



UNFCCC ADP 2-8 Summary Report Geneva Generates Momentum toward Paris

I. Background

From February 8-13, 2015, Parties met in Geneva under the United Nations Framework Convention on Climate Change (UNFCCC)'s **Ad Hoc Working Group on Durban Platform for Enhanced Action, Session 2-8** (ADP 2-8) to build momentum toward a new climate agreement to be concluded at the end of 2015. The ADP was established at the 17th Conference of the Parties (COP17) in Durban, South Africa in 2011, and is organized along two primary workstreams.

ADP Workstream 1 (WS1) focuses on **post-2020 action**, with a mandate to develop a protocol, another legal instrument or an agreed outcome with legal force no later than 2015, which is to come into effect and be implemented from 2020. ADP Workstream 2 (WS2) focuses on **pre-2020 ambition**, noting the significant gap between Parties' mitigation pledges by 2020 and the emissions pathways required to hold global temperature within 1.5 to 2°C above pre-industrial levels; WS2 thus constitutes a work plan to enhance mitigation efforts by identifying actions to help close the ambition gap. Mandates for each of these workstreams were furthered in discussions in Geneva.

At COP20 Lima in December 2014, it was requested that the ADP intensify its work in Geneva, with the primary objective to deliver a **negotiating text**. A negotiating text under Workstream 1 was expected to include such key elements as mitigation, adaptation, loss and damage, finance, technology, capacity building, transparency, timeframes, implementation and compliance, and to incorporate any Party positions not captured in the draft text that emerged from Lima. Workstream 2 was addressed during the session on the ADP technical examination process (TEP), in ADP contact group discussions, and in the contact group's brainstorming session on the approach to the forthcoming ADP 2-9 in June 2015.

In Geneva, the ADP recently were asked to bring the 39 pages of the Lima negotiating text down into something more manageable; the outcome, in fact, was the opposite. A

² http://www.iisd.ca/download/pdf/enb12621e.pdf

¹ http://unfccc.int/bodies/body/6645.php

http://www.iisd.ca/download/pdf/enb12626e.pdf

⁴ http://www.iisd.ca/download/pdf/enb12626e.pdf

draft negotiating text as a 86 page document⁵, replete with around '400 or so carefully worded options to select from and 1,234 square brackets' which included everyone's wish list and dream scenarios was presented just before Valentines Day. This will be further debated and hopefully brought down to 20 or so pages of meaningful text in the three planned meetings between now and COP21 Paris.

Key developments to note from Geneva are that Parties will now submit their intended nationally determined contributions (INDCs) to the UNFCCC, who will note them but will not provide follow-up. This approach was outlined in Lima and it means that responsibility will shift from ensuring compliance with the convention and protocol to one that will rather estimate the gap between what is required for the 2°C target and what has been pledged by governments. It is intended to encourage increasing ambition and accelerating commitment leading to a scaling-up of effort. This would allow more flexibility in the wording of the legal document, as countries will be able to pick and choose what they agree with.

On the other hand it means increased attention to national level commitments, and therefore it will also be important to achieve better vertical integration between local actions and national commitments. This may open new pathways for transport, especially as this new approach decouples the political process from actions and countries may therefore be more open to including low carbon transport as part of their INDCs and NAMAs, and may be more open to asking for technology support.

II. Updates on Transport Relevant Areas from COP20

At COP20 Lima, **six areas of investigation** with particular relevance for the transport sector were tracked in a joint report⁷ by the Partnership for Sustainable Low Carbon Transport (SLoCaT) and the Bridging the Gap Initiative (BtG), These areas include pre-2020 ambition, intended nationally determined contributions (INDCs), nationally appropriate mitigation actions (NAMAs), technology transfer, climate finance, and adaptation. Despite minor leaps in each of these areas, the overall conclusion was that Lima limped with regard to progress in sustainable low carbon transport. Thus the following sections highlight key areas of progress in each of these six areas in Geneva, to build upon transport relevant developments emerging from the Lima convention.

A. Pre-2020 Ambition

Pre-2020 ambition, as described above, is essential to the success of any post-2020 agreement, by helping to scale up mitigation strategies and technologies and thus setting appropriate trajectories to help bridge the 8-12 gigatonne (Gt) emissions gap.⁸

In Geneva, developing countries including Mali (for the G-77) and China (for the Like-Minded Developing Countries (LMDCs)) called for an approach to **pre-2020 action** on three parallel tracks: (1) an accelerated implementation process; (2) a Technical

2

⁵ http://unfccc.int/files/bodies/awg/application/pdf/negotiating_text_12022015@2200.pdf

⁶ http://www.transport2020.org/newsitem/3281/progress-on-cop-21-negotiating-text

http://slocat.net/sites/default/files/u10/transport_at_cop20_despite_limited_leaps_lima_limps-_final.pdf

⁸ http://www.unep.org/publications/ebooks/emissionsgapreport2014/

Examination Process (TEP); and (3) continued high-level engagement on this topic.9 Furthermore, the LMDCs asserted that the pre-2020 ambition gap would not exist with early and more ambitious commitments from developed countries. Nicaragua criticized the "lost decade" of mitigation action. South Africa urged Parties to revisit existing pre-2020 commitments, and India called on Parties to finalise all decisions on pre-2020 ambition before COP21.¹⁰

Although not on the official ADP agenda, many side conversations in Geneva centered around pre-2020 finance. 11 In this context, the European Union highlighted progress to date, indicating that the US\$100 billion mobilization efforts is expected to include multiple sources, and New Zealand stressed the need of multiple channels for public finance in addition to the Green Climate Fund (GCF). 12 The Climate Action Network (CAN) asserted that reaching \$100 billion in pre-2020 finance must reflect a scaling-up from levels that were already being mobilized in 2009. CAN also expressed hope that this issue will be advanced at World Bank/IMF meetings in April, and that further movement will be evident by ADP 2-9.13

A recent report by the World Wildlife Fund (WWF), Closing the Divide: How to Reduce the Emissions Abyss¹⁴, shows how countries can begin now to close the emissions gap. The report highlights several recent and ongoing successes in national transport sectors. For example, France's pending French Energy Transition bill would require at least 50% 'clean vehicles' and charging terminals for public organizations; South Africa's planned rollout of a carbon tax in 2015 would complement recent BRT and rail investments, and a recently-announced set of proposals in the United States would tackle methane leaking from oil and gas production, including from transport. However, the report makes no mention of transport-related strategies for China, India, Mexico and other major emitters, and it is worrying that an NGO like WWF does not acknowledge the estimated potential of the transport sector to contribute up to 3 Gt CO2e annually in needed reductions to help close the pre-2020 ambition gap, through a combination of transport demand reduction, modal shift, and system efficiencies.¹

Further discussion within Workstream 2 took place in the context of the Technical Examination Process (TEP), which is discussed in the 'Technology' section below.

B. Intended Nationally Determined Contributions (INDCs)

INDCs are the centerpiece of any forthcoming post-2020 strategy, and appropriately INDCs figured prominently in the discussions in Geneva, which focused specifically on topics such as level of ambition, reevaluation frameworks, and supporting resources.

Regarding level of ambition within INDCs, the LMDCs proposed that all developed country Parties commit to Absolute Emission Reduction Targets (AERTs) during the

⁹ http://www.iisd.ca/download/pdf/enb12624e.pdf

¹⁰ http://www.iisd.ca/download/pdf/enb12624e.pdf

¹¹ http://eco.climatenetwork.org/adp2-8-eco6-1/

¹² http://www.iisd.ca/download/pdf/enb12625e.pdf

¹³ http://eco.climatenetwork.org/adp2-8-eco6-1/

¹⁴ http://bit.ly/ClosingtheAbyss

¹⁵ http://www.unep.org/publications/ebooks/emissionsgapreport2014/

period 2021–2030, in accordance with historical responsibility, through economy-wide mitigation targets to be more ambitious than those during the pre-2020 period. 16 Yet, planned post-2020 reductions by China, the United States (US) and the European Union (EU) have raised concerns that the Paris agreement will not be sufficiently ambitious to meet the 2DC target. 17 Chile, representing the Independent Association of Latin America and the Caribbean (AILAC), suggested distinguishing between ex-ante and ex-post review of INDCs, 18 while the US proposed that all parties submit INDCs at least six months before the beginning of each cycle. 19 Forthcoming discussion within WS2 must identify pathways to raise levels of ambition, which should include a greater emphasis on sustainable low carbon transport as a strategy to achieve economy-wide reductions.

One of the most central issues regarding INDCs in Geneva was discussion of the socalled ratchet mechanism that would be used to evaluate progress and raise levels of ambition throughout the course of the commitment period.²⁰ Discussion highlighted diverse opinions on topics such as timeframes, review mechanisms and differentiation. Regarding timeframes, the EU and the US supported five-year cycles, with the latter proposing to synchronize Parties' national cycles to help focus public attention and further drive ambition.²¹ By contrast, Japan called for a ten-year cycle (with the option for a mid-term review) to establish a longer-term market signal to investors, and China also suggested a ten-year cycle to focus on enhanced ambition to 2030 during which developed countries would provide means of implementation (MOI) to help increase developing countries' levels of ambition. On differentiation, India called for INDCs with identical timeframes but differentiated information for developed and developing countries.²²

Regarding supporting resources for INDCs, Brazil noted that the finance component of the contributions is restrained by national budgetary cycles, as well as the GCF and the Global Environment Facility (GEF) replenishment cycles.²³ Saudi Arabia, for the Arab Group, called for linking technology to the implementation of developing country INDCs, with China proposing that developed countries regularly provide lists of "transfer-ready" technologies to developing country counterparts. ²⁴ Developed countries highlighted various support activities, including INDC support facilities in Germany²⁵ and France²⁶, which will provide short-term technical expertise to developing countries to support development of mitigation projections and adaptation options, and to assist with INDC finalization and submission.²⁷ More facilities of this type are needed in regions around the world to maximize potential contributions from all sectors, with an emphasis on sustainable land transport, in order to meet the 2 degrees Celsius (2DC) target. At present these INDC support facilities do not foresee in sector specific inputs, which

¹⁶ http://www.twn.my/title2/climate/info.service/2015/cc150201.htm

¹⁷ http://www.iisd.ca/download/pdf/enb12626e.pdf

¹⁸ http://www.iisd.ca/download/pdf/enb12622e.pdf

¹⁹ http://www.iisd.ca/download/pdf/enb12621e.pdf

http://www.iisd.ca/download/pdf/enb12624e.pdf

²¹ http://www.iisd.ca/download/pdf/enb12626e.pdf

http://www.iisd.ca/download/pdf/enb12625e.pdf

http://www.iisd.ca/download/pdf/enb12626e.pdf

http://www.iisd.ca/download/pdf/enb12626e.pdf

²⁵ http://unfccc.int/files/bodies/awg/application/pdf/04_germany.pdf

²⁶ http://unfccc.int/files/bodies/awg/application/pdf/03_france.pdf

²⁷ http://www.iisd.ca/download/pdf/enb12622e.pdf

makes it harder to make use to highlight the specific contribution of sustainable transport.

C. Nationally Appropriate Mitigation Actions (NAMAs)

NAMAs are voluntary GHG emission reduction activities by developing countries, which are prepared under the umbrella of national initiatives and are directed through targeted actions or transformative change within or across sectors. 28 While the topic of NAMAs was not formally included in the ADP 2-8 agenda (and thus was not subject to any formal negotiation), proceedings in Geneva reflected growing discussion on leveraging experience gained through the NAMA process to inform the development of INDCs.

The Geneva negotiating text built upon NAMAs with an LMDC proposal for nationallydetermined Diversified Enhanced Mitigation Actions (DEMAs) for the 2021–2030 period, which may be even more ambitious than corresponding NAMAs, and may include relative emission reductions, intensity targets, net avoided emissions and other approaches.²⁹

During ADP 2-8, a Global Subsidies Initiative (GSI) report³⁰ proposed that fossil-fuel subsidy reform (FFSR) could be incorporated within project and program NAMAs that are designed to maximize emission reductions through complementary low-carbon energy and transport investments, and that this approach could be based on existing NAMAs in the transport and energy sectors. (See further discussion of FFSR under the 'Finance' section below).

While the land transport sector has done relatively well in the NAMA sphere, with 43 transport NAMAs (t-NAMAs) being prepared or implemented in the transport sector in 2014.³¹ it is now necessary to increase clarity on funding strategies to move the substantial number of t-NAMAs from the pipeline to the implementation stage. And as NAMA discussions evolve, it is important to continue to identify potential synergies between the development of NAMAs and other key areas of mitigation action (including pre-2020 ambition, INDCs, and climate finance) to help to increase the visibility of mitigation actions in the transport sector.

ADP 2-8 negotiating text, paragraph 16.4, Option 3
http://norden.diva-portal.org/smash/get/diva2:786861/FULLTEXT02.pdf

²⁸ http://unfccc.int/focus/mitigation/items/7172.php

³¹ http://transport-namas.org/wp-content/uploads/2014/11/T-NAMA-Report_2014.pdf

D. Technology

As noted above, the **Technical Examination Process (TEP)** is a key element of WS2, and the ADP convened meetings in Geneva to shape recommendations to COP21 for advancing the TEP as a more inclusive process. The Peruvian COP 20 Presidency highlighted the elevated role of non-state actors within the Lima-Paris Action Agenda. and the UNFCCC Secretariat stressed the "relatively new wisdom" of incorporating actions by all stakeholders, and not just central governments, within the TEP.³² Among Parties, the EU suggested focusing on areas with high mitigation potential, the US suggested a TEP summary for policymakers, and Colombia called for greater attention to "missing policy options" under the TEP, specifically mentioning transport.

The momentum generated in these discussions was evident in the ADP closing plenary, in which it was noted that significant resources have been mobilized to implement activities related to the TEP. 33 Mali (for the G-77/China) stressed that the focus under TEP must shift to doing "more, faster, now," which requires identifying means of implementation – and particularly finance – for the implementation phase. In sum, TEP discussions in Geneva were marked by a focus on non-state actors, and were seen as an example of progress toward real reductions.³⁴ In the TEP process, transport has an opportunity to be included (along with fossil fuel subsidy reform) among potential topics for technical expert meetings (TEM), ideally during 2015.

During ADP 2-8, the UNFCCC's Climate Technology Centre and Network (CTCN) hosted a webinar entitled Urban Transportation Technologies That Address Climate Change, which addressed the mitigation potential of urban transport as well as potential challenges in the context of climate change and development. The webinar focused on suitable technologies and policies for implementing sustainable transport in developing countries, based on successes from developed regions (e.g. increasing system capacity. managing vehicle demand, enforcing emissions and consumption standards). The webinar represents a step in the right direction for CTCN in expanding its initial focus on energy efficiency and renewables to additional sectors, including transport, to help set proper pre- and post-2020 emissions trajectories. This process is to be complemented by SLoCaT Partnership plans to develop a sustainable, low carbon transport technology roadmap in the coming months, potentially in cooperation with CTCN and the United Nations Industrial Development Organization (UNIDO).

E. Finance

In the course of the Geneva discussions, several important issues on climate finance entered the negotiating text, which include establishing five-year-cycles for updating targets for financial support, requiring that developed (and other able) countries contribute to these targets with regular communications, and proposing a cyclic process to enable developing countries to identify support required for enhanced action. Among Parties, The African Group called for a quantitative financial goal clearly linked to

http://www.iisd.ca/download/pdf/enb12626e.pdf
 http://www.iisd.ca/download/pdf/enb12626e.pdf
 http://www.iisd.ca/download/pdf/enb12626e.pdf

http://eco.climatenetwork.org/adp2-8-eco6-1/

a temperature goal, and Norway proposed incentivizing more ambitious mitigation actions (via payments based on verified results). The US stressed the need to strengthen reporting from recipient countries on financial flows, and underscored the importance of phasing out high-carbon investments (highlighting fossil fuel subsidies). 36

In addition to general dialogue on climate finance, delegates also discussed a number of innovative financing sources with direct relevance for the transport sector, including market mechanisms such as emission trading and an enhanced Clean Development Mechanism (CDM+), which could be used to complement domestic actions.³⁷ A proposed Fossil Fuel Extraction Levy would offer potential to raise substantial finance to compensate for loss and damage,³⁸ and proposals to addressing transport emissions by the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO), could unlock new finance while reducing emissions from these subsectors.³⁹ Among Parties, Brazil proposed that the CDM+ cover projects in the maritime and aviation transport sectors, while Argentina (among others) opposed inclusion of market mechanisms in the 2015 agreement, suggesting that proposals on maritime and aviation be deleted.⁴⁰

During the Geneva session, the Nordic Council of Ministers and the Global Subsidies Initiative (GSI) released a new report⁴¹ on fossil-fuel subsidies and climate change, projecting that reforming subsidies has the potential to reduce global greenhouse gas (GHG) emissions 6-13% by 2050. The report recommends that policymakers consider incorporating fossil-fuel subsidy reform (FFSR) as an element of their INDCs, and that some of the savings released from fossil-fuel subsidies be reinvested in energy efficiency, low carbon transport and renewable energy.⁴² In addition, GSI's Integrated Fiscal (GSI-IF) Model can help to estimate the impact of FFSR on national GHG emission reductions, to support countries in including FFSR in their planned mitigation contributions.

The FFSR report also recommends that a technical expert meeting (TEM) on the issue be convened under the umbrella of the UNFCCC, as a form of "negative carbon pricing," to complement broader revisions to pricing structures. The Institute for Transportation and Development Policy (ITDP) and the SLoCaT Partnership are seeking avenues of potential collaboration with GSI, whose messaging strongly supports investing FFSR savings into public transport, and thus offers significant synergies with the ITDP/UC Davis High Shift Scenario analysis⁴³.

F. Adaptation

Adaptation in the transport sector is necessary for both developed and developing countries, as transport systems worldwide are vulnerable to the increasing impacts of

7

³⁶ http://www.iisd.ca/download/pdf/enb12626e.pdf

http://www.iisd.ca/download/pdf/enb12626e.pdf

http://eco.climatenetwork.org/adp2-8-eco6-4/

³⁹ ADP 2-8 negotiating text, (paragraph 23, option 6)

http://www.iisd.ca/download/pdf/enb12626e.pdf

⁴¹ http://norden.diva-portal.org/smash/get/diva2:786861/FULLTEXT02.pdf
42 http://norden.diva-portal.org/smash/get/diva2:786861/FULLTEXT02.pdf

⁴³ https://www.itdp.org/a-global-high-shift-scenario/

extreme weather. Crucially, sustainable transport systems must adapt to climate change to maintain reliability and increase ridership, and thus to achieve full mitigation potential.

Discussions in Geneva further advanced the **prominence of adaptation in the negotiating text**, calling for resilience strategies to be articulated by national adaptation plans (NAPs), and emphasizing that NAMAs should include contributions to climate resilience as well as mitigation. Regarding INDCs, it was proposed (among many competing options in the Geneva text) that *developed* countries should communicate their commitments on adaptation, and that *developing* countries should communicate levels of support needed to integrate adaptation into policies and planned actions through biennial communications, including INDCs.⁴⁴

On the topic of **adaptation finance**, it was proposed (among other options) that finance be provided by diverse sources, including the private sector. Tuvalu (on behalf of the Least Developed Countries (LDCs)) called for a specific ICAO/IMO levy to support the Adaptation Fund⁴⁵, which would directly offset impacts from the maritime and aviation subsectors through resilience planning, and would help to diminish projected BAU emissions growth of up to 250 to 270% in these subsectors, respectively, by 2050.⁴⁶ For example, potential aviation and maritime levies could be directed toward more resilient transport infrastructure, especially for LDCs, Small Island Developing States (SIDS) and African countries heavily reliant on tourism and international goods transport. It is also essential that NAPs contain **detailed strategies for adaptation in the transport sector**, and that they emphasize significant needs for capacity building among public and private sector entities to build and operate more resilient transport systems.

III. Summary and Next Steps

In summary, the principal goal of ADP 2-8 was achieved in the completion of a negotiating text⁴⁷ that is Party-owned and is no longer a co-chairs' draft, and there was general agreement that an inclusive Geneva text was needed to boost confidence that all Parties' views will be considered during the COP21 negotiations. Many Parties expressed support to start informal discussions on streamlining the text, with support from the UNFCCC Secretariat during the intercessional period before ADP 2-9 in June 2015 in Bonn, Germany. Forthcoming non-papers may reflect further negotiations between Geneva and Bonn, along with potential informal ministerial and negotiator-level meetings between March and May. The June meeting in Bonn will likely be followed by additional meetings in August and October, in preparation for COP21 in December.

The Geneva negotiating text has put Parties on a path to make history at COP21, and many delegates seemed cautiously optimistic about prospects for Paris, amidst a

⁴⁴ ADP 2-8 negotiating text, paragraph 27.3, Option 3

⁴⁵ ADP 2-8 negotiating text, paragraph 47.5, Option (a)

http://eco.climatenetwork.org/adp2-8-eco6-7/

http://unfccc.int/files/bodies/awg/application/pdf/negotiating_text_12022015@2200.pdf

http://www.iisd.ca/download/pdf/enb12626e.pdf

⁴⁹ http://www.iisd.ca/download/pdf/enb12626e.pdf

⁵⁰ Taka Hiraishi, personal communication, 11 February 2015

⁵¹ Taka Hiraishi, personal communication, 12 February 2015

growing sense of urgency to increase areas of convergence among Parties in Bonn. 52,53 Discussions at ADP 2-8 reflected important realignments among Parties and the emergence of many new negotiating groups have bridged the historical developedversus-developing country divide. 54 The strength of these new alliances was evident in references to the 'Geneva spirit' in the final plenary, which ended with a delegate from Venezuela quoting Victor Hugo in saying that 'nothing is stronger than an idea whose time has come', foreshadowing a spirit of possibility en route to COP21 Paris.55

Discussions in Geneva offered glimmers of hope for elevating the stature of transport within the UNFCCC process in raising key topics such as fossil fuel subsidy reform, establishing transport more tangibly in to the scope of CTCN activities, and proposing greater scrutiny for emissions generated through the aviation and maritime sectors. Nonetheless, it is important to note that 'transport' appears only three times in the 86page negotiating text (including twice in an ICAO/IMO context), and that transport has yet to find a firm foothold among discussions of pre-2020 ambition and continues to trail other sectors in discussions of post-2020 action.

In the coming months we will have to push the door more open for low carbon transport. and we must ensure that efforts at national and local levels also shift in this direction. Geneva has generated important and timely momentum toward a global deal in Paris, and this momentum must be sustained en route to Bonn and beyond.

⁵² http://www.iisd.ca/download/pdf/enb12626e.pdf

⁵³ Climate Action Network session notes, 13 February 2015 54 http://www.iisd.ca/download/pdf/enb12626e.pdf

⁵⁵ Climate Action Network session notes, 13 February 2015