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INDCs: A silver bullet for the climate negotiations, or empty talk?

By Pieter Pauw,
*German Development Institute /
Deutsches Institut für Entwicklungspolitik (DIE) &
Kennedy Mbeva,*
*Guest researcher at Deutsches Institut für Ent-
wicklungspolitik (DIE)*

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INDCs: A silver bullet for the climate negotiations, or empty talk?

Bonn, 26 May 2015. Intended Nationally Determined Contributions (INDCs) were born with a big bang at the UN climate negotiations in 2013. Friends and foes soon considered them instrumental to reach a global climate agreement in Paris in December 2015. The INDCs break new ground because they are universal: all countries will formulate contributions to address climate change, not just the industrialised countries. INDCs are the talk of the day at climate workshops and conferences, and expectations are huge. Not just on the part of climate negotiators: we heard mayors proposing to include their city's climate strategies in national INDCs, and businesses describing INDCs as a potential tool to mobilise private investment. We heard researchers analysing the alignment of INDCs with Sustainable Development Goals (SDGs), and the creation of global climate change adaptation goals through INDCs. Yet this might all prove to be empty talk and hope in vain, unless some critical issues are going to be solved in the coming months.

The United Nations Framework Convention on Climate Change (UNFCCC) decided to invite all countries to prepare and communicate an INDC well in advance of the upcoming climate summit in Paris, in a clear and transparent way. This was a top-down decision that created a bottom-up process: national responsibilities to tackle climate change would be defined by countries themselves. In 2014 at the climate summit in Lima, it was decided that INDCs would focus on reducing emissions, but countries may also consider adaptation to climate change and their need for financial support, technology transfer and capacity building.

Unfortunately, the INDC 'guidelines' hardly got more detailed than this, meaning countries are flexible to include what they think their most important issues and opportunities are. But this has many drawbacks too. For example, a lack of clear metrics and methodologies is a challenge for countries with limited data and capacity, in particular to carry out adequate assessments as a basis for their INDCs. Furthermore, some countries might opt for an ambiguous or unambitious INDC for tactical reasons: They can first compare their contribution with other countries and leave some manoeuvring room to accommodate calls for more ambition. Other countries, however, face tough internal negotiations before setting contributions and already indicate that corrections after Paris are not possible. This locks in divergence from the start, as some countries

will communicate a minimal contribution and others already their maximum.

Another risk is that some developing countries might make their contributions conditional to financial support from industrialised countries. But whose contribution is it, if Germany pays for emission reduction in, say, Thailand? And what happens if Germany does not provide finance? This risk directly undermines the INDCs as an innovative instrument.

Countries also face a lack of time, not just to legally anchor Intended Nationally Determined Contributions in domestic policy – but even to formulate INDCs. The lack of guidelines makes the formulation of an INDC even more complex. With only six months to 'Paris', only ten INDCs have been submitted so far. Only two of them are not from industrialised countries. Andorra and other negligible emitters have submitted an INDC, but major polluters like China and India have not done so yet. The submitted INDCs are not representative for what is still to come – the lack of guidelines means other countries can submit INDCs with different scopes and targets. Research by New Climate Institute expects only 79 INDCs until 'Paris' – how to build a universal climate agreement on this?

The UNFCCC secretariat will compile a review of the aggregate mitigation ambitions in INDCs before Paris. However, with so few INDCs being submitted, this review may not provide a clear picture of the overall ambition to prevent dangerous climate change. Also, there will be no formal review of individual INDCs as countries so far failed to agree on this. Yet research of SEI, the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) and CICERO shows that Intended Nationally Determined Contributions must be subject to assessment and review (A&R) in order to give the Paris agreement some teeth, and decisions are needed on criteria for A&R, its timing and on what to assess and review.

There is a lot more to worry and criticize – but time is running out and it is better to focus on solutions now. The upcoming negotiations in Bonn, starting on the first of June, should ensure that INDCs do not become a failed instrument. The negotiations could for example clarify conditionality of contributions and develop the foundations for an A&R system. In absence of such a formal review, informal reviews should be organised to create trust, share best practices, increase ambition, and create further political momentum for Paris.