.5° C report of the IPCC reveals that permafrost melting and the subsequent release of CO₂ and CH₄ is probably more than twice as high as previously thought. Further, new science reports in 2019 that both terrestrial Himalayan and Alpine as well as Arctic and Antarctic melting rates had been escalating in last years of up to six times compared to the decades prior to the year 2000 and caused the highest ever sea level rise. Science and people demand real climate action that responds to the emergency of the climate crisis. In 2019, parties need to agree on a whole set of key deliveries to drive climate ambition and to answer the millions of people around the world who expect real climate action.

2.1 NDC Enhancement and Revision

At SB50, Parties must build on the momentum achieved at COP24 where the need for raising climate ambition by enhancing nationally determined contributions to put us on track for 1.5 degrees was clearly identified. These national processes need to be adequately supported by development partners and initiated on a national level with immediate effect through transparent, participatory and multi-stakeholder dialogues engaging all actors and stakeholders that contribute to raising national ambition and implementing solutions and climate action.

Negotiators in Bonn need to take full advantage of the SB50 agenda items that provide room for discussing ambition raising and enhancing NDCs.

- The Multilateral Assessment and the Facilitative Sharing of Views under SBI provide an opportunity to identify areas for NDC enhancement (mitigation targets, adaptation/resilience measures, financial flows), gaps to 1.5 compatible pathways, and needs for support to increase ambition.
- SBSTA Item 6 offers a space to assessing progress towards alignment with a 1.5°C pathway, including assessment by UNFCCC Secretariat of aggregate impact of updated NDCs submitted by Sept 1, 2020.

Parties should also use the opportunity at SB50 to consult on and share their expectations for a political outcome on NDC Enhancement at COP 25 with the incoming Chilean Presidency and amongst each other. Furthermore, the incoming presidency may use SB50 to consult on how to create a political space at COP25 to agree and define the process and work plan for 2020 with a view to discussing and understanding the aggregate global effect of the revised NDCs on the long-term goal. Parties may also provide clarity and consult with the incoming Chilean presidency on what they are going to announce at the UNSG Climate Action Summit with regards to raising their national ambition and enhancing NDCs by 2020. Likewise, the Chilean presidency in their role as lead for the challenge area of mitigation ambition should use the SB50 session to provide clarity on the UNSG expectations for countries' announcements at the UNSG Summit.

SB50 is the first UNFCCC negotiation session following the release of the landmark IPBES Global Assessment on Biodiversity in May which highlighted the dramatic biodiversity loss and its consequences for planetary and human systems. In the context of the CBD COP in Kunming in 2020, parties may consult informally at SB50 on how to best use nature-based solutions to enhance their NDCs and create synergies and links between the climate and biodiversity agenda.

Lastly, SB50 is a key forum where Parties and non-state actors can meet and engage each other in discussions and dialogue on raising ambition and enhancing NDCs. We stand ready to engage and exchange views, knowledge, expectations and experiences on raising climate ambition and enhancing the NDCs through nationally driven multi-stakeholder processes.

2.2 Common Timeframes

CAN is disappointed that Parties were unable to come to consensus on the need for a five-year common time frame for NDCs during their deliberations at COP24. CAN, however, is encouraged that Parties agreed to apply common time frames to the NDC implementation period beginning in 2031 (decision 6/CMA.1, para. 2). As Parties begin to re-engage in negotiations on common time frames at SB50, CAN urges Parties to seek consensus around a five-year common time frame.

Five-year common time frames, compared with ten-year time frames, far better respond to the urgency of action outlined by the IPCC's special report on 1.5 degrees and better reflect changes in technology that allow for more ambitious opportunities. Further, a five-year common time frame fits well into the cycles of the Paris Agreement—five-year cycles for the global stocktake under Article 14 and five-year cycles for the communication of NDCs.

2.3 Carbon markets and non-market approaches

After COP24 postponed an agreement on implementation guidelines for the use of carbon markets and non-market approaches under article 6, CAN expects countries to finalize robust guidelines at COP25 - however not at the cost of environmental integrity of Article 6 mechanisms.

CAN urges Parties to agree on rules which ensure environmental integrity and deliver benefits in line with the Sustainable Development Goals within the framework of article 6 mechanisms.

Specifically, CAN strongly encourages Parties to adopt robust accounting rules requiring the application of corresponding adjustments to account for the transfer of all carbon credits, including for those credits used outside of the UNFCCC mechanisms, such as under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), in line with the agreed language of paragraph 77(d) of the transparency framework. Corresponding adjustments must be applied to accounts based on Parties' emissions inventories, measured in CO₂e, and reported transparently and consistently.

Furthermore, CAN reiterates its clear position against the transition of any pre-2020 Kyoto units, including credits issued under the CDM or JI, into post-2020 mechanisms. None of these credits should be eligible for use against NDCs. Recognising the difficulty in assessing vulnerability at a project-level, only projects which are truly vulnerable to discontinuation should be transitioned post-2020. Rules

governing the eligibility of mitigation projects under article 6 should ensure that all registered projects deliver real, additional, permanent, and verifiable emission reductions.

In addition, article 6 mechanisms should be set up in a way which ensures that their use is supplementary to ambitious domestic emission reduction strategies. To this effect, CAN supports the adoption of an appropriate quantitative restriction on the number of credits which can be used towards a country's NDC target.

Social, environmental, and human rights safeguards should also be included within the article 6 mechanisms. This includes the adoption of clear criteria to assess the mechanisms' and projects' contribution to sustainable development, as well as the inclusion of clear guidelines for the conduct of local stakeholder consultations prior to the implementation of any project under the article 6.4 mechanism. A grievance process should be established, governed by an independent body.

Last but not least, CAN encourages Parties to adopt measures to deliver overall mitigation in global emissions (OMGE) through the use of article 6. CAN supports the application of mandatory provisions to ensure OMGE under the Article 6.4 mechanism and other baseline and crediting mechanisms under Article 6.2. For all transferred credits, Parties should consider an appropriate discount rate or automatic cancellation of an appropriate percentage of credits applied at first transfer/point of issuance/each transfer, provided inflation of crediting baselines and other gaming can be prevented, in order to achieve an overall mitigation in global GHGs. CAN believes that delivering on OMGE under the Paris Agreement should not be voluntary for Article 6.4 transfers between countries or with CORSIA, but a voluntary pathway for other non-state actors to help deliver OMGE should be also enshrined in the Paris Rulebook.

2.4. Transparency – reporting tools & tables/structured summary

CAN is pleased that Parties adopted the modalities, procedures, and guidelines for the enhanced transparency framework as contained in decision 18/CMA.1 and respects the need for technical work to continue over the next two years. Specifically, Parties have set a deadline of COP26 in 2020 to elaborate further:

1. the common reporting tables for reporting national inventories and common tabular formats for reporting progress in implementing and achieving NDCs, support provided and mobilized, and support received and needed;
2. outlines for the biennial transparency report, national inventory document, and technical expert review report;
3. the training programme for experts participating in the technical expert review

CAN expects Parties to begin fruitful and productive discussions on these three topics at SB50. Work on these topics must be in line with the principles of the Paris Agreement and the enhanced transparency framework. In particular, work should promote the TACCC principles (transparency, accountability, completeness, consistency, and comparability), ensure double counting is avoided,

ensure environmental integrity, support improved reporting and transparency over time, ensure “no backsliding,” and reflect the flexibility provided to those developing country Parties that need it in light of their capacities, consistent with the adopted MPGs.

2.5 Second Periodical Review

Following the largely agreed implementation guidelines at COP 24, parties are well positioned to discuss the scope of the Second Periodical Review (SPR) at SB50.

In doing so, it will be crucial to make best use of the IPCC Special Report on 1.5°C to inform the synthesis report of the SPR. In assessing the scope of the review at SB50, parties need to focus on “overall progress toward achieving the long-term global goal, including a consideration of the implementation of the commitments under the Convention.”

- To that end, CAN expects parties to fully use the IPCC Special Report by inviting the IPCC scientists to present the emission reduction scenarios to the negotiators in the SPR group.
- Furthermore, CAN recommends the SPR to specifically consider and review those scenarios in the IPCC Special Report which allow to reach the Paris Agreement target without use of geoengineering and BECCS technologies.
- The scope of the SPR may include analyzing the consequences of a 1.5°C temperature overshoot, as suggested in some scenarios, to find out which social and ecological consequences such an overshoot would have, in particular:
 - i. the maximum temperature for an overshoot which is reversible
 - ii. the implications of such overshoot scenarios.
- To ensure scientific integrity, parties may establish a structured expert dialogue to support the SPR.
- Lastly, the scope of the SPR should include an analysis of the new and enhanced NDCs towards the long-term goal of the Paris Agreement

3. Providing and Scaling-Up Support

Implementation of the Paris Agreement is paramount and urgent. Many countries need support to implement their NDCs and to address the increasing impacts of climate change, as well as to fulfill their requirements under the Paris Agreement. This includes adequate financial, capacity building, and technological support.

3.1 Climate Finance

Countries need to set clear political expectations related to finance as we move closer to the United Nations Secretary-General’s Climate Summit in September. Contributor countries should use this moment to say how they intend to substantially increase their contribution to the GCF during its First Replenishment and indicate how they will contribute to a total replenishment that goes significantly beyond doubling the initial Resource Mobilization. The SB50 will also be an opportunity to assess the collective progress towards achieving the US\$100 billion developed countries committed to mobilize for developing countries, and how to close the adaptation finance gap which is of urgent concern for those most vulnerable.

CAN expects countries to come ready to begin discussions on the implementation of the new climate finance rules agreed in Katowice. One of the key messages from COP24 was the recognition that more work needs to be done to understand and meet the needs of developing countries.

At SB50:

- Common tabular formats for the reporting of support needed and received, under Articles 9–11 of the Paris Agreement; countries should build the current CTF existing format and discuss how to enhance clarity and common understanding of predictable information on finance and how to use this information in the global stocktake. When discussing outlines of the biennial transparency report, and to build trust in the regime, developed countries should confirm that they intend to provide information on support on a grant-equivalent basis even if it's on a voluntary basis.
- To ensure progress towards meeting the long-term goal set out in Article 2.1(c) of the Paris Agreement, more discussions are needed to ensure Parties and other stakeholders are providing information necessary for the Global Stocktake to track progress and ensure all finance is aligned with the long-term goals of the Paris Agreement. COP 24 mandated the Standing Committee of Finance to include a mapping of information related to Article 2.1(c) in the next Biennial Assessment, due at COP 26. This is an opportunity to analyse available information on Article 2.1(c) and highlight data gaps that need to be filled ahead of the first Stocktake in 2023.
- Countries will have the opportunity under SBSTA agenda item 10 to continue discussions related to Article 6 of the Paris Agreement. Parties should consider those negotiations on Article 6 can have direct consequences on the sustainability and predictability of the Adaptation Fund. We encourage Parties to continue making progress to ensure the Adaptation Fund transition to the Paris Agreement occurs in a smooth and coordinated manner. The Adaptation Fund needs adequate and predictable sources of finance to continue its work over time.
- The upcoming Long-term finance workshop will be an opportunity to discuss progress towards the 100BN target. We encourage countries to discuss how to ensure the negotiations around the post-2025 financial goal will be done in a transparent way, ensuring scientific input and the participation of all state and non-state actors.
- Finally, as we see how climate-related disasters are affecting every region of the World, particularly those most vulnerable, we can't forget how important it will be to discuss how to enhance support for loss and damage at this SB50.

3.2 Capacity Building

The Paris Committee on Capacity Building (PCCB) was created by the Paris Agreement. Based on decisions from 2018, Parties decided to review “the progress, need for extension, the effectiveness and enhancement of the [PCCB]” at COP25. This work will begin at SB50. CAN looks forward to conversations on how the PCCB can best serve Parties. These conversations should reflect on the value of the PCCB and consider opportunities to overcome any barriers that limit the effectiveness and

success of the PCCB. CAN also welcomes the decision at COP24 that the PCCB continue its focus area of capacity building for the implementation of NDCs.

At COP24, the Consultative Group of Experts (CGE), which provided support and training material to non-Annex I Parties in support of their NCs and BURs, was extended through 2026 and shall serve the Paris Agreement. However, the terms of reference for the CGE are up for negotiation—beginning at SBI 50 and set to conclude by COP25. CAN is pleased that the CGE shall now serve the Paris Agreement, as Parties will need support in responding to the new modalities, procedures, and guidelines for the enhanced transparency framework as contained in decision 18/CMA.1. CAN asks that Parties consider how the new terms of reference for the CGE will allow the CGE to most effectively support Parties.