



Understanding Intended Nationally Determined Contributions (INDCs)

COP20 Lima

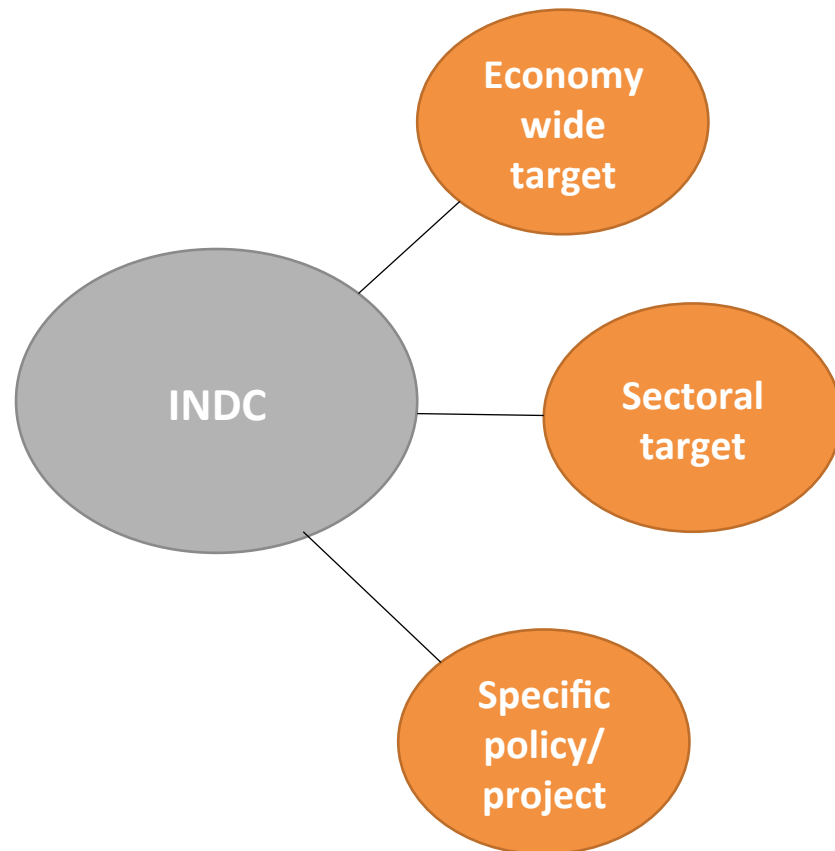
Transport Day

Frauke Roeser

State of play of INDCs

- » COP19 Warsaw “initiate or intensify domestic preparations for their intended nationally determined contributions”
- » Submissions in advance of COP 21 in Paris – key input to agreement
- » March 2015 “for parties ready to do so”
- » Draft decision on information to be provided by countries to be agreed in Lima

Types of INDCs



Additional information:

- » Resource needs for implementation of INDC/ support needed to increase ambition
- » Adaptation
- » Intended provision of support
- » Level of ambition/ fair contribution

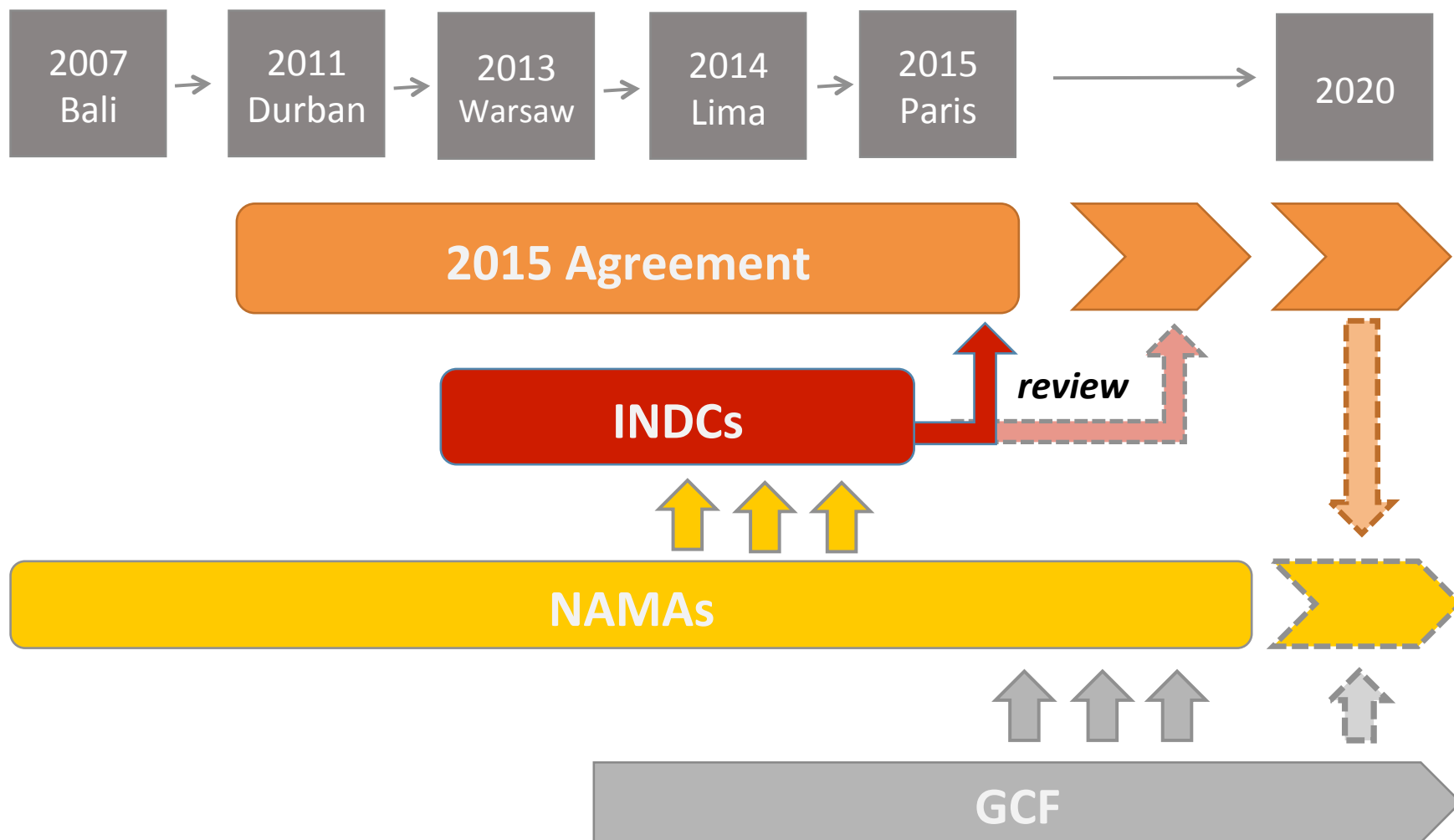
Possible details of contributions - examples

Element	Country with high capability	Country with medium capability	Country with low capability
Inspirational national long term emissions goal	Year of intended phase out of GHG emissions	Long-term peak and decline pathway or range	-
National short term emissions target	Precisely defined, economy wide, multi-year target until 2025 and/or 2030	Indication of mitigation ambition until 2025 and/or 2030 (below BAU, intensity, range)	-
Energy / sectoral targets	National energy efficiency or renewable targets Targets related to land-use and forestry	National energy efficiency or renewable targets Targets related to land-use and forestry	National energy efficiency or renewable targets, if existing
Highlight policies and projects	Governance structures Highlight policies / projects with intended impacts	Governance structures Highlight policies / projects with intended impacts	Selection of a few, yet ambitious policies and/or projects

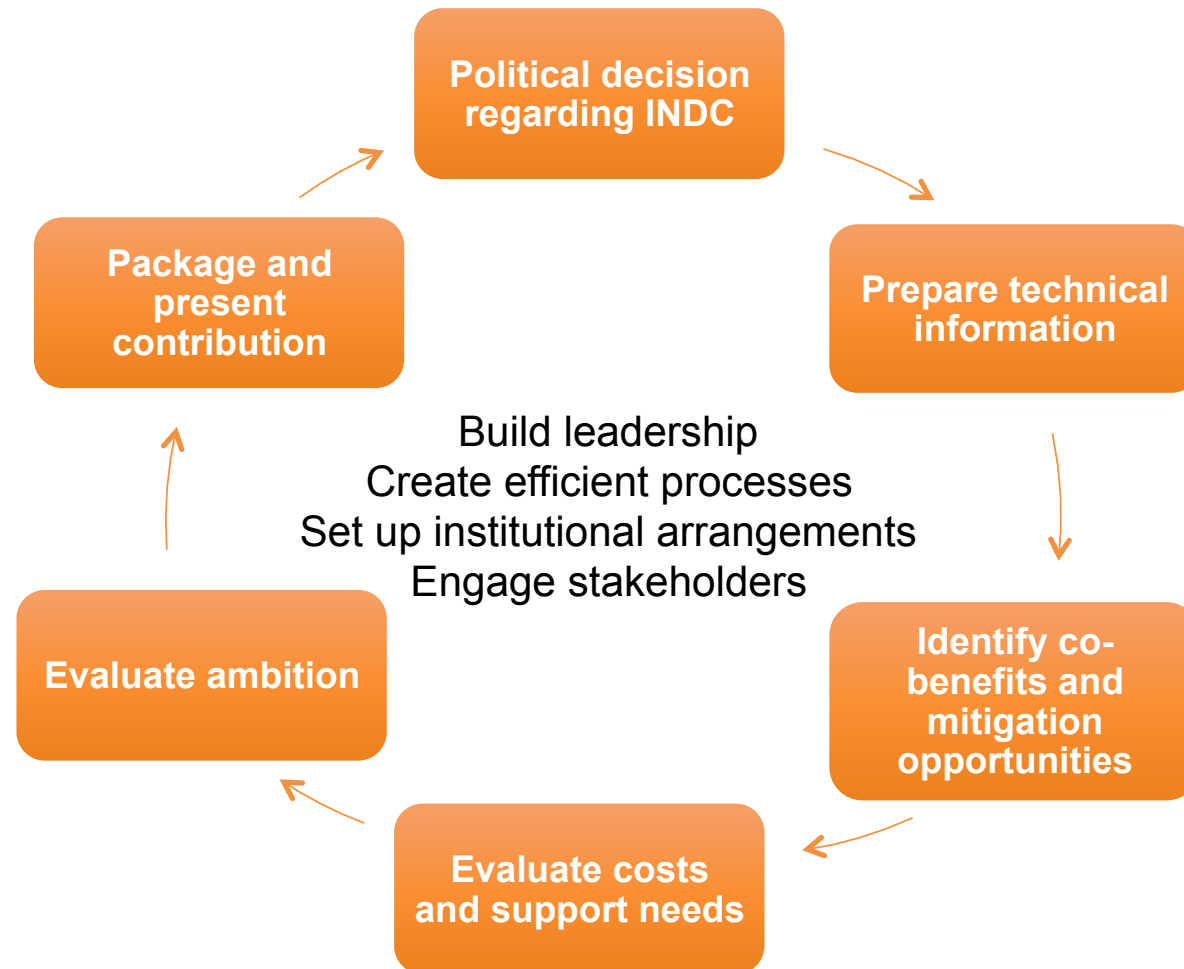
Possible details of contributions - examples

Element	Country with high capability	Country with medium capability	Country with low capability
International support needs for mitigation and adaptation	-	Precise purpose and value of support needed differentiated from actions without support	Order of magnitude of support needed
Intended provision of support for mitigation and adaptation	Source, use and value of intended support	Intended south-south provision of support	-
Explanations	Detailed explanation why this contribution is an ambitious and equitable contribution to the global goal	Explanation why this contribution is an ambitious and equitable contribution to the global goal	-

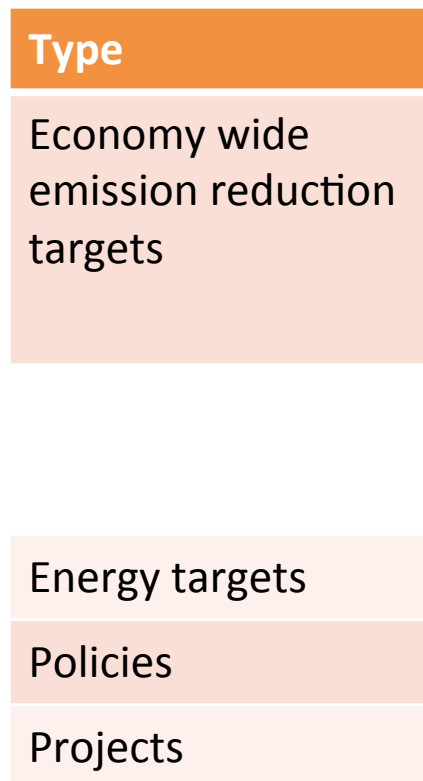
INDCs – in context



Process to derive an INDC



Politically driven process



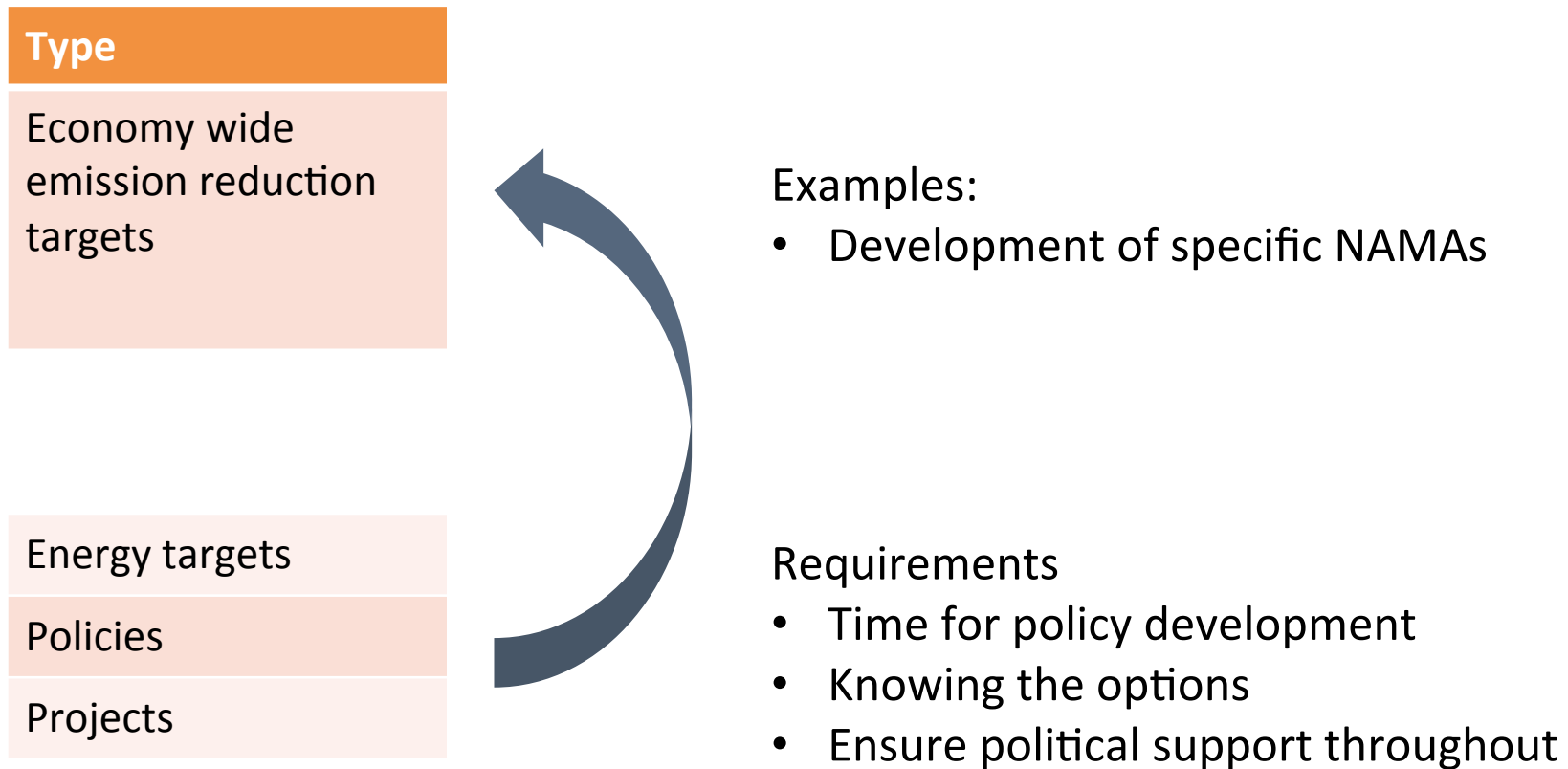
Examples:

- Norway (40%)
- Japan (25%)
- Costa Rica (carbon neutral)
- Maldives (carbon neutral)
- South Korea (30% below BAU)

Requirements

- Ambitious global goal (2°C or phase out)
- Strong national political leadership
- Continued strong national implementation

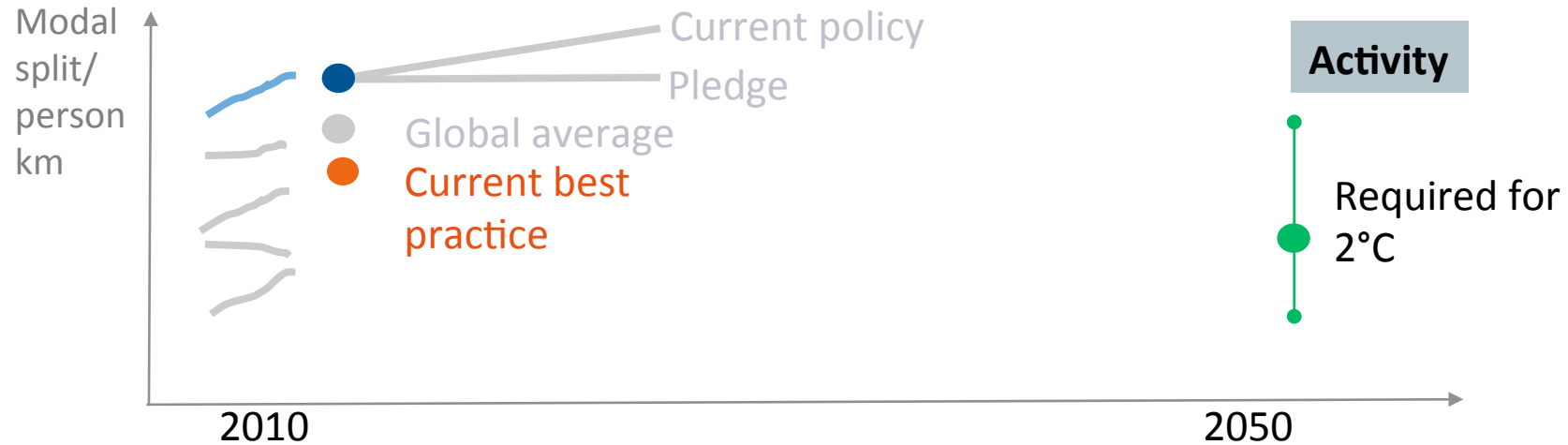
Technically driven process



Ways to assess contributions

Comparison	Considerations
To BAU	<ul style="list-style-type: none">• BAU is counterfactual
To effort sharing	<ul style="list-style-type: none">• Wide range of possible approaches/ principles
To mitigation potential	<ul style="list-style-type: none">• Large uncertainties; assumptions on costs/ baseline (counterfactual)
To good practice policy package / policy menu	<ul style="list-style-type: none">• No BAU necessary• Complexity in choosing benchmark
Of decarbonisation indicators	<ul style="list-style-type: none">• No BAU necessary• Indicators close to actions, especially on sectoral level

Comparison to decarbonisation indicators



INDC Guidance

Knowledge Product

Process guidance for Intended Nationally Determined Contributions (INDCs)

By: Niklas Höhne, Christian Ellermann and Hanna Fekete

November 2014



**International Partnership
on Mitigation and MRV**



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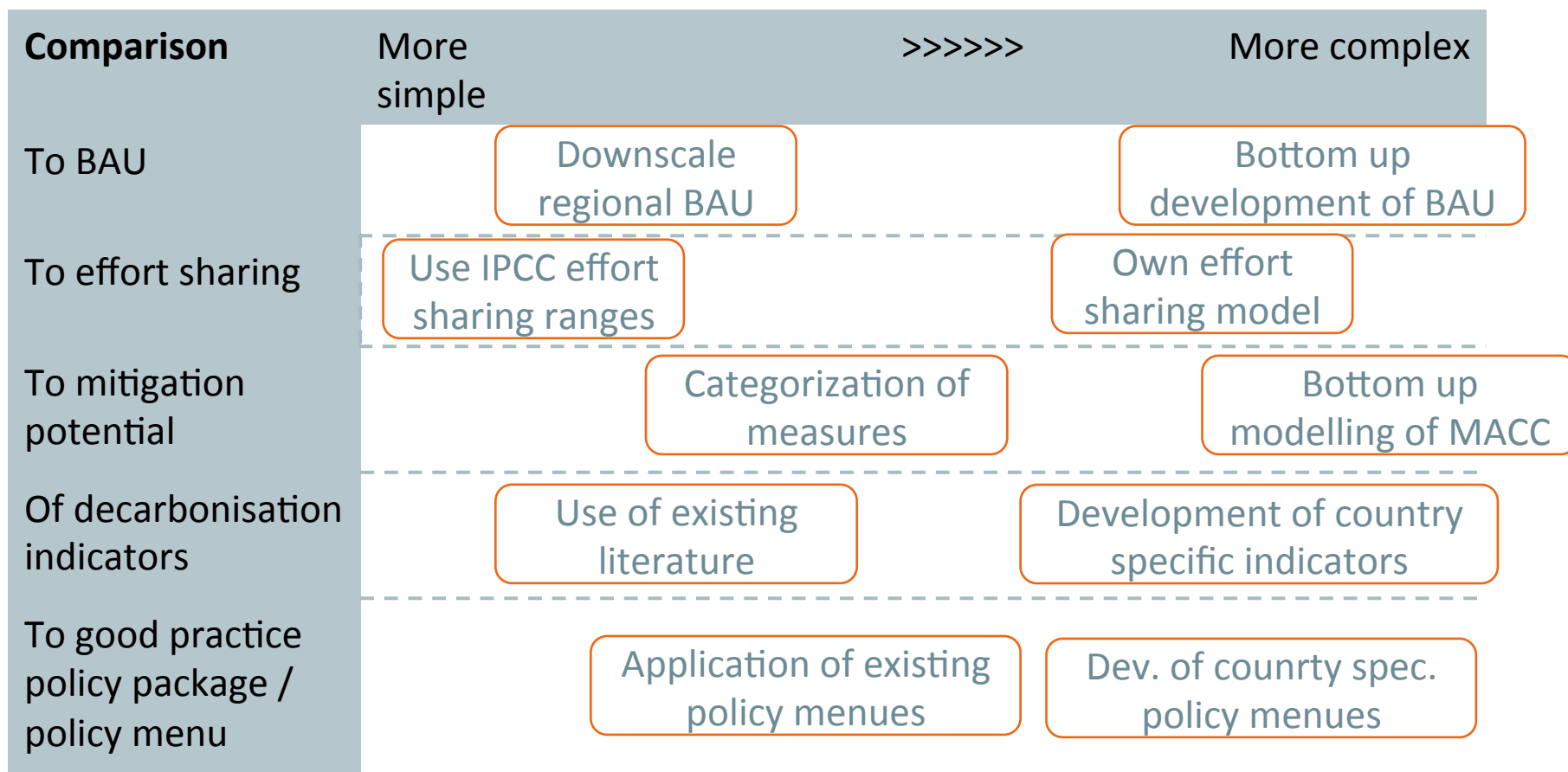
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Backup

Suitable approaches for different types of commitments

Legend		Business as usual (BAU)	Effort sharing	Mitigation potential	Decarbonisation indicators	Good practice policy package
Primary						
Secondary						
Inspirational national long term emissions goal						
National short term emissions target						
Energy / sectoral targets						
Highlight policies and projects						

Complexity of analysis

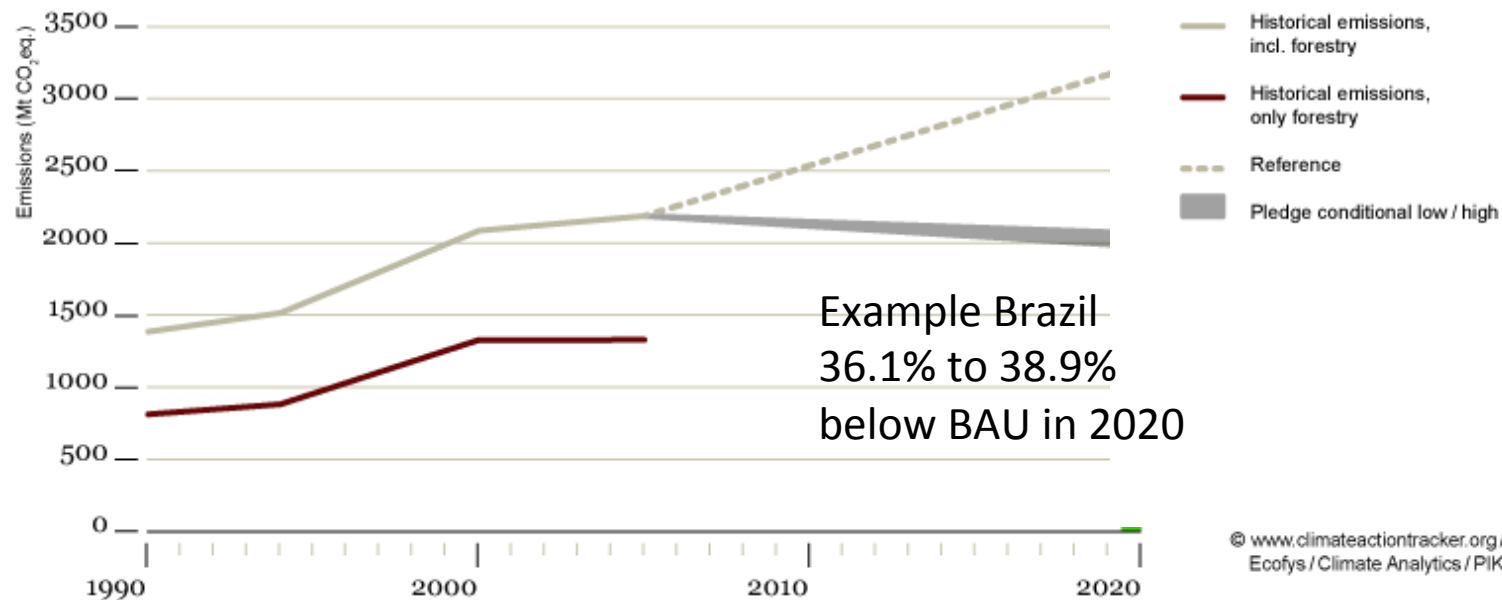


Experience from the past on mitigation commitments

- » **Diverse:** Pledges are very diverse (economy wide targets to individual projects)
- » **Ambiguous:** Pledges often were ambiguous and had to be clarified
- » **2°C:** Some pledges are influenced ranges needed for 2°C
 - » Japan -25%, Norway -40%, Mexico and South Korea 30% below BAU...
- » **National:** Some pledges are also primarily driven by national discussions
 - » EU, USA, ...
- » **Unchangeable:** Pledges once made did not change
 - » No major economy has changed its pledge of 2009, although the gap is widely accepted
 - » Even countries that will over-achieve their pledge (new circumstances or more information) do not change it

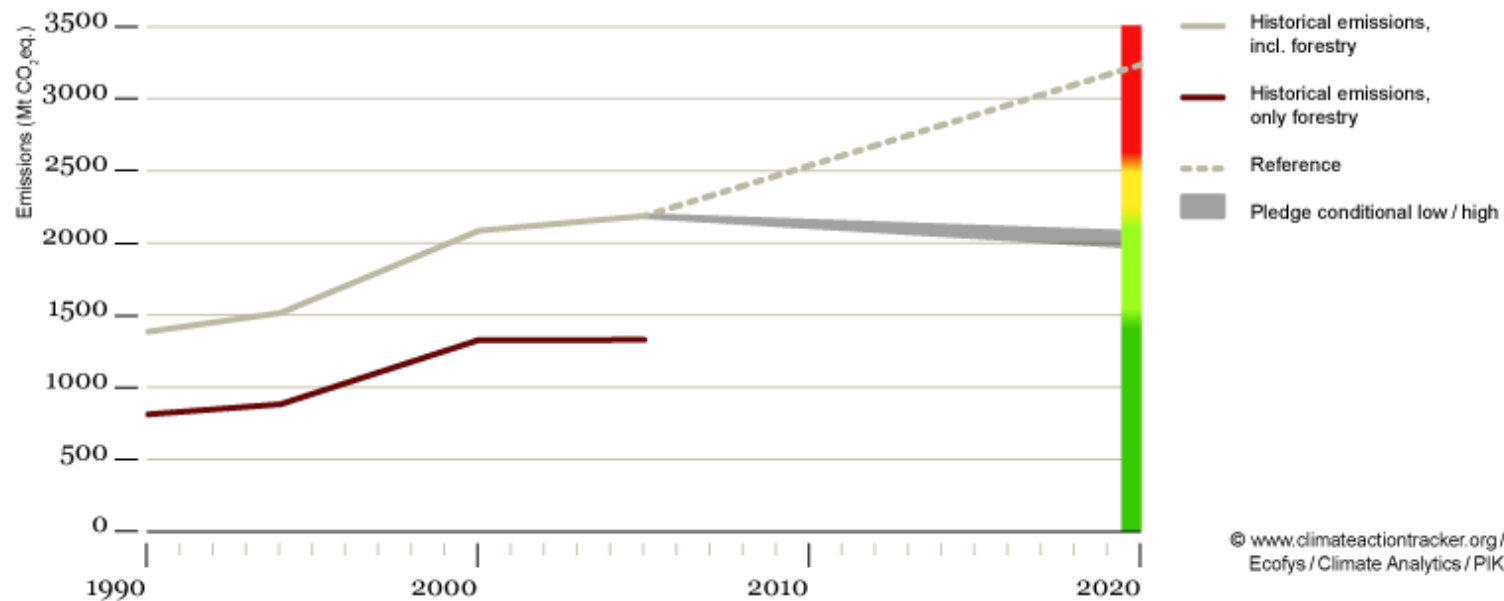
Comparison to BAU

- » BAU is counterfactual
- » BAU includes many different developments



Comparison to effort sharing

- » Large range of effort sharing approaches, e.g. per capita, carbon budgets, equal costs, ...

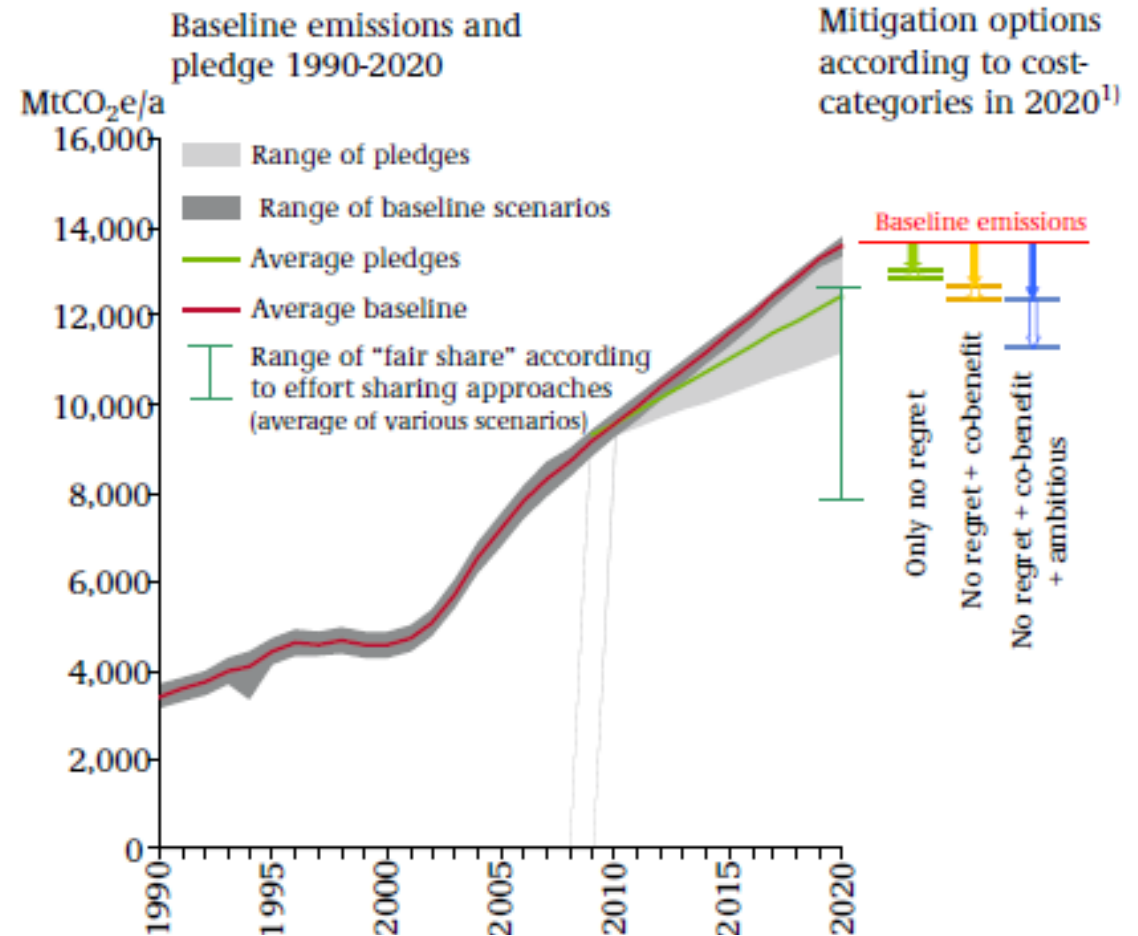


Comparison to potential

» Large uncertainties

- » Assumptions on base line?
- » Assumptions on cost elements?
- » Model used?

Source: Fekete et al. 2013. Climate change mitigation in emerging economies: From potentials to actions. http://www.umweltbundesamt.de/sites/default/files/medien/378/publikationen/cc_19_2013_vorabexemplar_fkz_3711_41_120_ue_bearbeitet_12_12_13_.pdf



Policy package (2) – example building sector- energy efficiency

Indicator for incentives

- Incentive (regulation, support and information) for use of **efficient appliances**, including air conditioning
- **Efficiency standards** for new buildings for all types of buildings
- Incentive for high **retrofit rates** for all types of existing buildings (for complete retrofit, i.e. full building envelope & upgrade supply system)
- Policy for **efficiency improvement for other than heating fuel** uses (cooking, hot water use)
- Level of **energy and/or CO2 taxes** (applicable to electricity fuel consumption in buildings)

Benchmark for evaluating against best practice

- 4: 2-3% per year
- 0: No incentive
- Method: fraction of appliance covered and stringency of the standards (Japanese top runner or eco design directive). If air conditioning is a major consumer, then building standards need to be considered)
- 4: Zero emissions buildings by 2014
- 2: Zero emissions buildings by 2020
- 0: No trajectory to zero energy buildings
- 4: > 3% per year (average 2010-2020) and >2% afterwards
- 0: < 1 % per year
- 4: > 3% per year (average 2010-2020) and >2% afterwards
- 0: < 1 % per year
- 4: tax is > 100% of energy price
- 0: no tax