

November 2018

# NDC UPDATE REPORT

Ambition: Taking a long-term perspective



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## Ambition: Taking a long-term perspective

### AUTHORS:

Xander van Tilburg, Jonna Luijten, Frauke Röser, Katharina Lütkehermöller, and Sacha Minderhout

### CONTACT:

#### Xander van Tilburg

ECN>TNO Energy Transition Studies  
Project Director  
xander.vantilburg@tno.nl  
M +31 6 53149465

#### Frauke Röser

NewClimate Institute  
Project co-director  
f.roeser@newclimate.org  
M +49 151 6840 9310  
T +49 30 208 492 741

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# Executive Summary

In December 2018, two years on from the ratification of the Paris Agreement, and two years from the first call for more ambitious pledges, the international community is cautiously observing collective efforts to reduce emissions. The IPCC report Global Warming of 1.5°C concludes that staying well below two degrees is still within reach, but time is running out and (very) deep emission reductions are needed in the coming decades. There are numerous positive initiatives in support of the Paris Agreement, but it has also become clear that the initial NDCs, often hastily compiled and hardly scrutinised, are insufficient to keep emissions in check. We depend on the ratcheting mechanism of the Paris Agreement, also known as the ambition mechanism, to put us on track. Ambition raising of the level required is a huge challenge, because of the technological and financial resources need to deliver Paris Agreement consistent ambition, but also because of the societal transformation that will be required across all sectors.

**The theme of this report is *Ambition*:** We look ahead and explore whether governments are ready for the next round of pledges and where support and preparation could focus. The report builds on our survey of 92 policymakers and experts involved in NDC planning and implementation, and interviews and discussions with a number of experienced international experts.<sup>1</sup>

Looking at the results of the survey, three observations stand out. First, perceived progress and confidence around NDC implementation continues to be high. Second, it seems that long-term strategies do not yet feature prominently in NDC planning practices, leaving stakeholders without a clear understanding of the longer-term implications of plausible future transition pathways. Third, it is doubtful whether ambition raising is really seen as a continuous process, which presents the risk that new and updated NDCs will not be ambitious and/ or credible enough.

This report argues that so far, too much of the focus of governments and international organisations has been on achieving the first NDC and not enough on investigating and planning for deep emissions reductions compatible with the Paris Agreement's long-term goals. The Paris Agreement requires much more substantial action than is needed for reaching the targets of the first NDC: all countries will have to move to net zero emissions in the coming decades. This has major consequences for sector planning and national development planning, and calls for continuous dialogue with stakeholders; both within and across sectors.

Establishing a long-term strategy and vision on sector transformation can help stakeholders to get a clearer understanding of the transition pathway ahead. It can help to structure and resolve the challenges we find in the survey: identifying actions, creating attractive investment opportunities, raising finance, and guiding support. Moreover, a strategy can provide a longer-term perspective for NDC ambition raising, making it more predictable. There are pitfalls though: developing a robust long-term strategy is not an easy task and may divert resources and attention away from short-term concrete and politically attractive actions, towards longer-term and more abstract goals.

Creating a longer-term perspective for NDC implementation raises a number of interesting questions and topic areas to explore in the coming two years and beyond: 1) What is really happening at the sector level: are we still focusing on low-hanging fruit or do we see structural changes? 2) What are

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*1. The survey was conducted in August and September 2018. National and sector level experts were invited to respond. A total of 92 responses were received. However, only 78 responses were completed and have been used for further analysis.*

the impacts beyond emissions reduction (green growth, jobs, health: the co-benefits) and what does that mean for a just transition? 3) Understanding plausible pathways for change through political economy analysis: who are the actors, what are the circumstances and rules of the game, and what determines the likelihood that change will happen?

The report also includes four thematic contributions from the working groups under the NDC Cluster, reflecting on what governments and other stakeholders should focus on to prepare for the second round of pledges in 2020. The governance contribution identifies five considerations that can equip countries to make their next pledges as ambitious as possible including effective stakeholder engagement and institutional anchoring of NDC processes. From a sector perspective, two pertinent questions are whether stakeholders know what is expected of them to achieve the current NDC targets, and how national cli-

mate policymakers can establish the full potential for ambition raising for the next NDC(s). From a finance perspective the discussion should focus on the implications of shifting financial flows ‘from brown to green’ investments and the role of the financial sector in this. From a transparency perspective, increased clarity can reassure political leaders and encourage ambition raising through recognition of actions and support.

Now, two years before the next round of NDC pledges, it is time to broaden the domestic discussions beyond the first pledge and take a ‘whole of government’ approach. The next round of pledges will need to be more ambitious and this will require engaging national and sector stakeholders in a dialogue to explore decarbonisation pathways, to create a vision for the future, and to develop a long-term strategy which could achieve that vision. This should be considered in parallel with a continued focus on near-term implementation.

# Charting a course towards 2050

Our survey investigated matters and issues related to ambition raising and establishing long-term strategies

## Long-term strategies

Long-term strategies are key for setting the direction of travel in the long term, and providing context for the ambition levels of NDCs. However, our survey finds that the role of long-term strategies is not well understood, especially how they should be aligned with the long-term Paris Agreement goals.



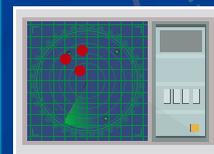
## Ambition raising

The ambition mechanism of the Paris Agreement requires parties to submit increasingly ambitious NDCs on a five-yearly basis, starting from 2020. Despite this, our survey finds that ambition raising may not be seen as a continuous process, which creates the risk that new NDCs will not be significantly more ambitious.



## Short-term challenges

Our survey identified three main challenges countries face in raising their ambition levels: identifying the actions and financial resources for implementation, securing private sector buy-in, and understanding the wider economic impacts.



2030

2050



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# About

## About this report

This report is part of a series of biannual NDC Update Reports, published ahead of international climate change negotiations, presenting recent developments, analysis, opinion, and discussion pieces. Drawing on the Ambition to Action (A2A) project and insights from a wide range of climate change experts and practitioners, the reports aim to be a platform for learning, sharing insights, and discussing topics around the implementation of the Paris Agreement. The NDC Update Reports focus on mitigation ambition and action in developing countries and emerging economies (with an occasional look at industrialised countries for contrast or comparison). The reports offer a podium for the four working groups under the NDC Cluster to reflect on the topics covered in it from their perspective (sectors, financing, governance, and transparency).

## About the Ambition to Action Project

This report is an output of the Ambition to Action project, which supports NDC implementation through technical assistance and thought leadership. The project is implemented collaboratively by the Energy research Centre of the Netherlands (ECN part of TNO) and NewClimate Institute, over a three-year period until the end of 2019. Project funding is provided by the International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (BMU). Ambition to Action's technical assistance aims to support the mainstreaming of climate and development goals

at the sector level, through the development of evidence on social, economic and environmental benefits of mitigation actions and pathways. This benefits evidence, for example detailing employment, energy security, and air pollution impacts, will show how sector planning decisions can support NDC implementation as well as national development priorities and can help reduce policy costs, identify trade-offs, and build stakeholder support for ambitious mitigation approaches at the sector level. The project focusses on the energy sector and provides direct support to Argentina, Kenya, Indonesia, and Thailand. A benefits assessment methodology and guidance will be published for use in other sectors and countries.

In addition to sharing insights and lessons on the development and use of benefits evidence, the project's thought leadership work will consider the broader topic of NDC implementation progress. Through a series of biannual reports (of which this is the fourth edition) and additional research papers, the project provides a platform for discussion, analysis, and sharing of lessons learned about NDC implementation in developing countries and emerging economies. The Ambition to Action project is part of the NDC Cluster established by the BMU in 2015. The NDC Cluster currently exists out of seven projects, with a total funding volume of approximately EUR 56 million, ten climate and development implementing partners coordinate their activities to allocate resources effectively and efficiently in 27 selected partner countries.

# Abbreviations

A2A	Ambition to Action
BMU	German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety
CAT	Climate Action Tracker
COP	Conference of the Parties (to the UNFCCC)
ECHR	European Convention on Human Rights
ECN	Energy research Centre of the Netherlands (part of TNO)
GCAS	Global Climate Action Summit
GCF	Green Climate Fund
GHG	Greenhouse gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
ICLEI	Local Governments for Sustainability
IKI	International Climate Initiative (of the BMU)
INDC	Intended Nationally Determined Contribution
IPCC	Intergovernmental Panel on Climate Change
LTS	Long-term strategies
MDB	Multilateral development bank
MoCA	Second Ministerial on Climate Action
MRV	Measurement, reporting, and verification
NDC	Nationally Determined Contribution
PAWP	Paris Agreement Work Programme
SDG	Sustainable Development Goal
SPREP	Pacific Regional Environment Programme
TNO	The Netherlands organisation for Applied Scientific Research
TWG	Thematic working group
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
UN Environment	The United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
WRI	World Resources Institute

# 1. Introduction

In December 2018, two years on from the ratification of the Paris Agreement in 2016, and two years from the first call for more ambitious pledges in 2020, countries are cautiously observing collective efforts to reduce emissions. The focus of the United Nations Framework Convention on Climate Change (UNFCCC) is currently on the Talanoa Dialogue, a consultation process in preparation of the first update of submitted Nationally Determined Contributions (NDCs). The Talanoa Dialogue is guided by three questions: Where are we now? Where do we want to go? And how do we get there? It is meant as a platform for constructive and non-critical sharing of ideas, skills, and experiences on the intersection of climate action and development progress.<sup>2</sup> The outcomes of the first phase of the Talanoa Dialogue will be compiled in a synthesis report, to feed into the political phase of the Dialogue during COP24.

To the general public, politicians, and leaders, the effects of climate change are becoming less abstract. This year, again many temperature records were broken, severe heat waves hit large parts of Europe, the US, and Japan, while some countries suffered from floods, e.g. Italy and India. “The impacts of climate change are no longer subtle” distinguished professor Michael Mann explained to the Guardian newspaper.<sup>3</sup> At the time of writing this report, the California wildfires are the most destructive on record for the state. Also, extremely low water levels in the German Rhine river stopped transport leading to fuel shortages.

In other parts of the world, such as Syria, Afghanistan, Yemen, and South Sudan, we can see the human tragedy of large groups of people on the move and political dilemmas that arise in addressing the consequences. Although displacement is not primarily driven by climate change, the World Bank finds that climate change may push tens of millions of people to relocate within their country by 2050.<sup>4</sup>

People fleeing from disasters or slow onset events are, currently, not protected under the 1951 Convention relating to the Status of Refugees but this remains subject of debate among the international community.<sup>5</sup>

Is there perspective for action? In October 2018, the Intergovernmental Panel on Climate Change (IPCC) came out with the report Global Warming of 1.5°C. Leading scientists tell us that reaching the 1.5°C target is extremely difficult, but not impossible. Time is running out, and CO<sub>2</sub> emissions need to be phased out completely by 2050 to have a decent chance of staying within 1.5°C change. This is an overwhelming task not only in terms of technological and financial resources but reaching net-zero emissions also requires unprecedented cultural and social transformation across all sectors of the economy.

Is the Paris Agreement leading to increased action? There are numerous positive initiatives in support of the Agreement. UN Environment reports that “more than 7,000 cities from 133 countries and 245 regions from 42 countries, along with more than 6,000 companies with at least 36 trillion USD in revenue have pledged mitigation action”.<sup>6</sup> We have seen regional NDC-focussed dialogues, the EU climate diplomacy week, and the Climate Action Summit. Internationally, climate change stays high on the political agenda of G20 and G7 meetings, and statements feature in official communiques. There are worrying signs too: a review of G20 climate action reveals that

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2. <https://cop23.com.fj/talanoa-dialogue/>

3. <https://www.theguardian.com/environment/2018/jul/27/extreme-global-weather-climate-change-michael-mann>

4. World Bank (2018)

5. <http://www.unhcr.org/1951-refugee-convention.html>

6. UN Environment (2018)

82% of energy supply still comes from fossil fuels, which remains heavily subsidised<sup>7</sup>. Moreover, in the United States and in Brazil, commitment to the Paris Agreement has openly been questioned for political purposes, and there are indications that the rise of populist nationalism can be a threat to the Paris Agreement and the collective action it depends on.<sup>8</sup>

The Paris Agreement is still finding its bearings, two years on from an unexpectedly fast ratification in 2016.

The report starts by discussing the ambition mechanism and the role of long-term strategies in Chapter 2, followed by a presentation of the survey results in Chapter 3. Next, Chapter 4 discusses a number of key issues to take into account when considering ambition: do governments have sufficient commitment to the ambition process and its objectives, and attention for the role of long-term strategies in the Paris Agreement? What needs to be done to make sure the next round of NDCs in 2020

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It is fair to say that the first round of NDC-pledges was hardly scrutinised at the time of submission. The INDCs were considered the ‘opening pledges’ to give the Paris Agreement the foundation it needs, and in many cases, the INDC was submitted as the first NDC. It turned out, however, that collectively the first NDCs are insufficient (IPCC, 2018; UN Environment, 2017, Du Pont and Meinshausen, 2018) and individually many NDCs are criticised for their lack of ambition (CAT, 2018). It is crucial to be moving from these initial NDCs to a more ambitious series of pledges that puts us on track to deep decarbonisation.

The theme of this fourth edition of the NDC Update Report is ambition. It asks whether governments are ready for the next round of pledges and where support for preparation could focus on. This report builds on our survey, which was held among 78<sup>9</sup> policymakers and experts involved in NDC planning and implementation, it also reflects the input of a number of experienced international professionals who work on these topics across different countries. In addition, this report includes four thematic contributions from the working groups under the NDC Cluster.

are more robust and ambitious? Chapter 5 presents four short contributions from the NDC Cluster working groups, reflecting from different thematic angles on how the government and other stakeholders can prepare for the second round of pledges in the coming two years. Chapter 6 offers a compilation of NDC-related events in 2018 to date.

7. Climate Transparency (2018)

8. <https://www.chalmers.se/en/departments/tme/news/Pages/Climate-change-denial-strongly-linked-to-right-wing-nationalism.aspx>

9. The survey was conducted in August and September 2018. National and sector level experts were invited to respond. A total of 92 responses were received. However, only 78 responses were completed and have been used for further analysis. World Bank's list of economies June 2018 was used to label countries according to an income status.

## 2. Ambition: 2030 and beyond

With the next round of NDCs due in 2020 and at the occasion of the “Talanoa Dialogue”, it is becoming urgent for governments to evaluate their efforts and start thinking about how to enhance them. Beyond NDCs, clear long-term strategies aligned with the Paris goals can serve as important guidance to avoid locking in high carbon technologies and losses associated with stranded assets.<sup>10</sup> Importantly, they can serve as roadmaps to support the ambition raising process.

and poses a significant risk of locking in low ambition and failing to meet the long-term temperature goals.

This chapter explores what ‘ambition’ and ‘ambition raising’ mean in the context of the Paris Agreement and what is required from governments. It will also provide some practical advice for governments when looking at how to raise ambition.

*“Each Party’s successive nationally determined contribution will represent a progression beyond the Party’s then current nationally determined contribution and reflect its highest possible ambition, reflecting its common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.” (UNFCCC, 2015; article 4.3)*

Generally, strong action is needed across all sectors of the economy. In some, emissions can decrease faster and towards lower levels than in others. The energy sector, for example, is an area where technology options are already available and, in the case of renewables, becoming cheaper and cheaper. This means that policies for the energy sector could be more ambitious, i.e. emissions can reduce faster, and potentially even achieve net-negative emissions which can counterbalance emission trends in other sectors where mitigation is a more challenging task.<sup>11</sup> The extent to which net-negative emissions are needed depends on the speed of reduction earlier in the century: a delay in emission reductions in the coming decades will cause dependency on taking CO<sub>2</sub> out of the atmosphere in the second half of the century.

While some countries have already increased the ambition of their NDC, compared to their INDC (e.g. Morocco), results from our survey (see Chapter 3) indicate that most countries do not have any plans nor processes in place to ratchet up ambition in the near future.<sup>12</sup> This runs counter to the provisions laid out in the Paris Agreement, which mandates that ambition shall be increased over time (article 4.3) (UNFCCC, 2015)

### 2.1. Why countries need to raise ambition

#### “Ambition” in the Paris Agreement

Raising ambition over time is the underlying principle of the Paris Agreement. It is not a question of individual choice by governments but rather clearly mandated in the text and thus mandatory for all governments that have ratified the Agreement. So, the ambition mechanism or ratcheting up mechanism of the Paris Agreement requires Parties to submit new NDCs on a five-year basis, starting from 2020. Each submitted NDC must be more ambitious than the previous one. This mechanism represents the cornerstone of the Paris Agreement and is key to the achievement of

10. Sterl et al. (2017)

11. Germanwatch and NewClimate (2018)

12. Morocco increased its unconditional GHG reduction commitment by 4%, to 17% to business as usual by 2030, while also increasing its conditional target from 31 to 41% (Climate Action Tracker, 2018)

its long-term temperature goals. Many of the other provisions of the Agreement are enabling elements of the ambition mechanism, for example, provisions on transparency, finance, technology transfer and the use of flexible mechanisms.

The ratcheting up mechanism was officially kicked off this year through the Facilitative Dialogue (now known as the “Talanoa Dialogue”) which is intended to inform the next round of (more ambitious) NDCs by 2020. The outcome of the dialogue is expected to lead to “greater confidence, courage, and enhanced

The question of equity and fairness – or ‘who does what’ and ‘how much’ has also been weaved into the Paris Agreement. Several provisions in the Agreement (e.g. articles 4.4-4.7) outline that while the purpose of travel is identical for all countries, developed countries should continue to take the (decarbonisation) lead and support developing countries in their mitigation (and adaptation) efforts.

Nevertheless, the Paris Agreement does not provide clear guidance on how mitigation efforts to stay within the agreed temperature limits should be

*“Developed country Parties should continue taking the lead by undertaking economy-wide absolute emission reduction targets. Developing country Parties should continue enhancing their mitigation efforts, and are encouraged to move over time towards economy-wide emission reduction or limitation targets in the light of different national circumstances.” (UNFCCC, 2015; article 4.4)*

ambition; (...) capture political momentum, and help Parties to inform the preparation of NDCs (UNFCCC, 2018b).” This is followed by a Global Stocktake to take place in 5-year intervals (the first in 2023), synchronized with the NDC submissions.

## Equity and ambition

Equity considerations, often expressed by the “common but differentiated responsibilities and respective capabilities” principle, have long shaped the climate negotiations.

The concept derives from the notion that, arguably, developed countries have already used more of their (fair) share of the global carbon budget given historic emissions and thus need to put forward more ambitious climate policies compared to those countries who have contributed less to global warming.

distributed among countries. In fact, the bottom-up process of successively more ambitious NDCs is a compromise in the long-standing and inconclusive debate on a top-down distribution of mitigation effort based on (a mix of) different parameters, such as for example, historic responsibility, per capita emissions, capacities or mitigation potentials. In light of the scale and urgency of action required, the debate has become somewhat obsolete as significantly scaled up efforts are required by all, eventually resulting in a fully decarbonised global economy in no more than half a century.

Considering that all countries need to maximise their efforts to achieve a full decarbonisation of the economy, equity considerations have moved from “who does how much” to “how fast” and “who is providing the financial support”. Indeed, the Agreement clearly states that “support shall be provided to developing country Parties” (article 4.5). However, for this support to be effective and efficient, it is critical for developing countries to clearly identify and communicate their support needs.

## 2.2 Why long-term strategies are essential for ambition raising

Although not explicitly framed as part of the “ambition mechanism”, long-term low greenhouse gas emission development strategies, long-term strategies (LTS) in short, play a vital role in reaching the temperature goals of the Paris Agreement. As such, long-term strategies can play a role in planning both short and medium-term steps for greenhouse gas emission reduction and setting targets for the next rounds of NDCs.

The Paris Agreement invites all Parties to communicate long-term strategies by 2020, in accordance with Article 4.19. As of October 2018, only ten countries had submitted such a long-term strategy to the UNFCCC<sup>13</sup> secretariat. Results from our survey indicate that

### Enable sound investment planning

Temperature goals of the Paris Agreement require deep emission reductions. Without back casting from the long-term goal and only incrementally increasing NDC ambition cycle by cycle, there is a high risk of never achieving the required level of ambition.

Long-term signals are needed to inform business and investment strategies. The private sector in particular benefits from a clear long-term vision, political consensus and continuity to enable and constructively contribute to a (smooth) transition process. Investors seek certainty in the long-term direction of governments to define investment strategies and understand associated investment risks. By setting an ambitious, concrete and binding

*“All Parties should strive to formulate and communicate long-term low greenhouse gas emission development strategies, mindful of Article 2 taking into account their common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.” (UNFCCC, 2015; article 4.19)*

around half of all countries surveyed are currently not looking at the topic. This lack of engagement on the topic might be due to several reasons, including a lack of understanding of what LTS are, why they are important but also conflicting political priorities. Therefore, getting a common understanding of LTS, their benefits and why they are useful is key for the ambition raising process.

### Clearly set the direction of travel

By developing and working towards an LTS, countries will need to acknowledge that the long-term temperature goals of the Paris Agreement require deep emission reductions. Without back casting from the long-term goal and only incrementally increasing NDC ambition cycle by cycle, there is a high risk of never achieving the required level of ambition.

long-term target, countries give clear signals to other stakeholders on the direction of travel which in turn facilitates planning and avoids unnecessary (higher future) costs.

An LTS also helps to identify and evaluate a country’s own financing needs. The lack of clearly defined financing needs is, in fact, a major impediment for effective support and lastly more ambitious climate policies. This is even more worrying considering that many critical investment decisions to enable the long-term transformation of key sectors need to be made today. Infrastructure assets in many sectors, including energy, transport, and industrial assets, have long lifespans that extend to mid-century. Developing countries and emerging economies, in particular, are

13. UNFCCC (2018a) The 10 countries are: Benin, Germany, Republic of the Marshall Islands, Ukraine, United Kingdom, Czech Republic, France, United States, Mexico, and Canada

now making important investment decisions that will have consequences for decades to come. This presents significant risks: both in terms of being a waste of resources, carbon lock-in risks from a climate policy perspective and stranded asset risks from the perspective of the investor. Avoiding the construction of carbon-intensive assets which might be efficient at the moment is thus key. Trade-offs with development considerations (e.g. ensuring energy security) must be carefully evaluated in this context.

### Development benefits, innovation, and support

Generally, development benefits can be better-taken advantage of if countries are fully aware of potential synergies and trade-offs with climate policy goals and are thus able to align those two goals as much as possible. Aligning the long-term mitigation goals with the sustainable development goals (SDGs) offers multiple benefits. For example, a well thought through energy transition could lead to a range of development benefits: innovation (and a subsequent creation of new industries), new jobs, assuring energy security, reducing air pollution and decreasing emissions. In

addition, understanding where mitigation actions can reinforce the achievement of the SDGs may increase countries' confidence and political buy-in to put forward more ambitious NDCs.<sup>14</sup>

It also enables governments to identify technology needs early on. In this context, less developed countries have the largest opportunity to leapfrog to a low carbon economy which is also associated with important sustainable development benefits. Similarly, national mitigation actions contemplated under the NDCs are more likely to be internationally financed if directly benefiting national development plans and targets.

Developed countries need to provide sufficient financial resources to encourage the development of long-term strategies and ultimately enable the implementation of the ambition process. Beyond the provision of financial and technical support, developed countries also play an important role in driving down the costs for technologies that are essential for the decarbonisation of sectors (as has been the case for renewable technologies).

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14. *Ambition to Action (2018)*

### 3. Survey: what progress has been made?

This chapter presents the results of our survey conducted in the autumn of 2018. We invited experts involved with the national NDC processes from around the world to reflect on efforts and challenges concerning the implementation of the Paris Agreement in their respective countries. A total of 78<sup>15</sup> respondents completed a series of multiple-choice questions across themes related to NDC ambition and action.

As in previous editions of the survey, we start by asking about current progress on NDC implementation and confidence about future progress. Secondly, in line with the thematic focus of this report, we investigate matters related to ambition raising and establishing

long-term strategies. Finally, we ask questions on a number of related issues: investments and support, awareness of climate targets and evidence on impacts, and the institutional and political framework for NDC implementation and ambition raising.

A fair assessment of progress on NDC implementation takes more than asking around, and we would like to emphasize that our approach for this edition of the report by no means justifies generalised statements about ‘all NDCs, countries, or sectors’. That said, it does constitute a starting point for discussion and presents an up-to-date sample of the ‘mood’ among experts and policymakers who are directly involved in translating NDC ambition to sectoral action.

#### Countries’ perceived progress vs. confidence

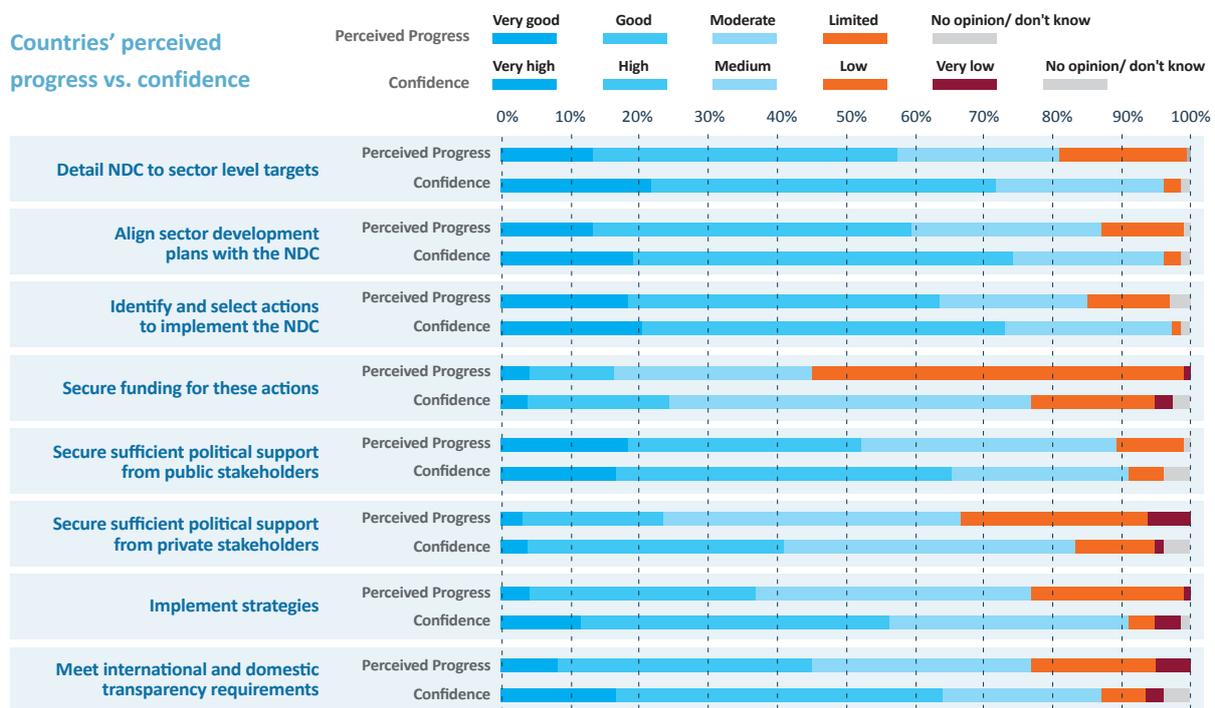


Figure 1: Countries’ perceived progress vs. confidence level – The question asks respondents’ view on their country’s progress on the different activities vs. their level of confidence that their country will successfully implement the different activity.

15. The survey was conducted in August and September 2018. National and sector level experts were invited to respond. A total of 92 responses were received. However, only 78 responses were completed and have been used for further analysis. Of the 78 complete responses from 66 countries; the distribution of responses by country income bracket is: 15 high-income, 26 upper middle-income, 25 lower middle-income, 12 low-income. World Bank’s list of economies June 2018 was used to label countries accordingly. Three-quarters of respondents is national expert, while the rest is sector expert (mostly energy).

### 3.1. Is the Paris Agreement leading to increased national action?

We started by asking a series of questions related to (perceived) progress and confidence in achieving the national NDC ambition. The first two are about the detailing of national ambition to sectoral targets, and the alignment between sector development plans and the NDC. Over half the respondents consider progress to be (very) good and three out of four are confident that alignment and sector-level detailing will happen. At first glance, this looks encouraging as effective implementation of NDC ambition requires that sector plans and targets are clear and aligned with the national NDC targets. However, this is not necessarily sufficient. If, for example, the current NDC is based on existing sector plans and targets, they may lack climate ambition and not reflect actual mitigation potential or be in line with a Paris Agreement compatible pathway. The fact that nearly half of the respondents think that at best moderate progress is made so far in detailing and aligning targets from NDC to sectors adds to a sense that actual progress on NDC implementation is rather limited.

Respondents are only moderately positive and optimistic about identifying actions needed to implement the NDC, besides this outcome securing funding continues to be perceived as a challenge. One could also look at it differently: about one-third seems to have doubts about the identification of activities needed to reach the NDC target.

Only 25% of respondents are confident that resources can be mobilized to finance the current NDC, while 53% marked to have 'medium confidence'. If we take 15 high-income countries out of the sample, we see a starker picture with only around 10% reporting progress and confidence that resources can be mobilised.

When asked about buy-in for implementation of the current NDC, respondents are quite optimistic about getting public stakeholders on board. This picture

changes when considering the political support for NDC implementation from private stakeholders.

For each of the topics covered, confidence in future progress is higher than the perceived current progress. While this is encouraging in itself, a closer look at the results shows that there is still ample room for improvement. Compared to the November 2017 survey, outcomes are slightly more positive on average but otherwise, this edition of the survey confirms the results of previous ones: there is optimism and confidence on own progress but pessimism about mobilising investments and securing sufficient political support from the private sector.<sup>16</sup>

### 3.2. Long-term low greenhouse gas development strategies

As we argued in Chapter 2, a long-term low GHG emission development strategy is one of the pillars of the Paris ambition mechanism, without which achievement of the global climate goals is much less likely. These strategies should guide the contribution of a sector or country to reaching the overall goal of limiting the increase in temperature as compared to pre-industrial levels to well below 2°C. Parties should strive to develop a long-term low greenhouse gas emission development strategy and are invited to communicate these to the UNFCCC Secretariat by 2020.

At the time of writing, the UNFCCC portal listed only 10 countries with their submitted strategies: Benin, Canada, Germany, France, Mexico, and the US, Republic of the Marshall Islands, Ukraine, the United Kingdom, and the Czech Republic (UNFCCC, 2018a). The first six in the list have been submitted more than a year ago and the last four have been added since the November 2017 edition of this report.

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16. *Ambition to Action (2017a; 2017b)*

The survey asked respondents about the progress their government has made in developing a long-term strategy, and whether this strategy is (or will be) aligned to the goal of the Paris Agreement. Out of 78 respondents, 15 (19%) state that their government has an officially approved strategy, 30 (39%) answered their government is working on it, while 29 (37%) respondents indicated that their country has not begun to develop a long-term strategy but expect to start soon (see figure 2 below).

**Developing a long-term low GHG emission development strategy**

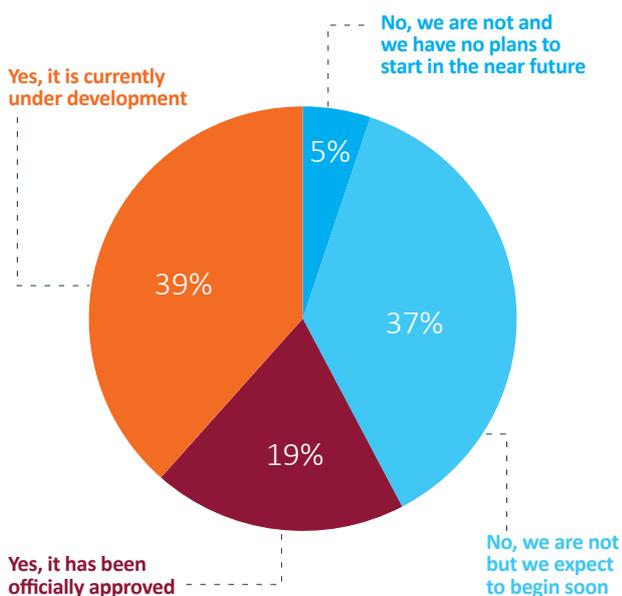


Figure 2: Developing a long-term low GHG emission development strategy – This question consider whether the country of the respondent in developing a long-term low GHG emission development strategy.

The survey continued to ask those respondents with planned or existing long-term strategies, whether these are aligned with the Paris Agreement goals. At this moment, we do not expect that many countries are able to answer this affirmatively. This would imply that the strategy sets targets that would make an equitable contribution to keeping global temperature rise well below two degrees, and it would require a view to full decarbonisation for most sectors. Nevertheless, 35 out of 45 respondents indicate that their long-term strategy is aligned with the Paris goals. There may be confusion between reaching the mitigation targets in the first NDC pledge and reaching the overall temperature target through the implementation of a series of increasingly ambitious pledges. Considering this, as well as the overestimation of progress in the previous question, leads to the cautious conclusion that long-term strategies are not a prominent feature of current NDC-related processes and the potential in their purpose and scope may not be well appreciated.

**LTS aligned with PA goals**

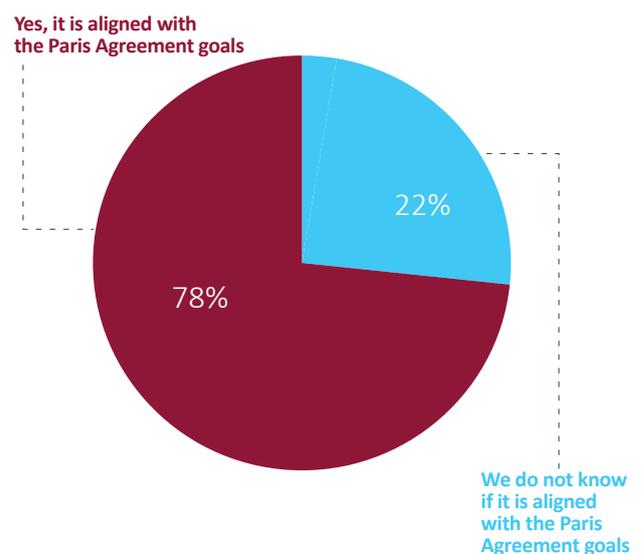


Figure 3: LTS aligned with PA goals – This question asks those respondents with planned or existing long-term strategies, whether these strategies are aligned with the Paris Agreement goals.

### 3.3. Ambition raising

In the follow-up after COP21 in Paris, national governments, as well as the international community, have focused mainly on the implementation of the first NDC and only recently started to consider the need for ambition raising. Development banks and other funders also seem to focus on already submitted NDCs, often without pushing for higher ambition or a revision of these contributions.<sup>17</sup>

As the focus of this report is on ambition, the survey included several questions about the ambition cycle. We asked respondents if their governments intend to raise their national mitigation ambition for the next NDC cycle, and what the key issues are when considering raising ambition. We are getting closer to the next NDC cycle starting in 2020, and yet we observe that 40% of respondents are not able to confirm that their government intends to raise their NDC ambition for the next cycle. This is lower than 55% of respondents in November 2017 but still very high given that the next iteration in the NDC cycle is around the corner. In the context of ambition raising, participants were asked to rank the three most important issues and challenges from a list of six. The answers are straightforward and reflect valid concerns: among the top-3 issues ranked the cost of implementation (71%), technical mitigation potential (55%), and the impact on the national economy (53%). Our survey continued with a question about the main challenges when considering further raising the ambition of the NDC. These results were in line

with those of the former question. The outcomes of the survey showed that the main challenges are: identifying financial resources for implementation (74%), securing private sector buy-in (53%), and understanding the wider economic impacts (36%).

#### Intention to raise ambition for the next NDC cycle

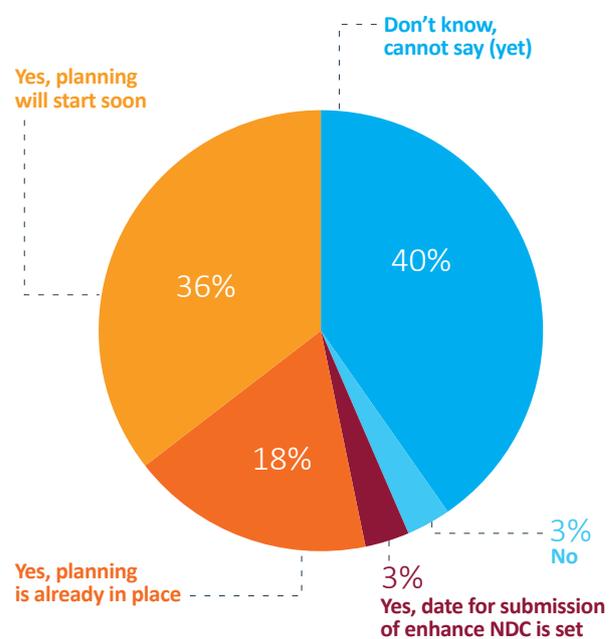


Figure 4: Intention to raise ambition for the next NDC cycle – This question asks respondents whether their country intends to raise its national climate change (mitigation) ambition for the next NDC cycle.

17. E3G (2018)

### 3.4. Related issues

This final section presents responses to a number of topics related to the ambition raising cycle: investments and support, awareness of climate targets and evidence on impacts, and how the implementation of the Paris Agreement is organised domestically.

Key issues when considering raising NDC ambition

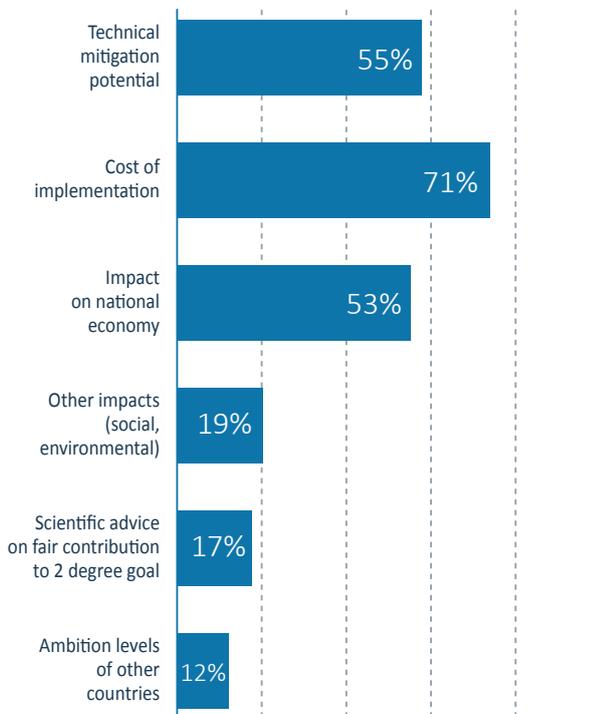


Figure 5: Key issues when considering raising NDC ambition

Main challenges further raising NDC ambition

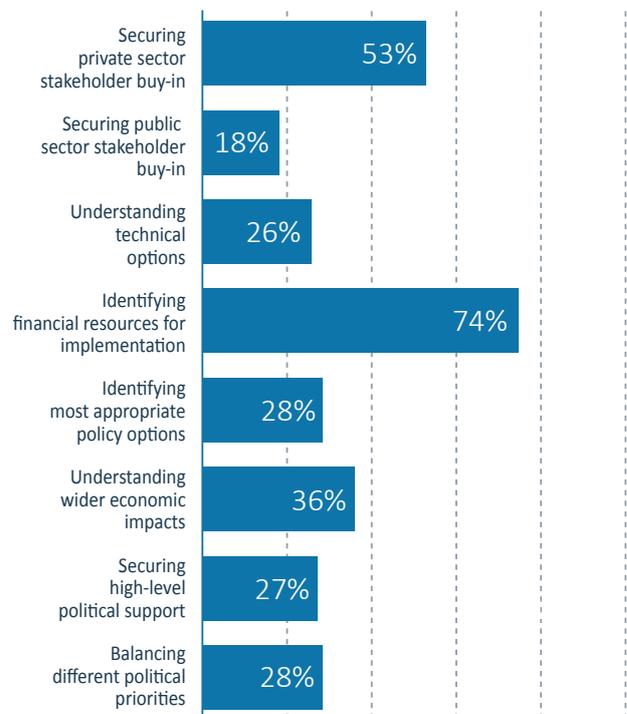


Figure 6: Main challenges further raising NDC ambition

## Investment and support

Mobilising private and public resources for NDC implementation and undertaking a thorough assessment of financial and technical support needs, are perceived to be among the most challenging tasks at the moment. Looking at the results, 40% of respondents agree that their government has quantified the financial resource requirements for NDC implementation (see figure 7 below). However, a significantly lower percentage (26%) is of the opinion that the government has allocated sufficient domestic public financial resources for NDC implementation. In addition, only 6% agrees that the amount of private capital mobilised is sufficient for implementing the current NDC. This is consistent with the answers on general progress and confidence.

Nearly 40% of the respondents to our survey are unable to confirm attractive investment opportunities for NDC implementation exist in the country. Reasons behind the continuing challenge to mobilise finance can be diverse, including: the absence of a clear transition strategy with associated risks and opportunities, an unclear or unconvincing investment plan and domestic budget, a lack of financially attractive projects, or an inadequate and unpredictable policy framework.<sup>18</sup> No matter the combination of reasons, this survey indicates that identifying actions and arranging finances remains difficult and needs urgent attention.<sup>19</sup>

### The mobilisation of private and public sources for NDC implementation

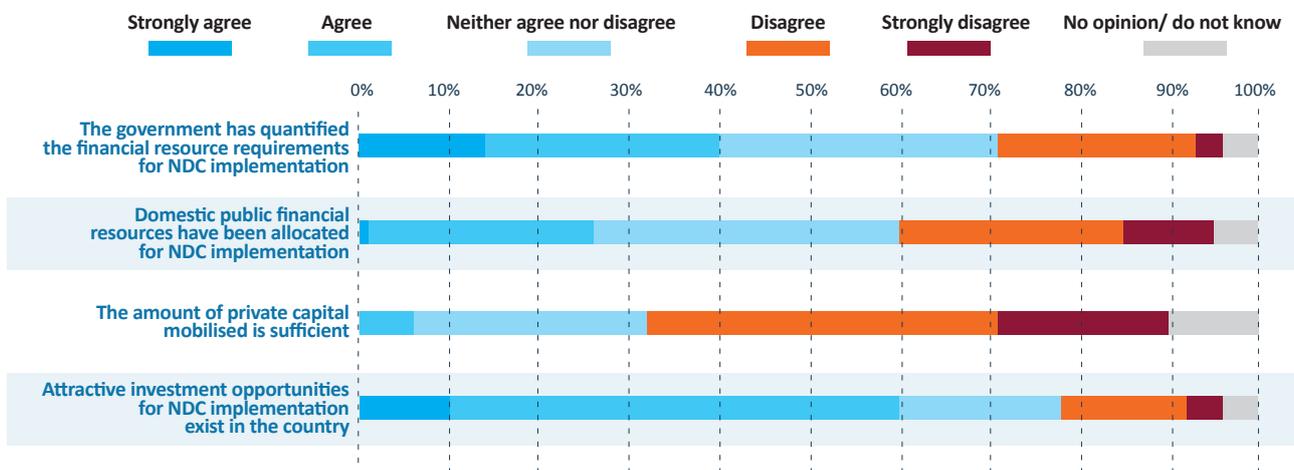


Figure 7: The mobilisation of private and public sources for NDC implementation – These questions consider respondents’ view on the mobilisation of private and public sources for NDC implementation.

18. Authors’ elaboration, not part of the survey

19. In many countries we see that incumbent (fossil) technologies have an advantage in terms of regulatory framework, subsidies, and pricing. It will take changes in policy to stimulate the attractiveness of clean technologies in favour of those activities incompatible with a decarbonisation pathway.

For most developing countries, international financial and technical support are important enablers for NDC implementation. Only seven respondents (10%) consider the amount of international financial support received to be adequate. Slightly less than half the respondents (46%) considered technical support to be tailored to countries’ needs (up from 30% last year) and around 30% agree that technical and financial support are adequately coordinated (up from 17% last year). While developing country governments call on more financial support, it is often argued from the side of finance providers that there is a lack of a clear and coherent investment plan or investable project pipeline. As argued in the previous chapter, governments can improve their investment attractiveness and their ‘absorptive

capacity’ for climate finance. By developing a long-term strategy and politically anchored sector plans, investment pipelines could be derived. A more positive interpretation of the answers in the previous section would be the observation that attractive investment opportunities do exist: 60% strongly agrees, or agrees.. Figure 8 below shows the answers to questions on international support.<sup>20</sup> The challenge not only remains for the international community to improve their tailoring and coordinating of support but also for adequate financial support of NDC implementation. Closer cooperation and engagement with the private sector seems to be needed in order to develop investment plans and associated project pipelines at the sector level.

**International support**

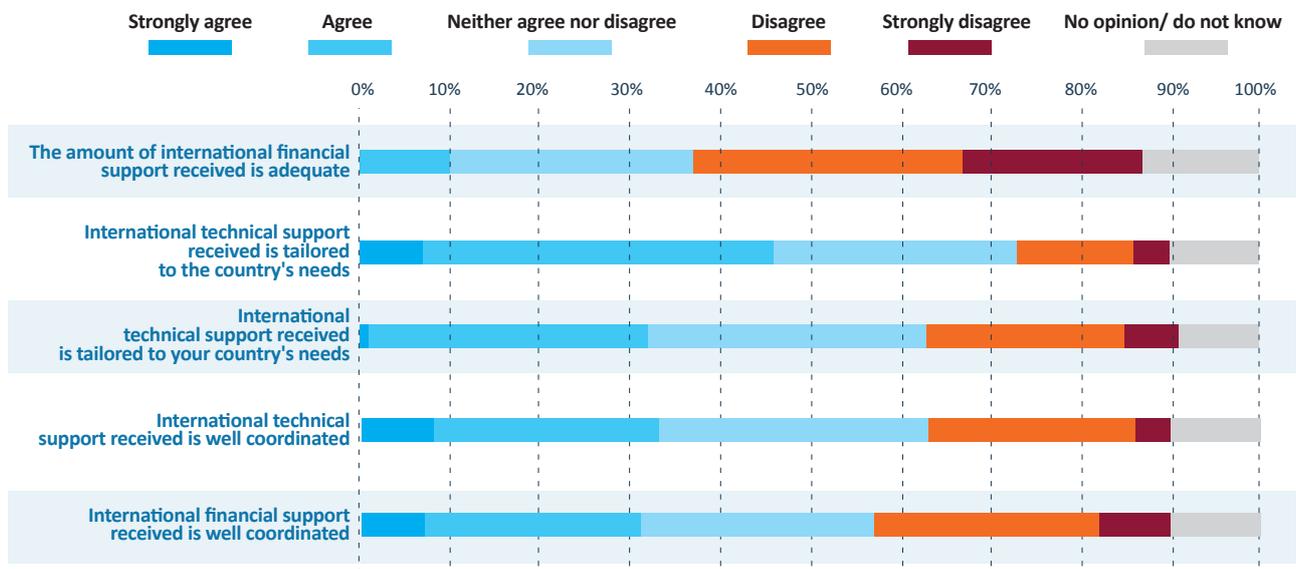


Figure 8: International support – These questions consider perceptions of international support needed and received in the respondents’ country.

20. For these observations on financial trends related to support, high-income countries have been excluded to gain an insight on the development within countries that require international support in their quest for NDC

## Awareness and evidence

Over half (56%) of the respondents doubt whether relevant stakeholders (e.g. companies, investors, civil society) are aware of the NDC, its targets and what it means for them (or the sector). Would one expect all relevant stakeholders to have knowledge of the contents of the NDC? The answer could be no: as soon as clean alternatives are more attractive than fossil-based technologies from a business perspective, investors and users may not need to be aware of the mitigation impacts. On the other hand, when a significant emissions reduction is introduced as a guiding principle for sector planning by the government, one would expect that relevant stakeholders, at least over time, will recognize the way ahead. In these cases the answer is ‘yes’, there is a need to be aware. This will require loud and strong signals from the government on the emissions targets, their vision behind it, and

the policies and measures that can be expected in support. This message needs to be actively delivered, become an integral part of a longer-term perspective, and should focus on the development benefits. Resources and technology needed to achieve the NDCs seem to remain unclear (close to 64% agree or are neutral). As suggested before, this lack of clarity could explain the slow uptake in financial flows.

As for the availability of evidence to support decision making: half of the respondents (48%) agree that the benefits of mitigation actions (e.g. employment, energy security, and air quality) are clear and well-articulated. This is very optimistic and not in line with what the Ambition to Action project observes in its on-the-ground support activities and neither through international discussions and exchanges.

### Awareness of the NDC contents and what this means for relevant stakeholders

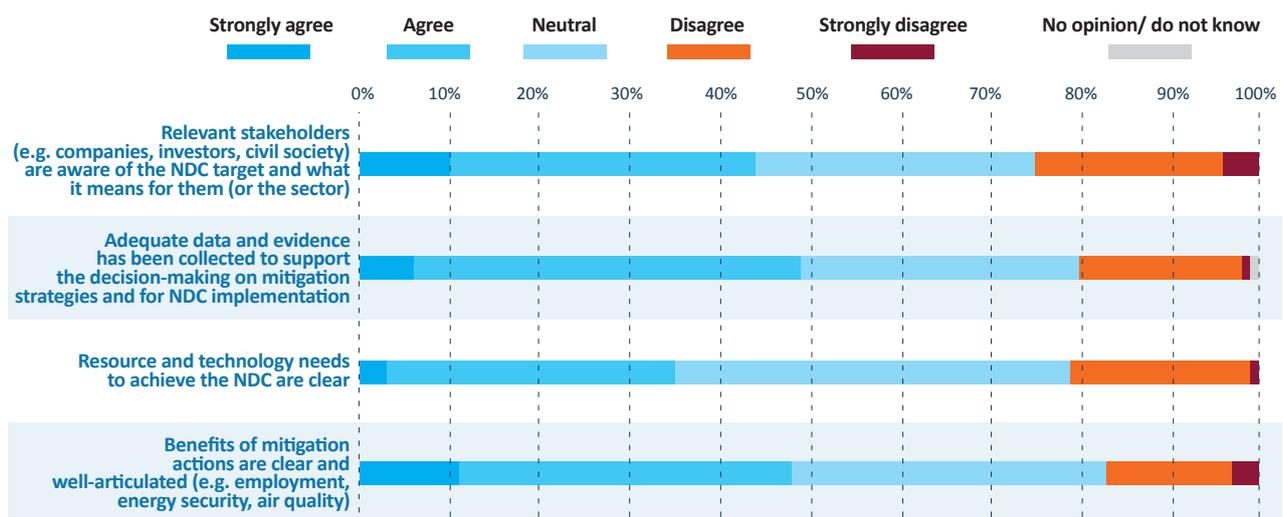


Figure 9: Awareness of the NDC contents and what this means for relevant stakeholders – These questions ask respondents what the current state of awareness is around several indicators.

## The political and institutional framework

The final set of questions considers the way the Paris Agreement is included in domestic policy processes. Respondents are reasonably optimistic here: the majority answered that the government has clarified roles and responsibilities around NDC implementation and the ambition raising cycle, that coordination

within the government is (very) good, and that high-level political support for the implementation of the NDC is in place. These results look very positive, much more so than it would appear to international experts looking from the outside in.

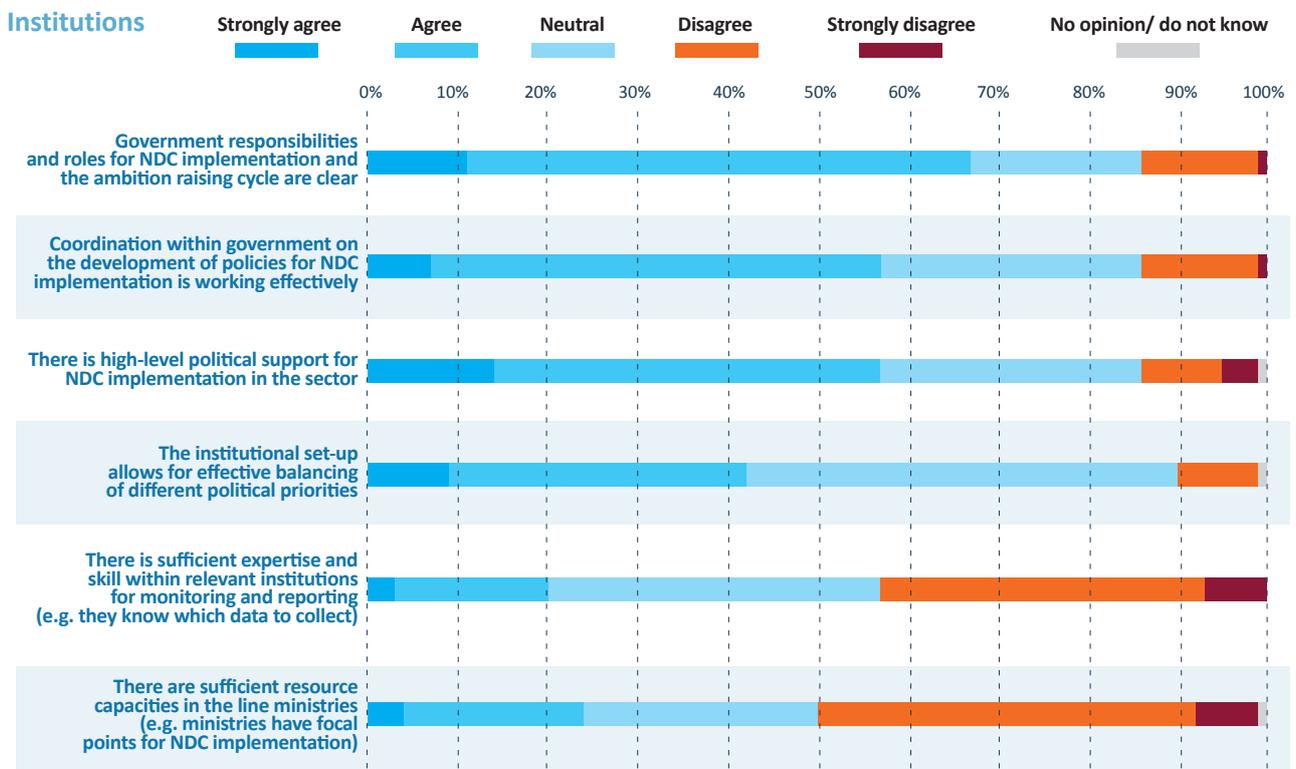


Figure 10: Institutions – These questions ask respondents about the effectiveness of institutions.

## 4. Perspectives on ambition

If we take a step back and look at the results of the survey in the previous chapter, we can make three general observations.<sup>21</sup> First, perceived progress and confidence around NDC implementation are high, like in previous editions of the survey, but countries are still struggling to secure investments. Second, it seems that long-term strategies are not yet featured prominently in NDC planning practices, leaving stakeholders without a clear understanding of the transition pathway ahead. And third, it is doubtful whether ambition raising is seen as a continuous process, which presents the risk that new and updated NDCs will not present significantly higher targets.

While the survey results may leave the overall impression that progress is slow, and the tone in the previous chapter might be critical, it is good to also realise that there are many positive initiatives organised by all types of stakeholders (see for example Chapter 6). The task ahead is enormous, but there is still time and perspective for action: the Paris Agreement has been established to provide structure and guidance.

This chapter takes the survey results and reflects on what that means in terms of the focus of governments, donors, and expert support for the next two years. What is needed for countries to get a better appreciation of the Paris Agreement ambition cycle and the role of long-term strategies? What needs to be done to ensure that the second round of NDCs will be more ambitious? It builds on discussions within the authors' organisations and with experienced international experts.

### Ambition raising as litmus test

Since the signing of the Paris Agreement in December 2015, much of the follow-up attention was given to accelerating implementation of the first NDCs. For the Paris Agreement to keep its momentum beyond the first (inadequate) round of pledges though, it is

important that the next round of pledges is more ambitious. The Paris Agreement only works if the framework is filled with an effective ratcheting up mechanism, if countries come up with a credible pathway towards decarbonisation, and if governments provide guidance and support for the transformation. The COP in 2020 presents the first opportunity for raising ambition and there is international pressure on all Parties, who by doing so are expected to reaffirm their commitment to the Paris Agreement. If prominent countries fail to increase their ambition that may weaken support in other countries.<sup>22</sup> If a significant number of countries are unable to commit to more ambitious pledges, this would prove that the ratcheting mechanism might be more difficult to implement than expected.

For G20 countries, who are in a position to alter the global emissions trajectory, this means they should take the ratcheting-up mechanism very seriously.<sup>23</sup> They can set a predictable and ambitious path towards deep emission reduction, with a long-term view for the current and future targets of NDC pledges from a broader perspective. At present only six out of G20 countries have submitted a long-term strategy to explain how their current NDC ambition fits in a larger decarbonisation effort. We expect that in the coming year(s) several more countries, with high-income countries leading by example, will develop a long-term mitigation strategy.

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21. *Given the diversity of country- and sector contexts, we are reluctant to draw firm conclusions based on the survey data alone. We present our observations (or hypotheses) on themes and topics that we think merit further discussion and reflection.*

22. *So-called sucker effect, where people lose motivation if they perceive others as not pulling their weight. See this opinion piece by Leo Barasi, <https://www.theguardian.com/commentisfree/2018/oct/05/climate-change-apaty-not-denial-threat-planet>.*

23. *G20 countries are responsible for around 75% of all greenhouse gas emissions, Climate Transparency (2018).*

## Looking beyond the first NDC pledge

The challenge that countries face in this context is that, on the one hand, they need to implement existing NDCs through domestic policies, while also increasing ambition over time to meet the long-term temperature goals of the Paris Agreement. Due to the often limited availability of resources, both within countries but also in the international support community, much attention so far has focused on short-term progress and thus the implementation of existing commitments. However, given the current focus on implementation, there is a risk that governments will start revising their NDC too late, resulting in a similarly rushed process as in the first round of INDC preparation (NewClimate Institute,

leading to deep emission reductions and economy-wide transformation, may be hesitant to carry or drive the topic. Also, in many countries, climate change is a politically divisive topic to begin with. This is why continued ownership and involvement from the top leadership, the heads of state who signed and celebrated the Agreement in 2015 and their equals, is needed to drive the ambition raising process. The survey results seem to show that for many respondents ambition raising is not seen as a continuous process and that many countries have not (yet) developed a long-term strategy. This is not surprising, given the short timeframe and the fact that setting up an NDC ambition raising and implementation process is a

*“It is extremely important, before talking about a new more ambitious cycle for NDCs, to ensure that the current contributions and commitments are implemented [...] The real focus should be on how much we are able to implement from our committed NDCs and how far from implementing it all and how far from our committed targets we are. After that we may talk about a new cycle.”*

2015) and without a significant (real) increase in the ambition level. One comment from our survey shows that some countries would indeed prefer to focus on implementation of their current NDCs before considering the next cycle: “It is extremely important, before talking about a new more ambitious cycle for NDCs, to ensure that the current contributions and commitments are implemented. [...] The real focus should be on how much we are able to implement from our committed NDCs and how far from implementing it all and how far from our committed targets we are. After that we may talk about a new cycle”.

The full workings of the Paris Agreement, with its continuous ambition raising, can be politically scary, unattractive, and risky: politicians and policymakers who realise the disruptive consequences of really following through on the Paris Agreement, over time

complicated task. In addition, outreach from UNFCCC and other international organisations has focused on implementation and the link with sustainable development goals, and not on explaining the details and consequences of the Paris Agreement beyond achieving the pledges set out in the first NDC.

From exchanges between experts involved in (supporting) implementation, such as in the NDC Cluster workshops, it seems that relevant stakeholders in partner countries understand they will need to be part of the transformation, but struggle to find out how to do it. Domestic dialogue with and between sectors can be an important forum to increase this understanding. Practical first steps could be to discuss with sector stakeholders what is expected of them as a contribution to the current NDC pledge. Also, part of this could be establishing a dialogue to determine what could drive them to raise ambition in the sector.

Dialogue makes it possible to explore and understand what a Paris-compatible pathway could look like at the sector level, including choices on technologies, domestic policy, budget needs, mobilising investments, human capacity, skills, and stakeholder participation, etc.

Increasing ambition can also be a way to showcase progress and set goals and targets in areas that show promising benefits or opportunities, for example in case of technology breakthroughs or cost reductions. Several countries are showing interest in ambition raising in their conversations with the NDC Partnership: for example, Uganda considers moving some of its targets for 2030 forward to 2020, Honduras is seeking to identify scope for improved ambition, and several other countries have indicated they will unilaterally take actions that were earlier suggested being conditional on support. Nigeria and Ivory Coast are involved in a stock-taking exercise to report on what is being done and how much room there is for increasing ambition.

### Long-term strategy offers predictability

The power of a long-term strategy for the Paris Agreement lies in its ability to offer a predictable framework for ambition raising. An LTS could be used to show how and when different sectors are put on a decarbonisation pathway, and how that will affect the emissions trajectory. If a long-term strategy has broad support and buy-in, this will extend to the credibility of the NDC pledge that follows from it.

The survey showed that countries struggle with the identification of actions necessary to implement the NDC, identify attractive investments and find financiers, and in general, get buy-in from the private sector. Establishing a dialogue around these topics, with the aim of coming up with a long-term strategy could help move matters forward through offering a basis for investment planning (public and private), it can reveal strategic areas for investment, and it can offer a view on where supporting policies can be expected. Many emerging economies, including some of the G20 member countries, have

to deal with a fast-growing demand for services while experiencing existing infrastructure deficits. In these cases, a switch to clean technologies can be framed as part of general economic expansion with a focus on continuity of service provision.

Whether the long-term strategy we are talking about in the context of the Paris Agreement will exist as a separate document in the future is not clear yet. Once deep emission reduction targets are integrated into sector planning, there may not be a need for an additional strategy. For the time being though, we expect that there will be such a (radical) difference between a Paris-compatible long-term strategy and the existing sector strategies and plans, that the two will have to exist in parallel. Over time though, the LTS will need to cease being a separate document and merge into 'normal' national and sector planning.

Sector transformation towards deep emission reductions cannot be expected to be a smooth and easy process. As a Dutch stakeholder to the domestic Climate Accord negotiations remarked: "repeating negotiations every five years is going to be difficult, and I don't think there is much appetite for taking out the torture rack every time". This reflects the need for a medium to long-term decarbonization plan to provide guidance to subsequent NDC pledges, without needing to convene a national consultation process each time. Ideally such a long-term plan would provide evidence on impacts (i.e. costs and benefits) which is essential for the national- and sectoral bargaining process.

### Benefits information makes the transition easier

In our dealings with experts and stakeholders, we find that currently there is a limited understanding of how low-emissions pathways will change reality for the various actors. We believe that evidence-based analysis of impacts can be helpful for the bargaining processes needed to raise ambition. Also,

an evidence-based analysis is useful for harnessing support from civil society (e.g. just transitions) and for private businesses (e.g. where do opportunities appear and disappear). Improving the evidence-based facts around low-emission technologies also has immediate positive impacts: it helps to choose policies which do not work against each other and therefore maximizes synergies. This need for evidence-based facts was echoed by one of our survey respondent:

Information on co-benefits makes the transition easier: it might reveal where mitigation actions make sense, even without the climate argument, and it provides a common language that could enable the discussion on the winners and losers and balancing the impacts. For example, if the health benefits for some countries more than outweigh the mitigation costs even ignoring the avoided damages related to climate change, the transition may not seem too much of a burden.

the practical (implementation) towards the abstract (long-term strategies, ambition cycle) discussions.

While keeping these limitations and pitfalls in mind, we believe that there is merit in developing a long-term Paris-compatible strategy regardless of the country. For low-income countries, a long-term strategy should be a function of pressing national development priorities such as poverty reduction, sanitation and health, and education (and all the SDGs). An LTS can show opportunities that decarbonisation presents in countries where much of the infrastructure still needs to be built, and in countries that are trying to diversify away from fossil resources. It can offer actionable advice for the short term: provide guidance for infrastructure planning and investments, and avoid locking into technologies that will become obsolete before the planned lifetime.

*“Our INDC was made in a very rushing manner, in such way that affected its content and without any precise targets neither a specific sector requirements taken into consideration. Many sectors have been neglected for the simple reason of no available data. A revision is required to allow all sectors to be on board.”*

## Vying for attention

For many low-income countries, NDC implementation is a process of exploration of trade-offs and synergies between climate and development goals. In countries with limited human capacity and pressing development priorities, broadening the climate discussion to include the NDC ambition cycle and developing a long-term strategy can have a backlash. It may draw capacity away from achieving tangible results, or lead to documents produced to satisfy donor demands, and more generally draw the focus of discussions away from

## Looking forward

After an initial emphasis on implementation, it is now time to broaden the discussion around implementation of the Paris Agreement, to ambition raising in a longer-term perspective. The international community needs to emphasize ambition as part of a continuous path towards deep emission reduction by the middle of the century. If the coming pledges are not more ambitious, this could weaken the Paris Agreement. Especially the G20 countries can make a difference and high-income countries can lead by example.

To make progress on ambition raising, it is important to understand the current situation in the sectors. As noted in previous editions of this report, it is very difficult to assess real progress solely on the basis of self-reported inventories and updates. Different analyses are showing that the current efforts fall short of reaching the Paris Agreement and that countries are not ambitious enough, but they provide no insight into what is really happening on the ground. Is the focus still on low-hanging fruit, piecemeal actions and pilots not yet touching all aspects of the economy, or are we seeing structural changes? What determines the likelihood that the current NDC ambition will be achieved?

In the run-up to the new round of pledges in 2020, it could be helpful to have more outreach activities to show how the mechanism of the Paris Agreement is supposed to work: not a one-off target for 2030, but a continuous process with a long-term goal. Since all countries need to figure out what this means for their strategies and plans, an exchange between countries (and sectors) on the experiences and difficulties of establishing and running such processes would be useful.

## 5. Preparing for the second round of pledges

This section provides brief inputs on four key dimensions of the NDC process and cycle: ‘governance’, ‘sectors’, ‘financing’ and ‘transparency’. The four dimensions are reflected in the set up and working of the NDC Support Cluster (which brings together programmes and activities in support of NDC implementation financed by the German Ministry of the Environment) with working groups set up for each of the four dimensions. Each working group was invited to provide a short answer to the following question:

*“From the perspective of your working group, what should governments and stakeholders focus on in the coming two years, to prepare for the second round of pledges in 2020?”*

### 5.1. Governance

**By Michael Comstock (UNDP) and the Governance Thematic Working Group**

With the second round of NDCs due in 2020 – just two years from now – effective governance can help countries take on this significant task. The following are five key governance-related considerations that countries may wish to focus on ahead of the next round of NDCs.

First, political leadership at the highest levels (e.g., head of state or government) will be needed in order to develop and articulate a clear, long-term, national vision for sustainable development in line with the goals of the Paris Agreement. This must serve as a mandate for shifting away from business as usual, mainstreaming climate change into development

planning, and establishing a trajectory of increasing climate ambition over time. Political leadership will also play a key role in ensuring that climate action is kept high on the government’s agenda and addressed through a whole-of-society approach.

Second, effective institutional frameworks will be important not only in implementing current NDCs but also in preparing subsequent contributions. Clear roles, responsibilities, and coordination mechanisms can empower central and sectoral line ministries in putting forward and contributing to more ambitious targets. Improving the technical capacities of ministries and institutions will be important in ensuring that they effectively contribute to the NDC development, implementation, and monitoring process going forward. Institutional frameworks can also enhance vertical coordination among local, provincial, and national governments; incentive mechanisms can be put in place for sub-national climate engagement if needed; and sub-national policies and efforts (e.g., urban development planning) should be fully reflected in national climate pledges. Institutional frameworks should serve to incorporate NDC targets into sectoral and sub-national planning, and strive to link with SDG frameworks to improve efficiency and policy coherence (including demonstrating clear co-benefits of mitigation actions to engage ministries in climate action).

Third, effective stakeholder engagement on climate action can lead to increased ambition. Stakeholder groups that are central to NDC implementation (e.g., local governments, the private sector, civil society) will also be fundamental in formulating future NDCs. Engaging these groups early in this process can make

use of local or sectoral knowledge; provide a better understanding of financially viable or investable climate actions; and contribute to transparent, inclusive, and accountable decision-making. Working with trade associations, for example, may allow countries to increase NDC ambition by incorporating new sectors not covered in initial NDCs. And truly bringing in financiers and project developers in sectoral planning – beyond ad-hoc consultations – can increase ambition by improving understanding of opportunities for financing or public-private partnerships.

Fourth, enhancing and aligning monitoring and reporting frameworks can increase efficiency and improve understanding of progress to date and, in turn, what can be achieved going forward. And linking to frameworks used for the SDGs can increase policy coherence and demonstrate more holistically what can be achieved under the SDG and NDC processes. Enhancing these frameworks may involve establishing data-collection mandates; improving mechanisms for knowledge- and data-sharing among relevant agencies; and better engaging sub-national governments in national transparency efforts (e.g., in reporting emissions data). Trinidad and Tobago, for example, has developed a National Climate Mitigation MRV System to track the progress of efforts to reduce greenhouse gas emissions. The system improves knowledge management; establishes roles and procedures for monitoring and reporting on mitigation efforts; and will inform the development of future NDCs. National frameworks can also contribute to global reporting under the enhanced transparency framework.

Finally, raising awareness on climate action – for example, by translating abstract climate policies and Paris Agreement goals into actionable messages for the general population – can improve ownership and build public support for increasing ambition over time. Increased awareness of climate action can also help to hold governments accountable in achieving ambitious climate goals.

As countries move forward in preparing their next NDCs, these five governance-related considerations can equip countries in making their contributions as ambitious as possible. They reflect the recognition that a whole-of-society approach – including high-level political leaders, national and sectoral ministries, sub-national governments, key stakeholder groups, and the general population – is needed in order to do so.

## 5.2 Sectors

*By Xander van Tilburg (ECN part of TNO) on behalf of the Sectors Thematic Working Group*

Despite the success of the Paris Agreement in 2015, in many cases, the first (I)NDCs were rather hastily compiled without a detailed description of, and agreement on, specific sector contributions. How the national pledge in the NDC translates to sector mitigation targets may be unknown: the contribution could be based on existing sector plans (with limited climate ambition), or the sector may not be included in the NDC at all.

The focus of most governments in the past two years has been on the implementation of the current NDC pledges and less attention has been given to preparing for the second round of more ambitious pledges. As the 1.5 degrees report shows, to stay well within two degrees full decarbonisation of our economies will be necessary for the second half of this century. By extension, all sectors will need to get increasingly strict on greenhouse gas emissions.<sup>24</sup> The optimal speed and timing of transition can vary per sector, as mentioned in section 2.2, but all sector development paths will need to move towards deep transformations resulting in net-zero GHG emissions in the second half of this century.

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<sup>24</sup> Including energy and transport systems, various industrial subsectors, agriculture and forestry, and waste management

In preparation for the second round of pledges, two topics deserve particular attention in the coming two years. First, sector stakeholders need to know (and agree on) what is expected from them as their contribution to the current NDC, and to the longer-term goals of the Paris Agreement. Second, national climate policymakers need to understand the scope for ambition raising in the sector for the next NDC(s), and how GHG reduction interacts with other sector priorities.

A concrete step would be for governments to initiate or strengthen dialogue(s) with sector stakeholders on climate change. Many countries have formalised dialogues, in one way or another, in which sector stakeholders discuss the plausibility of low-carbon pathways (e.g. the Netherlands) and establish a shared understanding of the topic, but it is not easy. Introducing ambitious climate targets requires a change of perspective: sector targets are typically expressed in uninterrupted service provision (and coverage) at affordable prices (e.g. energy security, food security, mobility) but will now have to deal with the additional constraint that over the longer-term net emissions will need to reach zero. As mentioned in Chapter 4, we can expect long-term sector strategies to be radically different from the existing strategies and plans (they deal with deep, disruptive emission reductions).

A sector transition dialogue can take different forms and effort levels. Ideally the discussions are supported by scenario modelling and analysis, but it is also possible to take a step-wise approach and start with a less thorough discussion. In all likelihood, there is already quite some value in discussing what is really going on in the sector (as opposed to what is reported) and what is driving the transition. “The review of the literature shows that considerable progress can be made through ‘mere’ description: identifying who the key actors are and asking them about their interests and their perception of the ‘rules of the game’”.<sup>25</sup>

### 5.3. Financing

*By Charlotte Ellis (SouthSouthNorth) on behalf of the Financing Thematic Working Group*

Many countries are in the process of implementing actions towards achieving the targets of their current NDC pledges. However, progress in most cases, particularly in developing countries, is constrained by access to financial resources. Mobilization of finance to support the implementation of NDCs remains a critical aspect of the UNFCCC negotiations. As Parties prepare for COP24 and the finalization of the Paris Agreement Work Programme (PAWP), the issue of finance becomes an especially important consideration of how Parties will achieve the post-2020 ambition. The recent findings of the report *Global Warming of 1.5°C* reiterates the need for urgent action to achieve net zero emissions by 2030. Undoubtedly this calls for greater ambition in pledges for post-2020 implementation.

The Financing Thematic Working Group (TWG) of the NDC Cluster seeks to explore and encourage the pursuit of best practice in financing NDCs to stimulate greater climate ambition under the Paris Agreement. Some of the insights of the activities of the Finance TWG are especially valuable as they pertain to the link between raising ambition in NDCs and the financing of the associated climate action.

Firstly, as countries begin to consider the next round of NDCs in 2020 and the Global Stocktake, it will be important for them to consider the implications of Article 2.1(c) of the Paris Agreement for national climate action, which requires parties to “[make] finance flows consistent with a pathway towards

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25. Barnett (2014)

low greenhouse gas emissions and climate-resilient development". What this means in practice is still very much under debate; however, it is seen by many as a mechanism for tracking and ultimately shifting financial flows 'from brown to green', with potentially wide-ranging impacts for how countries track and report financial flows through the UNFCCC and beyond.

At a national country level, governments and stakeholders need to focus increasingly on identifying public resources, and blended finance (including private sector) options for co-financing of adaptation and mitigation interventions. This is especially important in the context of multilateral funds like the Green Climate Fund (GCF), where co-financing is emphasized at the Board level, and where consideration is given to aspects of co-financing, leveraging and mobilized long-term investments, disaggregated by public and private sources. National governments need to look at how best to channel public finance to augment access to finance multilateral sources. This also places some emphasis on governments to start to think about the use of national sovereign wealth funds to direct greater investments towards NDC implementation.

Preparing for the second round of pledges will also require more focused identification of strategic country programmes and portfolios that promote access to finance through mobilization of multiple sources of finance, drawing on lessons from existing projects and programmes and building on these. Importantly, this includes identifying ways to enhance private sector investment in NDC implementation and how to identify the innovative application of financial instruments for private investment. Building the climate rationale into programming pledges in 2020 will be important in ensuring that the project pipelines have improved opportunity for financing. Cross-governmental buy-in and coordination are important to the NDC process. As far as possible, governments need to feed localized programme development plans into

defining 2020 pledges. This includes assessing which aspects of current NDCs will not be realized pre-2020 and identifying scalable projects and programmes and building these into defining more ambitious targets.

NDC pledges need to be informed by science. Governments need to focus on ensuring 2020 pledges are informed by climate data, as well as ensuring alignment of targets with national policies, and enabling environments at national and local levels. In this regard, sharing NDC-related information, and establishing integrated digital data management systems or platforms is important. This is also a critical aspect in terms of being able to assess national implementation and stocktaking, in preparation for subsequent iterations of NDCs. Linked to this, governments need to ensure financial needs assessments of NDCs and quantify the financial needs for NDC implementation post-2020.

One of the key insights gleaned from the Finance TWG is the need for increased consistency of NDC targets and policies. To prepare for the second round of pledges, governments should seek to identify and articulate targets that align with existing policies, and/or identify additional policies that can benefit stakeholders that adopt climate targets and contribute to both raising ambitions in NDCs, and towards achieving NDC targets. This, in turn, requires governments to design NDC pledges with subnational and sector approaches and targets in mind and promote the recognition and visibility of subnational climate targets and action in the next round of NDCs. By involving subnational actors in planning and funding decisions they maybe become a viable part of the NDC implementation process.

Another key question that governments should focus on is what role is foreseen for the financial sector, and what incentives are possible (and/or regulation can be enforced) to support increased private sector

investments? Quantifying potential for resource mobilization and looking at a holistic financial sector approach will be important in informing the 2020 pledges. As governments look toward the next round of NDCs it will be important to consider a more holistic approach to engaging the financial sector including a wide range of actors such as multilateral development banks (MDBs) and national development banks, and, especially, institutional investors, private investors, venture capitalists, and impact investors. It will be critical to look at how to get these investments into climate-resilient action, and how to incentivize commercial and investment banks to alter their perception of risk, for example getting the insurance sector to understand their role in investing in resilience rather than funding post-disaster impacts.

A concerted effort towards identifying opportunities for synergies across sectors, and between national and local level actors is important, as well as critically assessing what worked and what did not work in the implementation of current NDCs. Governments should take into consideration what proportion of NDC targets have not been realized and build this into the next round of pledges. This focus on the past (consideration of lessons learned and not neglecting previous targets) must happen simultaneously with demonstrating greater ambition, taking into account the scale of implementation required in contributing to a world of net zero emissions, and thinking about this from the perspective of the costs of inaction. From a financing perspective, identifying the potential for stakeholders' contribution to financing NDC implementation post-2020 provides the basis for scaling ambition in pledges. Ultimately this requires shifting the narrative from the cost of climate interventions to the realization of the opportunity costs associated with not investing in

climate interventions. Policies could shift the focus away from regulation, to presenting climate-related investment as beneficial to the business model – for example consideration of the exposure of their lending – and the avoidance of physical risks due to climate change. This also involves building evidence on the co-benefits of climate action and linking them to the interests of key stakeholders, the private sector and financial institutions, in order to enhance mobilization of resources that can support scaled ambition.

## 5.4. Transparency

*By Cynthia Elliott (WRI) on behalf of the Transparency Thematic Working Group*

National governments and non-state actors are accelerating the pace of climate action. The five-year NDC cycle allows for a dynamic response to new data and information on a regular basis and builds in opportunities to reflect and adjust course. As climate science continues to shed light on the urgency for action and greater ambition, it is all the more imperative that we have a strong system of international climate transparency in place so we can keep a close eye on progress and encourage greater ambition.<sup>26</sup>

Transparency is a critical part of the Paris Agreement and essential to the effectiveness of the ambition cycle inherent in its articles and accompanying decision. Negotiations are ongoing to design operational guidance to implement the transparency requirements of NDCs, and a robust system will be key to enabling an enhancement of countries' commitments over time. In the near term, transparency will be crucial in helping countries prepare for the second round of contributions expected by 2020.<sup>27</sup>

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26. IPCC (2018)

27. Dagnet et al. (2018); Deprez, A., M. Colombier and T. Spencer (2015)

On a theoretical level, transparency is often described as a means to build trust between countries, and that enhanced trust and confidence, in turn, enable them to put forward their highest possible ambition.<sup>28</sup> In practice, efforts that ensure transparency can support the increase of ambition in the context of updating or enhancing NDCs by 2020.

First, the fulfilment of international climate transparency requirements can support domestic climate efforts in a number of ways.

Communicating clear, transparent and understandable targets including emissions reduction commitments can be effective stimuli for domestic action by sending policy signals to businesses and other climate actors. Clearly defined commitments guiding domestic implementation can also unlock policy barriers to enable further action by cities and states. This works in both directions as business can also set clear science-based targets to send signals to national policymakers and investors.<sup>29</sup>

Undertaking climate reporting and review activities can provide an evidence base for national dialogue. The act of collecting data and reporting information can draw engagement across ministries, and improve public awareness and education of relevant stakeholders which is critical for domestic support of political leadership on climate change.

Transparency efforts can also help identify opportunities for further climate action.<sup>30</sup> Countries can identify key sectors of the economy to focus on as well as determine what activities may be easier to implement and where further research and planning may be needed.

Building capacity to fulfil transparency requirements can also boost domestic implementation, which in turn can facilitate more ambition. Developing data collection and management systems, and setting up methods and approaches to calculating the impacts of various policies and actions, and track progress toward

climate targets can improve overall engagement of climate change issues across ministries and levels of government.

Domestic transparency efforts can help keep track of progress to see how countries are advancing toward their targets. This can help them understand the impacts of specific policies and measures, identify activities that are performing well and course correct if certain actions are not achieving progress at the necessary pace or scale.

Transparency is also critical for driving global ambition. Putting the international rules for accounting, reporting, and review into place, as is expected by COP24 in December, will be an important step to help place the next set of NDCs in the context of transparency. Central to ambition is the understanding of how we're performing toward a specific target; a target is less relevant if you have no intention of measuring progress which would provide confidence that you intend to achieve it. Countries were originally provided little guidance on what NDCs should contain or on how to progress toward them will be considered. We will soon have guidance on how countries will need to account for them, report on progress, and be reviewed. This additional clarity should help shape the next round of NDCs so they are more transparent and ideally help unlock additional ambition if there is enhanced trust and confidence that other countries will implement and report progress toward their commitments.

However, when designing the guidance it is important to keep in mind that transparency can also play against ambition. For example, stringent transparency requirements could trigger fear of criticism if commitments are not achieved and as a result, countries put forward lower targets that are more likely to be achieved.

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28. Van Asselt et al. (2016)

29. Elliott et al. (2018); *Science Based Targets* (2018)

30. Huang (2016)

Once the guidance is agreed, countries can evaluate their current NDCs in that context and identify where transparency might be lacking. For example, if a country did not provide sufficient information for clarity, transparency, and understanding which will be foundational for accounting and tracking progress, they could provide that information in the next NDC or in their transparency reports.<sup>31</sup>

Transparency of action is not the only way to drive ambition. Transparency of support is equally important, particularly for countries that will require finance, technology transfer or capacity building to implement and enhance their commitments. Information from contributor countries on the support provided (both ex-ante and ex-post), as well as on efforts to shift and align all financial flows, can help developing countries to better plan and implement

climate action. If countries know what support has been provided and may be available in the future, they can consider opportunities to enhance their ambition. In addition, transparency from recipient countries is important. Communicating needs and gaps in implementing climate change actions can help attract targeted support, and tracking finance received and communicating the results of such finance can demonstrate to contributors that their support has had an impact and help make the case for future opportunities.<sup>32</sup>

Finally, transparency also provides opportunities for recognition. Countries can receive recognition for their efforts as they track progress toward them, highlighting their successes. This can help reassure political leaders and encourage further action.

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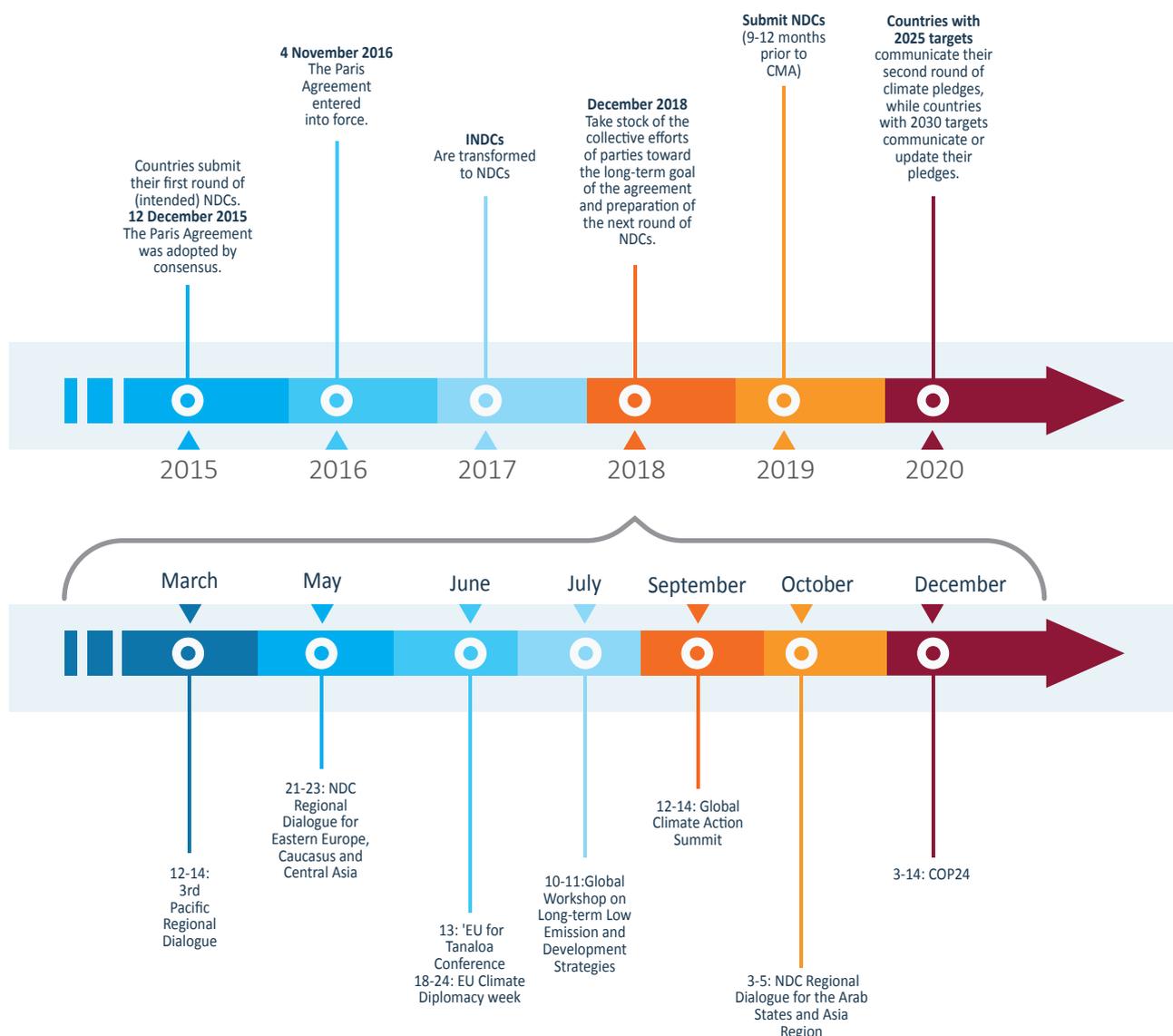
31. Fransen et al. (2017)

32. Dagnet, et al. (2018); Elliot et al. (2017)

## 6. NDC-related news

Since the ratification of the Paris Agreement, 180 Parties have submitted their first NDCs.<sup>33</sup> At the national level, countries are working on implementation plans to convert NDCs into action. At the international level, NDC-specific dialogues, summit meetings, webinars, tools, and toolboxes, as well as expert services have emerged to help those

who are developing NDC implementation processes. This year is all about taking stock of the collective efforts of parties towards the long-term goal of the agreement and preparation of the next round of NDCs. The section below lists efforts taken by governments and other stakeholders reviewing their progress and ratcheting up of the ambition of climate action plans.



33. <https://www4.unfccc.int/sites/ndcstaging/Pages/Home.aspx>

## 6.1. Around the world

After the Paris Agreement was adopted, the UNFCCC Secretariat together with the UN Development Programme (UNDP) and other organizations launched a series of Regional Dialogues on (I)NDCs to provide support to countries and advance the Paris Agreement process. In 2018, the Dialogues focused on sharing experiences and views related to NDC implementation planning, including linkages to SDGs and long-term strategies. During these Dialogues, opportunities for translating NDCs into concrete actions are identified and future steps for NDCs in the context of the Talanoa Dialogue, ambition raising, and long-term development strategies are discussed.

### Regional NDC Dialogue for the Pacific

This year, from the 12<sup>th</sup> of March until the 14<sup>th</sup>, countries, partners, regional organisations, the private sector, and civil society organisations were present at the third Pacific Regional Dialogue on NDCs and the consultations on the Regional Pacific NDC Hub. The event was co-organized by UNDP, the UNFCCC Secretariat, GIZ, the NDC Partnership, the Pacific Regional Environment Programme (SPREP), the Pacific Community, and the Government of Fiji. The event has been made possible thanks to the support from the European Union and the Governments of Australia, Germany, Japan, Norway, and the United Kingdom. It provided an opportunity

for Pacific Island countries to share experiences and express their needs on the implementation of the NDCs. The dialogue addressed different topics, such as: linkages to SDG processes, opportunities to advance gender equality, future steps on NDC's enhancement and revision, and linkages to long-term strategies. Participants identified concrete opportunities for action; translating NDCs into actionable projects, in particular in the energy sector.<sup>34</sup>

### Regional NDC Dialogue for Eastern Europe, Caucasus, and Central Asia

From the 21<sup>st</sup> of May until the 23<sup>rd</sup> this year, UNDP and the UNFCCC Secretariat convened government representatives (including representatives from ministries of environment, planning, finance, and energy) and other stakeholders from Eastern Europe, the Caucasus, and Central Asia to exchange experiences on NDC implementation. The dialogue was hosted by the government of Georgia and supported by: the European Union, the governments of Germany, Japan, and Norway, in collaboration with the NDC Partnership. Objectives of this Dialogue included: exchanging national experiences and views related to NDC implementation planning, including linkages to the SDGs and other planning processes, identifying opportunities for translating NDCs into concrete actions (in particular in the energy sector) to contribute to NDC goals, and discussing future steps on NDCs in the context of the Talanoa Dialogue.<sup>35</sup>

34. <http://www.ndcs.undp.org/content/ndc-support-programme/en/home/ndc-events/global-and-regional/2018-mar-regional-dialogue-on-ndcs-for-pacific-islands.html>

35. UNDP (2018)

36. <http://www.ndcs.undp.org/content/ndc-support-programme/en/home/ndc-events/global-and-regional/regional-ndc-dialogue-for-asia-and-arab-states.html>

## Regional NDC Dialogue for the Arab States and Asia

The NDC Regional Dialogue concerning the Arab States and Asia took place in Bangkok, Thailand from the third of October until the fifth of this year. It was co-organised by UNDP and the UNFCCC Secretariat in coordination with the NDC Partnership. The objectives of this dialogue, amongst others, included identifying approaches, strategies, and ideas for raising ambition. Also, identifying NDC implementation processes that support long-term development strategies, the adaptation-mitigation nexus and climate resilience, and improving the understanding of financial tools, private sector incentives, and investment drivers were discussed.<sup>36</sup>

## Global Climate Action Summit

Instead of gathering presidents and prime ministers at United Nations summit meetings to pressure each other to reduce emissions, a climate conference in California this year took a different approach. Organized by California's state government Jerry Brown, the Global Climate Action Summit (GCAS), hosted from September 12<sup>th</sup> until the 14<sup>th</sup> in San Francisco, brought an array of governors, mayors, business executives and citizens from around the globe together to "celebrate the extraordinary achievements of states, regions, cities, companies, investors and citizens with respect to climate action". The purpose of the Summit was to demonstrate how "the tide has turned in the race against climate change" and inspire deeper commitments from each

other, including national governments.<sup>37</sup> It celebrated a range of recent climate commitments aimed at increasing collective ambition under the following five key areas: Healthy Energy Systems, Inclusive Economic Growth, Sustainable Communities, Land and Ocean Stewardship, and Transformative Climate Investments.

Having achieved that more than 100 leaders are now committed to carbon neutrality, or removing as much carbon dioxide from the atmosphere "as they emit with the Governor of California in bringing the date forward for his state achieving this to 2045", this summit was quite remarkable.<sup>38</sup> The commitments made during the Summit are aimed at avoiding risks and seizing opportunities outlined in the "Unlocking the inclusive Growth Story of the 21<sup>st</sup> Century" report by the New Climate Economy. This report describes generating "over 65 million new low-carbon jobs in 2030, equivalent to today's entire workforces of the U.K. and Egypt combined", avoiding "over 700,000 premature deaths from air pollution in 2030", and resulting in "26 trillion USD in economic benefits worldwide through 2030".<sup>39</sup>

## Global Meeting on Long-term Low GHG Emissions and Development Strategies

The first Global Workshop on Long-term Low Greenhouse Gas Emissions and Development Strategies took place in Bangkok, Thailand from July 10<sup>th</sup> until the 11<sup>th</sup>. During the two-day conference, which convened about 125 participants from nearly 50 different countries, participants explored challenges, opportunities, and considerations across

37. <https://www.globalclimateactionsummit.org/about-the-summit/>

38. <https://www.globalclimateactionsummit.org/step-up/>

39. *The New Climate Economy (2018)*

a wide variety of themes that may be encountered during the development and implementation of long-term strategies. Key take-aways of the event include: the benefits of developing a LTS, including for example ‘providing a framework for government and other stakeholders to develop and embrace a shared future vision and act together to achieve this future’, ‘providing an approach to align short, medium-, and long-term goals and to establish a long-term vision for the future that guides near-term actions’, and ‘helping to guide, drive, and strengthen short-term action (e.g., NDCs)’. The event and its sessions were framed around the eight core elements which should be considered during the development process of a long-term strategy: stakeholder engagement, collecting input, good governance, developing scenarios, adaptation, sectoral strategies, and finance and investment strategies.

## EU Climate Diplomacy week

From June 18<sup>th</sup> until the 24<sup>th</sup>, the EU hosted “major meetings” on occasion of the Climate Diplomacy Week, including: the Petersburg Dialogue (17-19 June) in Berlin, the Ministerial on Climate Action (MoCA) (20-21 June) in Brussels, and the high-level event on Climate, Peace and Security (22 June), also in Brussels.<sup>40</sup> The 9<sup>th</sup> Petersburg Climate Dialogue took place in Berlin, Germany. The second MoCA,

convened by the EU, Canada, and China, was co-organized by the German and Polish environment minister. It brought together representatives from 36 governments and was hosted by the EU. The meeting focused on expected outcomes from COP24 and the Paris Agreement Work Programme, a set of decisions to be adopted at COP24 that will operationalize the Paris Agreement on climate change and facilitate its implementation. The Chairs’ Summary from the second MoCA highlights that ministers “confirmed that the Paris Agreement is irreversible and is not to be renegotiated, and stressed the importance of multilateralism”.<sup>41</sup> Furthermore, EU Commissioner Arias Cañete highlighted that the EU’s new targets on renewables and energy efficiency would allow the EU to raise the level of ambition of its NDC.<sup>42</sup>

These meetings follow the ‘EU for Talanoa’ Conference organized by the European Commission on 13 June 2018. The purpose of that conference was to stimulate “discussions related to the implementation of the Paris Agreement and the preparation of the next set of NDCs, show how the EU is delivering on its climate goals and accelerating the low-emission transition, building on the EU’s technical submission to the Talanoa Dialogue, and to “support the involvement of all public and private actors in the fight against climate change”.<sup>43</sup>

40. [https://eeas.europa.eu/delegations/china\\_en/46775/EU%20Climate%20Diplomacy%20Week](https://eeas.europa.eu/delegations/china_en/46775/EU%20Climate%20Diplomacy%20Week) 42

41. [https://ec.europa.eu/clima/sites/clima/files/news/20180621\\_moca\\_en.pdf](https://ec.europa.eu/clima/sites/clima/files/news/20180621_moca_en.pdf)

42. Lynn (2018)

43. [https://europa.eu/newsroom/events/conference-eu-talanoa\\_en](https://europa.eu/newsroom/events/conference-eu-talanoa_en)

44. Data Driven Yale, NewClimate Institute, PBL (2018)

## 6.2 Non-state action

Ahead of the Global Climate Action Summit, a report entitled “Global climate action of regions, states and businesses” was published evaluating individual climate mitigation commitments made by nearly 6,000 cities, states, and regions representing seven percent of the global population and more than 2,000 companies with a combined revenue of over 21 trillion USD – nearly the size of the U.S. economy.<sup>44</sup> The report shows international cooperative initiatives could reduce greenhouse gas emission by as much as 15 to 23 Gt CO<sub>2</sub>e/year in 2030, compared to the current national government policies alone. Individual climate commitments, despite the fact that they are smaller but still just as important, could lower greenhouse gas emissions by around 1.5 to 2.2 Gt CO<sub>2</sub>e/year in 2030. Though these initiatives could help bring the world closer to reaching its global climate goal, implementation of all commitments is key but remains challenging.

Besides individual mitigation commitments, a new phenomenon has emerged of citizens holding their governments accountable if they are not taking the steps needed towards deep decarbonisation. The 2015 Urgenda Climate Case against the Dutch government marks the first case in the world in which citizens held their government accountable for insufficient actions against the development of dangerous climate change.

On June 24, the District Court of The Hague ruled that the government must implement actions to cut its greenhouse gas emissions by at least 25% by the end of 2020 (compared to 1990 levels). This ruling required the government to immediately take more effective action to tackle climate change. As a response, the Dutch government decided to appeal against the judgment. Although the government acknowledged all the facts on climate change including the consequences if no action is taken, the government argued that whether and to what extent emissions should be reduced is a political question in which the courts should not intervene. But, on 9 October 2018, the The Hague Court of Appeal denied the request of the government to overturn the lower court ruling in the case. The court concluded that, by failing to reduce greenhouse gas emissions by at least 25% by end-2020, the Dutch government is acting unlawfully in contradiction of its duty of care under Articles 2 and 8 of the European Convention on Human Rights (ECHR). The Dutch government has, once again, announced it will appeal against the ruling. According to the Dutch Minister of Economic Affairs, Eric Wiebes, the case is “a matter of principle” and it should, again, be questioned whether “judges are allowed to sit on the chair of politicians”. This case has inspired climate change cases in Belgium, New Zealand, Ireland, the UK, Switzerland, and the US.<sup>45</sup>

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45. <https://uitspraken.rechtspraak.nl/inziendocument?id=ECLI:NL:GHDHA:2018:2591>

*Article 2, Right to life; Article 8; Right to respect for private and family life*

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