

Summary of UNFCCC Submissions

April 19, 2010 - November 23, 2010

The following is a summary of Party submissions to the AWG-LCA from April 2010 through November 2010 (it does not include country submissions on the Copenhagen Accord). These tables summarize various aspects of Party submissions and categorize them into two main sections. Section I captures proposals on the transparency and review of actions and Section II outlines views on the MRV, governance and sources of finance. The dates in parentheses indicate the date of the submissions reviewed by the authors. The final page lists the acronyms used in the tables. Please note that these tables represent WRI's interpretation of a selection of Party submissions, and do not necessarily reflect the complete views of the Parties.

For a summary of UNFCCC submissions prior to 2010, see <http://www.wri.org/publication/summary-of-unfccc-submissions>

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Please direct your comments, questions and inquiries to the authors:

- Transparency and Review - Hilary McMahon (hcmahon@wri.org)
- Finance - Xing Fu-Bertaux (xfu@wri.org) and Kirsten Stasio (kstasio@wri.org)

SUMMARY- TRANSPARENCY AND REVIEW

COLUMNS	EXPLANATION OF COLUMNS	SUMMARY
Scope of MRV	This column outlines Party positions on what will be MRVed, and at what level (e.g., international versus domestic).	<ul style="list-style-type: none"> • Regarding differentiation of responsibilities, most of the suggestions for what gets MRVed reflects the CA text, including (1) international MRV for supported actions and support and QERCs by Annex 1 countries, and (2) domestic MRV for developing country actions and international consultation and analysis. Japan applies MRV across the board including to developing country actions. South Korea refers to the BAP on MRV. The US proposes four baskets as a “unifying” approach. India is specific that voluntary NAMAs are not subject to international review. • Regarding national communications, some Parties specifically mention that NatComms should be subject to ICA (e.g., Chile, India). • Regarding the MRV of non-mitigation specific actions, some Parties make specific provisions for the MRV of adaptation (e.g., Ghana), technology, and finance. • Regarding compliance, a compliance mechanism and/or regime is mentioned twice (by Bolivia and India). • Regarding the KP, some suggest the use of KP provisions (e.g., Bolivia, Maldives).
Tools	This column examines how information will be MRVed. What tools will be used at the international and national level to measure, report and verify actions?	<ul style="list-style-type: none"> • Regarding the content of NatComms, NatComms are seen as the principle vehicle for reporting actions and support. Some countries specify that NatComms should also include voluntary actions (e.g., Argentina, India). For Ghana this includes reporting on adaptation actions. For Korea this includes actions already underway. Australia proposes a schedules approach. The US includes a low-emission growth strategy. • Regarding the review of NatComms, any countries hold that NatComms are subject to ICA (e.g., Chile). • Regarding inventories, some Parties mention inventories (e.g., the US requests that they be done every two years). • Regarding mechanisms, some countries refer to technology and finance mechanisms as tools (e.g., Bolivia).
Registry	This column highlights where countries reference a registry of actions, and, in some cases, of support as well.	<ul style="list-style-type: none"> • Regarding the role of the registry, most countries mentioned a registry as one of the tools for MRV, but with particular reference to supported actions and support and in some cases as a ‘matching mechanism’ (e.g., Chile, US and India). • Regarding the specific content of the registry, some countries included a lot of detail, registering many different things (technology, financial support, actions and related support). For example, AOSIS and Guatemala make a specific reference to the inclusion of activities, cost, and technology transfer in a registry. • On institutions, the Philippines propose that a Standing Committee on Finance will manage the registry. • Other observations: The US proposes a ‘Graduation’ process whereby registered projects that receive support then move to the Appendix.
Sequencing and organization of work	This column summarizes the proposals by countries on how to move this issue forward (e.g., What decisions need to be made? What should these decisions draw on? And where might these decisions or other forms of agreement happen?)	<ul style="list-style-type: none"> • Regarding guidelines for MRV, most countries propose that guidelines need to be provided for MRV, and some say that these guidelines should be provided through a COP decision (e.g., India, Chile, US). Guidelines, some countries add, should apply to International consultation and analysis (ICA) also (e.g., India). A few countries underline the urgency of this task (e.g., Australia). • Regarding who should shape the guidelines, some countries refer to the importance of the SBSTA and SBI’s technical work to shape the guidelines for MRV (ASAP according to New Zealand, e.g., India for transparency and uniformity). • Regarding what texts to draw on, the registry concept should take from the LCA and the CA four baskets (i.e., the major proposal from US). • Other observations: The US proposes that provisions for supported actions and support should be treated together in the same text.
Capacity building for MRV	This column describes any proposals by countries for capacity building to support MRV.	General observations : Support should help build national capacity for MRV (AOSIS) and support climate-related research and systematic observation (Ghana). Capacity building is critical (US) and should be fully supported (Guatemala).
Functions of MRV	This column summarizes where countries have specifically indicated the necessary functions or goals of an MRV system.	<ul style="list-style-type: none"> • Regarding a robust MRV system, accounting is rigorous, robust and transparent (e.g., Chile). The robust nature of MRV is a recurring theme. • Regarding standardization, MRV is essential for standardization and recognition (e.g., Australia). Uniformity is a similar sentiment expressed (e.g., India). • Other observations: South Korea suggests that it should help in identifying mitigation opportunities. The U.S. calls for MRV to provide “sunshine” on the implementation of country promises.
Science review	This column captures when specific references are made to linking the MRV of actions to a review of the science as provided for in the Copenhagen Accord (CA).	General observations : Chile and AOSIS in particular call for a science review by 2015 (the Maldives recalls the provisions of the CA for a review in 2015). The US references a review of goals/pledges in light of the science.

SUMMARY- FINANCE

COLUMNS	EXPLANATION OF COLUMNS	SUMMARY
MRV of Finance	This column outlines Party positions on how to MRV financial support from developed to developing countries.	<ul style="list-style-type: none"> • Regarding linking finance with actions, in some cases, countries propose that support should be linked to developing country action through a registry or other mechanism (e.g., Maldives, US). (This is also captured in the “Transparency and Review” table) • Regarding the SBI, some countries explicitly state that the SBI will have a role in verification (Bolivia, under a Compliance Mechanism) and measurement and reporting (India) of support. • Regarding the development of guidelines for reporting financial contributions, according to India, Ghana and the US, guidelines should be developed by the COP. • Regarding the registry, India and the Philippines on behalf of the G77 and China see the registry as part of or managed by the financial mechanism.
Governance	Party views on which institutions and what type of institutional arrangements will establish and govern climate funds.	<ul style="list-style-type: none"> • Regarding new vs. old institutions or funds, some countries support the creation of a new financial institution (e.g., Bolivia, Argentina, Ghana, Maldives), yet still recognize a role for existing institutions (Argentina). Argentina highlights the Adaptation Fund as a model for a new adaptation financial institutional arrangement. • Regarding the sharing of power and responsibility, some countries specify that the new financial institution should be characterized by a balanced regional composition (Argentina), equitable and balanced representation (Bolivia, India, Philippines on behalf of the G77 and China), or regional UN representation (Ghana, Bangladesh). The Maldives and the US specifically call for equal representation of developed and developing countries in the governance of adaptation funds and the EU calls for equal representation of net donors and net recipients on the Fund Board. • Regarding the selection of the Fund Board, some countries propose that the Board members and their alternates be elected by the COP (Philippines on behalf of G77 and China, Malawi), whereas other countries propose that the Board be nominated by the Transitional Body in charge of defining the operating modalities of the Board (US, EU). • Regarding the new financial institution’s relations vis-a-vis the COP, many countries specifically state that the institution should be under the COP/Convention (Argentina, Bangladesh), while still recognizing that multilateral initiatives outside of the Convention may have a complementary role (Bolivia, Ghana, India, Maldives, Venezuela (et. al.)). The US and EU argue that the CGCF should be an operating entity of the Convention’s financial mechanism. The Philippines on behalf of G77 and China propose for either the Fund to be a/the operating entity of the Convention or have a Board which will serve as a/the operating entity of the Convention. • Regarding the process to establish the Fund, some countries suggest that an ad hoc committee (EU, Philippines on behalf of G77 and China, Malawi) or a Transitional Working Group (US) designs the operating modalities of the Fund according to principles set out by the COP. Regarding the composition of this group, the US states that this group will be led by finance experts and convened by finance ministries of one or two countries whereas Bangladesh proposes that the body be an internal body under the COP. Some countries propose that the body regularly reports to the COP (US) whereas others propose intermediary reports through the SBI (EU) and/or a final report to the COP (EU, Philippines on behalf of G77 and China).
Sources	This column highlights which sources qualify as and should make up the financial support from developed countries (i.e., private, public or innovative sources). Where relevant, this column includes proposals on scale of finance.	<ul style="list-style-type: none"> • Regarding public vs. private finance, Argentina and Venezuela (et. al.) emphasized the importance of public finance, while Argentina still recognized private finance as a source. Ghana and Chile both supported the use of a variety of sources. • Regarding carbon markets, some countries rejected the use of carbon markets as a source of finance (e.g., Bolivia, India, and Venezuela et. al. specified that funding for forests is outside of the carbon market), while others emphasized the need for provisions to avoid market distortions and double counting (Argentina, Australia). • Regarding the UN’s AGF, Australia believes it is consistent with the Accord. The US does not believe it needs to be reflected in the LCA text because it has already been established by the UN. • Regarding proposed innovative sources, there was support for the issuance of Special Drawing Rights by the IMF (Bolivia), tax or other financial mechanism on bunkers (Botswana, Cook Islands), and other innovative sources previously proposed (Maldives). • Regarding eligibility criteria for climate finance flows, the majority of countries recognized that funding should be new and additional, predictable and adequate. • Regarding fast-start finance, many countries reiterate the provision of USD\$30 billion in fast-start finance (2010-2012) to developing countries, including India, the US, Chile, Ghana and Australia. South Africa specifically states that the USD\$30 billion can be used to test and demonstrate implementation, and to inform ‘a comprehensive package’. Bolivia states that fast track-financing in the order of USD\$400 billion from public sources should be made available by developed countries. The Marshall Islands highlights the effectiveness of a focused compilation of ‘fast start finance’-related information.

SECTION I. PARTY VIEWS ON TRANSPARENCY AND REVIEW

PARTY	SCOPE OF MRV	TOOLS	REGISTRY	SEQUENCING AND ORGANIZATION OF WORK	CAPACITY BUILDING FOR MRV	FUNCTIONS OF MRV	SCIENCE REVIEW
Summary	<ul style="list-style-type: none"> • Regarding differentiation of responsibilities, most of the suggestions for what gets MRVed reflects the CA text, including (1) international MRV for supported actions and support and QERCs by Annex 1 countries, and (2) domestic MRV for developing country actions and international consultation and analysis. Japan applies MRV across the board including to developing country actions. South Korea refers to the BAP on MRV. The US proposes four baskets as a “unifying” approach. India is specific that voluntary NAMAs are not subject to international review. • Regarding national communications, some Parties specifically mention that NatComms should be subject to ICA (e.g., Chile, India). • Regarding the MRV of non-mitigation specific actions, some Parties make specific provisions for the MRV of adaptation (e.g., Ghana), technology, and finance. • Regarding compliance, a compliance mechanism and/or regime is mentioned twice (by Bolivia and India). • Regarding the KP, some suggest the use of KP provisions (e.g., Bolivia, Maldives). 	<ul style="list-style-type: none"> • Regarding the content of NatComms, NatComms are seen as the principle vehicle for reporting actions and support. Some countries specify that NatComms should also include voluntary actions (e.g., Argentina, India). For Ghana this includes reporting on adaptation actions. For Korea this includes actions already underway. Australia proposes a schedules approach. The US includes a low-emission growth strategy. • Regarding the review of NatComms, any countries hold that NatComms are subject to ICA (e.g., Chile). • Regarding inventories, some Parties mention inventories (e.g., the US requests that they be done every two years). • Regarding mechanisms, some countries refer to technology and finance mechanisms as tools (e.g., Bolivia). 	<ul style="list-style-type: none"> • Regarding the role of the registry, most countries mentioned a registry as one of the tools for MRV, but with particular reference to supported actions and support and in some cases as a ‘matching mechanism’ (e.g., Chile, US and India). • Regarding the specific content of the registry, some countries included a lot of detail, registering many different things (technology, financial support, actions and related support). For example, AOSIS and Guatemala make a specific reference to the inclusion of activities, cost, and technology transfer in a registry. • On institutions, the Philippines propose that a Standing Committee on Finance will manage the registry. • Other observations: The US proposes a ‘Graduation’ process whereby registered projects that receive support then move to the Appendix. 	<ul style="list-style-type: none"> • Regarding guidelines for MRV, most countries propose that guidelines need to be provided for MRV, and some say that these guidelines should be provided through a COP decision (e.g., India, Chile, US). Guidelines, some countries add, should apply to International consultation and analysis (ICA) also (e.g., India). A few countries underline the urgency of this task (e.g., Australia). • Regarding who should shape the guidelines, some countries refer to the importance of the SBSTA and SBI’s technical work to shape the guidelines for MRV (ASAP according to New Zealand, e.g., India for transparency and uniformity). • Regarding what texts to draw on, the registry concept should take from the LCA and the CA four baskets (i.e., the major proposal from US). • Other observations: The US proposes that provisions for supported actions and support should be treated together in the same text. 	<p>General observations: Support should help build national capacity for MRV (AOSIS) and support climate-related research and systematic observation (Ghana). Capacity building is critical (US) and should be fully supported (Guatemala).</p>	<ul style="list-style-type: none"> • Regarding a robust MRV system, accounting is rigorous, robust and transparent (e.g., Chile). The robust nature of MRV is a recurring theme. • Regarding standardization, MRV is essential for standardization and recognition (e.g., Australia). Uniformity is a similar sentiment expressed (e.g., India). • Other observations: South Korea suggests that it should help in identifying mitigation opportunities. The U.S. calls for MRV to provide “sunshine” on the implementation of country promises. 	<p>General observations: Chile and AOSIS in particular call for a science review by 2015 (the Maldives recalls the provisions of the CA for a review in 2015). The US references a review of goals/pledges in light of the science.</p>
Argentina (April 2010)	What gets MRVed? QERCs by Annex I countries; support by developed countries to developing countries; supported developing country actions; social and public safeguards for REDD.	Information on actions implemented by developing country Parties without any international support should be communicated through NatComms.	ACTIONS Both mitigation and adaptation technology related actions; commercialisation, manufacturing and procurement actions	By the secretariat to the EB	SUPPORT Verification body MRVs financial and technical contributions	A technology mechanism under the COP that has a Verification body: MRVs, as well as an EB	

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<p>AOSIS (April 2010 - submitted by Grenada) (May 2010 - submitted by Grenada)</p>			<p>Activities, cost and technology transferred for preparatory phase of NAMAs in developing countries will be registered.</p>		<p>Need to develop sufficient national capacity for MRV (including a preparatory phase supported by developed countries which is registered).</p>		<p>The gap between the current pledge and what the best available science demands must be addressed as soon as possible.</p> <p>“Parties to [the Kyoto] Protocol shall undertake and conclude no later than 31 December 2015, an interim assessment and review of efforts made by Parties included in Annex 1...To assess progress and determine whether additional measures are needed”</p>
<p>Australia (May 2010)</p>		<p>There should be a common architecture/vehicle/instrument for recognizing and recording mitigation actions by all Parties. For example, Australia’s National Schedules proposal or an elaboration of the CA’s Appendices device.</p>		<p>By COP16, Parties should be in a position to agree on guidelines to operationalise the MRV aspects of the CA of mitigation actions. Settling the details of these arrangements will be a critical task in 2010.</p> <p>The draft negotiating text should reflect the outcomes of the Accord, to allow Parties to progress discussions on the form and content of the guidelines.</p>		<p>The single vehicle format acts to increase the transparency of mitigation actions by creating a degree of standardization that will facilitate accessibility of the commitments provided. It will also allow Parties to be recognized internationally for the full spectrum of their mitigation efforts.</p> <p>The MRV of mitigation actions is fundamental to the environmental integrity of the climate regime.</p>	

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Bolivia (April 2010)	<p>For actions taken by Annex I countries, MRV rules from the KP apply.</p> <p>For actions taken by Annex I countries not in the KP, MRV rules and procedures elaborated by COP17 (based on the KP) will apply.</p> <p>Supported Non-Annex I NAMAs may be subject to MRV based on rules and procedures established by the COP.</p> <p>MRV of support should be undertaken in the context of the UN-FCCC Compliance Mechanism.</p>	<p>NatComms should include voluntary developing country NAMAs (Art. 12.1(b)).</p> <p>Measurement of support should be done in accordance with Art. 7.2 of the Convention.</p> <p>Reporting of support should be done in accordance with Art 4.7 and 12.3 of the Convention.</p> <p>Verification of support should be done by the SBI under Art. 10.2(a) based on inputs from the finance (Art. 11.1 of Convention) and technology (Art. 7.2(i)) mechanisms.</p>					
Chile (May 2010)	<p>Developed country reductions and financing should be subject to MRV, with guidelines adopted by the COP.</p> <p>Supported Non-Annex I country NAMAs should be subject to international MRV in accordance with COP guidelines.</p> <p>Unsupported (unilaterally implemented) Non-Annex I NAMAs should be subject to domestic MRV.</p> <p>NatComms should be subject to ICA.</p> <p>Actions already being implemented should be considered unilateral NAMAs.</p>	<p>NatComms should be subject to ICA.</p>	<p>NAMAs seeking international support shall be recorded in a registry along with the required support.</p> <p>Unilaterally implemented NAMAs could voluntarily be recorded in a registry.</p>	<p>Guidelines for MRV should be adopted by the COP.</p> <p>Unsupported Non-Annex I actions, their implementation, and results shall be reported through NatComms every two years.</p>		<p>Guidelines should ensure rigorous, robust and transparent accounting of reductions and financing.</p> <p>Financing is in the “context” of meaningful mitigation actions and transparency on implementation.</p>	<p>Parties should complete a review before 2015 based on the best available scientific information followed by 5-year reviews of the long-term goal.</p>

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<p>European Union (April 2010 - submitted by Spain) (July 2010 - submitted by Belgium)</p>				<p>The negotiating text should integrate the political guidance of the CA.</p> <p>The CMP “at its (x) session shall define relevant principles, modalities, rules and guidelines, in particular for verification, reporting and accountability for emissions trading”</p>			
<p>Ghana (April 2010)</p>	<p>Developed country support for adaptation and technology action in developing countries should be MRVed in accordance with guidelines from the COP (accounting is rigorous, robust and transparent).</p> <p>The provision of technical support to developing countries by developed countries, for mitigation and adaptation, should be reported annually in NatComms and subject to international MRV guidelines to be developed by the COP.</p> <p>MRV should apply to support for environmentally sound technology and know-how transfer.</p> <p>MRV-able reductions should be a condition of a developed country receiving ESTRs under the technology incentive instrument.</p>	<p>NatComms should include support reported annually by developed countries and shall be subject to international MRV guidelines developed by the COP.</p> <p>All Parties should use existing channels to report, as appropriate, on activities undertaken and support provided and received for adaptation actions in developing countries.</p>		<p>Wants an “Adaptation Committee” that among other activities will plan, organize, coordinate, monitor and evaluate international actions on adaptation, including the means of implementation.</p> <p>Guidelines for international MRV of technological support should be developed by the COP.</p> <p>Proposed an Executive Body on Technology, that among other activities, will monitor and assess the financial support and performance of the development and transfer of environmentally sound technologies.</p>	<p>Developed countries should support developing countries in “Improving climate related... research and systematic observation for climate data collection, archiving, analysis and modeling for improved climatic-related data and information to decision-makers at national and regional levels.”</p>	<p>MRV will ensure that accounting of finance is rigorous, robust and transparent.</p>	
<p>Guatemala (April 2010)</p>			<p>In the NAMAs preparatory phase, the associated cost and technology transferred will be registered.</p>		<p>A preparatory phase for NAMAs, among other things, will help develop sufficient national capacity for MRV of NAMAs and will be fully supported by developed countries.</p>		

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PARTY	SCOPE OF MRV	TOOLS	REGISTRY	SEQUENCING AND ORGANIZATION OF WORK	CAPACITY BUILDING FOR MRV	FUNCTIONS OF MRV	SCIENCE REVIEW
India (April 2010)	<p>Developed country commitments should be achieved through economy-wide emission reduction targets and subject to a strict review and compliance procedure.</p> <p>NAMAs seeking international support will be subject to international MRV in accordance with guidelines adopted by the COP.</p> <p>Voluntary (unsupported) NAMAs should not be subject to international review. They will be subject to domestic MRV (dMRV).</p> <p>ICA should be based on NatComms in the format decided upon by the COP, through the SBI.</p> <p>A MRV/ICA regime for developing countries should be accompanied by a similar compliance regime for enforcement of Annex I country commitments.</p>	NatComms should report ALL domestic mitigation actions, supported and unsupported, with provisions for ICA.	<p>NAMAs seeking international support should be recorded in a registry along with relevant support.</p> <p>The NAMA registry should be part of the climate change financing mechanism.</p>	<p>MRV guidelines should be subject to the decision of the COP, through the SBI.</p> <p>The SBI should also devise the Guidelines for ICA.</p> <p>ICA should be based on NatComms in the format decided upon by the COP, through the SBI.</p>		The SBI's role in both MRV and ICA guidelines is necessary to ensure that transparency and uniformity is maintained in the procedures of consultation and analysis.	
Japan (May 2010)	Applies the phrase "MRV" to developed country's emission reductions targets, developing country mitigation actions, and finance.			Emphasizes the importance of the CA, and that elements of the CA should be incorporated into the negotiating text in a comprehensive manner.			
Maldives (April 2010)	<p>Annex I Parties' mitigation commitments should be MRVed with the provisions of the KP; developing country NAMAs should be MRVed (per the CA).</p> <p>A verification group should be established under the Technology mechanism.</p>		The registry should provide means for registering the implementation by developed countries of their finance obligations and for matching with NAMA by developing countries.				<p>Recalls that the CA calls for a review in 2015 to include strengthening the global goal to 1.5 degrees Celsius.</p> <p>Annex I commitments to the KP should be regularly reviewed on the basis of emerging scientific information.</p>

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Marshall Islands (May 2010)						Recommends to the Chair that her negotiating text reflect the emerging consensus in favor of a robust review mechanism for reviewing overall progress toward the achievement of the ultimate objective of the Convention.	
New Zealand (April 2010)				MRV will need the COP to request the SBSTA/SBI to undertake technical work; need to commence as soon as possible so Parties can be sure of rules before they take on new commitments. The CA should be a touchstone.			
Phillipines on behalf of G77 (October 2010)				A Standing Committee on Finance will manage a registry to MRV the fulfillment of contributions, flows and scale.			
Republic of Korea (April 2010)	NAMAs by developing countries are expected to be MRVed, based on Para. 1(b)(ii) of the BAP).	Parties need a mechanism to recognize actions already taken.	A registry would facilitate the MRV of NAMAs by developing countries and the support provided by developed countries by keeping track of the actions. Registration should be voluntary. Unsupported NAMAs could be registered voluntarily.			A registry should provide transparent information, review the progress of mitigation, and identify sectors or regions where international cooperation or support is needed. It recognizes the actions developing countries are taking, and it facilitates the MRV of NAMAs and support.	
South Africa (May 2010)	Supports progress on a work programme on MRV of FTCB support by developed countries, starting with a common reporting format for financial contributions.			Calls for the roadmap to address how developing country actions might be made MRV-able at the same time as MRV and comparability of developed country mitigation commitments.			

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<p>United States (April 2010)</p>	<p>International MRV applies to (1) Annex I mitigation, (2) financial/technological support of actions, and (3) the supported actions.</p> <p>Domestic MRV/ICA applies to non-Annex I actions (including supported and unsupported).</p> <p>The CA confirms that MRV applies to support and both supported and unsupported actions.</p>	<p>The registry should play a role with respect to double-sided MRV for support and supported actions.</p> <p>Inventories should be done every two years.</p> <p>Low-emission growth strategies for all Parties should be part of the NatComms.</p>	<p>“[B]oth annex I and non-annex I parties communicate their mitigation contributions for international listing and stand behind them in terms of implementation”</p> <p>Parties need to list actions in all 3 categories (domestic non-Annex I, supported non-Annex I and those seeking support).</p> <p>Registered actions that secure support move automatically to the Appendix of mitigation undertakings.</p> <p>“The Registry, which ties together funding and actions in need of support” may also help with the double-sided MRV.</p>	<p>The Registry concept should be taken from the LCA text and the CA. There is a need for existing and new COP guidelines for international MRV. Domestic MRV and ICA need more text discussion. Supported actions and support provided should be treated together in the text. The text should mirror the CA mitigation and transparency areas of agreement.</p> <p>Refers to existing COP guidelines and any other guidelines the COP might adopt.</p> <p>MRV might be placed, at least partially, in a companion decision, separating mitigation and MRV.</p> <p>Further discussion is required on the extent of standardization of domestic MRV.</p>	<p>Capacity building is a critical issue.</p>	<p>MRV should provide the necessary ‘sunshine’ to ensure countries are carrying out their promises and are on track in relation to the objectives of the Convention.</p> <p>Highlights the usefulness of the CA in bowing to national sovereignty, including in the context of ICA, which promotes widespread contributions and implementation.</p> <p>Guidelines should be augmented in terms of rigor and transparency.</p>	<p>The text could provide that a review process (drawing on the language in the CA and/or paras 6, 7, and 8 of the LCA text) should, among other things, consider strengthening the long-term goal of 2 degrees in light of science.</p>

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
<p>Summary</p>	<ul style="list-style-type: none"> • Regarding linking finance with actions, in some cases, countries propose that support should be linked to developing country action through a registry or other mechanism (e.g., Maldives, US). (This is also captured in the “Transparency and Review” table) • Regarding the SBI, some countries explicitly state that the SBI will have a role in verification (Bolivia, under a Compliance Mechanism) and measurement and reporting (India) of support. • Regarding the development of guidelines for reporting financial contributions, according to India, Ghana and the US, guidelines should be developed by the COP. • Regarding the registry, India and the Philippines on behalf of the G77 and China see the registry as part of or managed by the financial mechanism. 	<ul style="list-style-type: none"> • Regarding new vs. old institutions or funds, some countries support the creation of a new financial institution (e.g., Bolivia, Argentina, Ghana, Maldives), yet still recognize a role for existing institutions (Argentina). Argentina highlights the Adaptation Fund as a model for a new adaptation financial institutional arrangement. • Regarding the sharing of power and responsibility, some countries specify that the new financial institution should be characterized by a balanced regional composition (Argentina), equitable and balanced representation (Bolivia, India, Philippines on behalf of the G77 and China), or regional UN representation (Ghana, Bangladesh). The Maldives and the US specifically call for equal representation of developed and developing countries in the governance of adaptation funds and the EU calls for equal representation of net donors and net recipients on the Fund Board. • Regarding the selection of the Fund Board, some countries propose that the Board members and their alternates be elected by the COP (Philippines on behalf of G77 and China, Malawi), whereas other countries propose that the Board be nominated by the Transitional Body in charge of defining the operating modalities of the Board (US, EU). • Regarding the new financial institution’s relations vis-a-vis the COP, many countries specifically state that the institution should be under the COP/Convention (Argentina, Bangladesh), while still recognizing that multilateral initiatives outside of the Convention may have a complementary role (Bolivia, Ghana, India, Maldives, Venezuela (et. al.)). The US and EU argue that the CGCF should be an operating entity of the Convention’s financial mechanism. The Philippines on behalf of G77 and China propose for either the Fund to be a/the operating entity of the Convention or have a Board which will serve as a/the operating entity of the Convention. • Regarding the process to establish the Fund, some countries suggest that an ad hoc committee (EU, Philippines on behalf of G77 and China, Malawi) or a Transitional Working Group (US) designs the operating modalities of the Fund according to principles set out by the COP. Regarding the composition of this group, the US states that this group will be led by finance experts and convened by finance ministries of one or two countries whereas Bangladesh proposes that the body be an internal body under the COP. Some countries propose that the body regularly reports to the COP (US) whereas others propose intermediary reports through the SBI (EU) and/or a final report to the COP (EU, Philippines on behalf of G77 and China). 	<ul style="list-style-type: none"> • Regarding public vs. private finance, Argentina and Venezuela (et. al.) emphasized the importance of public finance, while Argentina still recognized private finance as a source. Ghana and Chile both supported the use of a variety of sources. • Regarding carbon markets, some countries rejected the use of carbon markets as a source of finance (e.g., Bolivia, India, and Venezuela et. al. specified that funding for forests is outside of the carbon market), while others emphasized the need for provisions to avoid market distortions and double counting (Argentina, Australia). • Regarding the UN’s AGF, Australia believes it is consistent with the Accord. The US does not believe it needs to be reflected in the LCA text because it has already been established by the UN. • Regarding proposed innovative sources, there was support for the issuance of Special Drawing Rights by the IMF (Bolivia), tax or other financial mechanism on bunkers (Botswana, Cook Islands), and other innovative sources previously proposed (Maldives). • Regarding eligibility criteria for climate finance flows, the majority of countries recognized that funding should be new and additional, predictable and adequate. • Regarding fast-start finance, many countries reiterate the provision of USD\$30 billion in fast-start finance (2010-2012) to developing countries, including India, the US, Chile, Ghana and Australia. South Africa specifically states that the USD\$30 billion can be used to test and demonstrate implementation, and to inform ‘a comprehensive package’. Bolivia states that fast track-financing in the order of USD\$400 billion from public sources should be made available by developed countries. The Marshall Islands highlights the effectiveness of a focused compilation of ‘fast start finance’-related information.

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
<p>Argentina (April 2010)</p>	<p>Support for both adaptation and mitigation in developing countries in the mid term should be periodically reviewed to adjust the amount of resources to the actual need of developing countries.</p> <p>Financial support for the implementation of NAMAs by developing countries will be MRVed (along with supported developed country mitigation actions).</p>	<p>The access to financial support for adaptation should be simple, expeditious and direct, taking as a model the Adaptation Fund. These funds should cover the needs for adaptation of all developing countries. In this sense, new institutional arrangements should be considered to guide, supervise, support, administer and monitor the operation of the Adaptation Framework for Implementation (established in the LCA negotiating text here: FCCC/CP/2010/2).</p> <p>The necessary institutions should be created under the Convention, with a balanced regional composition. Existing multilateral institutions could be required for fiduciary and implementation functions. Multilateral initiatives outside the Convention may have a complementary role in technical assistance and capacity building that contributes to an improved implementation of actions in developing countries.</p> <p>The Executive Committee on Technology should recommend to the institutions that will govern the financial mechanism, about the technology actions presented by developing countries to be eligible for financial support.</p>	<p>Public finance should prevail. Private financing could contribute in a complementary manner, although it is necessary to thoroughly analyze the mechanisms through which these resources could be channeled. In this regard, Argentina could accept, up to certain limits, the use of market mechanism only if clear rules are established to avoid market distortions such as those experienced under the rules used until now under the Kyoto Protocol.</p> <p>The provision of funds for REDD+ could be envisioned from various sources.</p>
<p>Australia (May 2010)</p>		<p>Supports a pragmatic approach to discussions on the technical elements of finance, including the flexibility to use a range of fora.</p> <p>Notes that some parts of the LCA negotiations appear more mature than others, including a governance structure for finance.</p> <p>Is committed to operationalizing all financing aspects of the CA.</p>	<p>Welcomes the UN Secretary General's High-level Advisory Group on Climate Change Financing, which is consistent with the Accord.</p> <p>Supports the continuation of markets, including a REDD market mechanism, in addition to provisions to prevent double-counting of emissions reductions and removals.</p>
<p>Bangladesh (October 2010)</p>		<p>An 'Ad-hoc' or 'Standing Committee' is set up to spearhead the process of operationalizing the Fund. The committee will work out operational details of the Fund including funding sources and criteria, financial instruments, access modalities, which should be simplified and easy to put into practice. This Committee should be an internal body under the COP, with equitable and balanced representation from all UN Country Groups, including the LDCs, SIDS and Africa. A multidisciplinary 'Expert Group' may also be set-up to assist the committee. Again these Experts must be drawn from all the UN country groups to represent experiences in relation to diverse ground realities across the country groups. Gender representation may be kept in focus.</p> <p>The working modalities of the committee should be adopted in Cancun, including, for example, reporting on the progress once or twice before COP 17.</p>	
<p>Belgium and the European Commission on behalf of the European Union (October 2010)</p>		<p>The Copehagen Green Climate Fund is an operating entity of the financial mechanism of the Convention, pursuant to article 11 of the Convention, under the guidance of, and be accountable to, the Conference of the Parties.</p> <p>Ad Hoc Committee designs the CGCF. AI and NAI parties designate x experts each. The nominees should have the necessary experience and skills to design the fund. The Ad-Hoc Committee presents a progress report on its design proposal to SBI 34, and forwards its final report and design proposals to COP-17 with a view to deciding on the establishment and/or the operating modalities of the CGCF.</p> <p>The Board of the Fund shall have equal representation between net contributors and net recipients.</p>	

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
<p>Bolivia (April 2010)</p>	<p>A compliance mechanism shall be established for the evaluation and verification of developed country commitments under the Convention, including their financial contributions to identify insufficiencies, what is provided and what is needed, and address non-compliance.</p> <p>MRV of financial support of at least 1% of the GNP of developed countries (for mitigation actions by developing countries), technology and capacity building shall be undertaken in the context of the UNFCCC Compliance Mechanism, with the following objectives:</p> <p>(i) Measurement shall be in accordance with methodologies to measure provision of FTCB (in accordance with Article 7.2(d) of the Convention).</p> <p>(ii) Reporting shall be on the provision of financial resources and transfer of technology, in accordance with Article 4.7 and communicated under Article 12.3 of the Convention.</p> <p>(iii) Verification of the combined effects of these measures shall be undertaken by the SBI under Article 10.2(a), based on inputs from the finance and technology mechanisms;</p> <p>(a) verification of the provision of finance for enabled actions to be conducted by the financial mechanism/the Multilateral Climate Fund (in accordance with Article 11.1 of the Convention), so the Multilateral Climate Fund (under the COP) will include a monitoring and verification group or mechanism; and</p> <p>(b) verification of the provision of technology transfer for enabled actions shall be conducted by the technology mechanism under Article 7(2)(i) of the Convention.</p> <p>The new institutional framework on adaptation will include a mechanism to register and monitor the support of developed countries, and a compliance mechanism under the Convention to measure and verify the provision of support (finance and for technology).</p>	<p>A financial mechanism under the COP (the Multilateral Climate Fund) is established in accordance with Article 11.1, which is comprised of: (i) an Executive Board (i.e., the governing body) with equitable and geographically balanced representation; (ii) multiple specialized Funds/funding windows (i.e., adaptation, mitigation, technology transfer and development, and capacity building); (iii) trustee(s) appointed by the EB; (iv) technical panels of experts; and (v) a monitoring and verification group or mechanism.</p> <p>An institutional framework on adaptation is established under the Convention to enable developed country Parties to meet the cost of adapting to climate change. It shall be comprised of:</p> <p>(i) an Executive Board under the COP;</p> <p>(ii) an Adaptation Fund window;</p> <p>(iii) this Adaptation Fund is exclusive for facing climate change, without any impositions from MDBs or Financial Institutions;</p> <p>(iv) a comprehensive adaptation program to enhance action on adaptation in a coordinated and coherent manner at all levels, ranging from assessments through planning to implementation (i.e., enables the formulation of national adaptation measures, provides FTCB support for adaptation actions, and establishes regional centers where appropriate);</p> <p>(v) an international mechanism to address the unavoidable loss and damage resulting from the adverse effects of climate change by addressing risks associated with extreme weather events and providing compensation and rehabilitation for climate-related slow onset events; and</p> <p>(vi) an international mechanism to address the needs of individuals and peoples displaced due to climate change.</p> <p>The COP shall finish operationalization of the Adaptation Framework at the latest by COP17.</p> <p>A mechanism for technology development and transfer is established under the Convention to fully implement the commitments on technology development and transfer under the Convention. It shall be comprised of:</p> <p>(i) a Technology Executive Board;</p> <p>(ii) Technical Panels for adaptation and mitigation technologies;</p> <p>(iii) a Technology Action Plan;</p> <p>(iv) a Multilateral Climate Technology Fund/window, which will provide financial resources for the activities agreed on by the established Technology Mechanism (in accordance with Article 4.3), will be part of the financial mechanism of the Convention, and shall be composed of Regional Groups of Experts in Investment and Development; and</p> <p>(v) a compliance mechanism for measuring and verifying commitments.</p> <p>A framework for the delivery of forest-related financial resources for developing countries' commitments under Article 4.1 (d) is established.</p> <p>Under the proposed Multilateral Climate Fund the following should be established:</p> <p>(i) a funding window for forest-related activities as set out under paragraph 1(b)(iii) of the BAP; and</p> <p>(ii) an expert group/committee to facilitate implementation of such activities supported by a technical panel if needed.</p> <p>A capacity-building committee mechanism shall be established to develop and support capacity-building needs of developing countries vulnerable to the adverse effects of climate change, including through funding.</p>	<p>Provision of financial resources by developed countries to developing countries amounting to at least 6% of the value of GNP of developed countries, for adaptation (3% of GNP), technology transfer (1% of GNP), capacity building (1% of GNP) and mitigation (1% of GNP).</p> <p>The newly established institutional framework on adaptation will set the criteria and parameters of adaptation to be funded and, where appropriate, help mobilize financial resources from public and other sources of finance.</p> <p>US\$400 billion, from public finance sources, shall be made available by developed countries for fast-track financing to address climate change. An equivalent of US\$150 billion worth of Special Drawing Rights shall be issued by the IMF as partial fulfillment of this commitment.</p> <p>There should not be use of an international carbon market or an international carbon market approach in the offsetting of Annex I Parties' mitigation commitments or in the financing of developing countries' climate actions as it has serious adverse effects.</p>

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
<p>Botswana (April 2010)</p>			<p>An international tax on bunkers including air transport can provide adequate, additional and predictable financing for climate change, as previously proposed by Botswana along with LDCs and SIDS. The base document, FCCC/CP/2010/2 contained in the draft COP decision on bunkers from Copenhagen, should be moved forward.</p>
<p>Chile (May 2010)</p>		<p>Improved access to funding should be provided to developing countries.</p>	<p>The USD\$100 billion a year by 2020 that developed countries should commit to could come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance such as market mechanisms.</p> <p>There is need to provide positive incentives for REDD+ actions through the immediate establishment of a mechanism to enable the mobilization of financial resources from developed countries.</p> <p>Scaled up, new and additional, predictable and adequate funding should be provided to developing countries.</p>
<p>Cook Islands (May 2010) (July 2010)</p>			<p>The ICAO and the IMO should develop and implement measures to reduce GHG emissions from aviation and marine bunker fuels. The revenue of these measures will support climate change adaptation and mitigation in SIDS and LDCs.</p> <p>The COP should adopt text which agrees that the limitation and reduction of bunker emissions should be pursued, working through the ICAO and IMO, but which cannot bind these bodies. The ICAO and IMO should inform the COP at its 17th session and its SBs as appropriate at regular intervals.</p>

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
<p>Ghana (April 2010)</p>	<p>Provision of international FTCB for developing country adaptation will be MRVed in accordance with guidelines to be adopted by the COP, and will ensure that accounting of such finance is rigorous, robust and transparent.</p> <p>All Parties should use existing channels to report, as appropriate, on support provided and received for adaptation actions in developing countries, to ensure transparency, mutual accountability, and with the aim of identifying insufficiencies and discrepancies of support for consideration by the COP.</p> <p>The provision of technological support to developing countries by developed countries, for both mitigation and adaptation, shall be reported annually by developed countries in their national communications and shall be subject to international MRV guidelines to be developed by the COP.</p>	<p>New multilateral funding for adaptation, technology and capacity building will be delivered through effective and efficient fund arrangements, with a governance structure providing for regional UN representation. The funding should flow through the Copenhagen Green Climate Fund established under the Convention, which will support REDD-plus, adaptation, capacity-building, technology development and transfer in developing countries.</p> <p>Establishes an Adaptation Framework for Implementation. An Adaptation Committee under the Convention will be established to guide, supervise, support, administer and monitor the operation of this Framework, including, among other things,</p> <ul style="list-style-type: none"> (i) to receive, evaluate and approve the applications of financial support from developing country Parties for implementation of adaptation activities, and providing such financial support through financial mechanism. (ii) to support the assessment of adaptation needs and adaptive capacity of developing countries (including financial needs). <p>Establishes a Technology Mechanism under the COP to, among other things, ensure adequacy and predictability of FTCB support to developing countries for technology transfer. It shall “articulate with the Financial Mechanism of the Convention, Coordinating Mechanism for Mitigation and the Adaptation Framework for Implementation.” The Technology Mechanism will consist of, among other bodies (such as an Executive Body), a Multilateral Technology Fund as a funding window under the overall Convention Financial Mechanism.</p> <p>Technology Action Plans shall be implemented with financial support through the financial mechanism of the Convention and other financial arrangements as part of the Copenhagen agreed outcome.</p>	<p>Developed countries shall provide grant-based finance from public sources for adaptation in the order of at least 1.5% of GDP for adaptation activities in developing countries.</p> <p>Funding will come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance.</p> <p>The Technology Mechanism will take into account the important role of public finance in supporting technology R&D and demonstrations and in leveraging private-sector funding.</p> <p>Developed countries will provide \$100bn/yr by 2020, which will come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance.</p>
<p>Guatemala (April 2010)</p>		<p>The provision of financial resources will be guided by the principles of the Convention and priorities of developing countries, especially particularly vulnerable developing countries. In this context, the implementation of Article 4, paragraph 3, 4, 5, 7, 8 and 11 should be the basis for the financial mechanism.</p> <p>Financial resources for the preparation of REDD+ should be distributed equally among developing countries.</p>	<p>Developed countries should provide new, additional and predictable financial resources.</p>

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
<p>India (April 2010)</p>	<p>An MRV architecture which should apply not only to actions but also the support for such actions.</p> <p>All guidelines for MRV will be subject to decision of the COP through its subsidiary body, SBI.</p> <p>The NAMA registry should be part of the climate change financing mechanism.</p>	<p>A global mechanism for generating and accounting for additional resources, mainly from public sources, is essential.</p> <p>There should be a multilateral financial mechanism under the Convention. There can be many operating entities of the Fund, but the Fund itself should have balanced and equitable representation of Parties, function under the COP and ensure direct access.</p> <p>Global technology cooperation should be based on a multilateral mechanism that finances and facilitates collaborative research in future low-carbon technology and access to IPRs as global public goods.</p>	<p>Long-term finance should not rely on resources from carbon markets.</p> <p>Balance is necessary between private and public funds.</p> <p>REDD+ should be financed with public funds and a dependence on carbon markets should not be a stumbling block to mitigation and adaptation efforts in the forestry sector.</p> <p>Deepening and expansion of carbon markets should take place through strengthening of the available flexibility instruments under the Kyoto Protocol.</p>
<p>Malawi (October 2010)</p>		<p>An adhoc Finance Committee is to be established at COP16 to commence and spearhead the process of operationalizing the Fund at COP17 with functions including but not limited to:</p> <ul style="list-style-type: none"> i. Modalities and guidelines to operationalize the Global Climate Fund ii. Recommend to the COP the composition and criteria for membership to the Board at COP17 iii. Present progress reports as shall be determined by the COP and a report of their work at COP17 <p>The Committee is to have equitable and balanced representation taking into account gender consideration.</p> <p>The Fund is established under the authority and guidance of and accountable to the COP.</p> <p>Selection of the Fund Board : A Fund Board be established at COP17 based on recommendations of the ad hoc Finance Committee.</p>	

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
<p>Maldives (April 2010)</p>	<p>Maldives has taken a lead in developing a proposal within the G77 for enhanced implementation of a Financial Mechanism for Meeting Financial Commitments. The Mechanism would:</p> <ul style="list-style-type: none"> • include a new Board, a Secretariat, an Expert Group or Committee, a Consultative Group of stakeholders and an independent assessment panel; • ensure full implementation of relevant provisions in the Convention relating to the provision of financial resources; and • provide a means for registering the implementation by developed countries of their obligations relating to financing, and for matching these with nationally appropriate mitigation actions by developing countries. 	<p>Maldives emphasizes its support for the establishment of the Copenhagen Green Climate Fund and calls on the fund to be operationalized as soon as possible and to receive adequate financing (quick-start and longer-term).</p> <p>Mexico's proposal for a new financial architecture also includes a range of elements that dovetail well with proposals by LDCs, AOSIS and G77.</p> <p>Recalls the elements of the Copenhagen Accord that new multilateral funding for adaptation will be delivered through effective and efficient fund arrangements, with a governance structure providing for equal representation of developed and developing countries.</p> <p>Reiterates its statement that a comprehensive mechanism and structured approaches are necessary to enhance action on adaptation through and beyond 2012. Maldives offers its full support to the proposals on adaptation put forward by AOSIS and the LDC Group. Key elements of this approach include:</p> <ul style="list-style-type: none"> • the establishment of a Subsidiary Body on Adaptation under the Convention; • the establishment of a Convention Adaptation Fund in the context of the finance framework proposed by the G77; and • a comprehensive Work Programme on Adaptation. <p>The Convention Adaptation Fund as discussed in the August 2007 AOSIS submission to the UNFCCC is linked to GHG emissions on the polluter pays principle. The Fund will complement, not replace, the KP Adaptation Fund. All new funds raised would be channeled through the UNFCCC and funds disbursed under the authority and governance of the COP. New governance required because existing IFIs put small states at disadvantage. Funding for technology transfer should be managed in transparent regime. There should be no mixing of support or credits from the KP with LCA.</p> <p>Maldives supports the call by AOSIS countries for a Mechanism to address Loss and Damage from Climate Change Impacts, and maintains its support to the European Union's concept of a Framework for Adaptation as a thoughtful and constructive contribution to the negotiations.</p> <p>Maldives maintains its support for the developing countries proposition on establishment of a Technology Mechanism under the UNFCCC including:</p> <ul style="list-style-type: none"> • enhanced institutional arrangements (a Subsidiary/Executive Body, a Strategic Planning Committee, a series of Technical Panels, a Verification Group and a Secretariat); • Multilateral Climate Technology Fund; and • a Technology Action Plan addressing all sectors and stages of technology development and transfer. 	<p>Calls on developed and developing countries to allocate a realistic sum from their own GDP to transform to a low-carbon economy.</p> <p>Proposals by Switzerland (carbon levy), Norway (auctioning AAUs) and the EU offer innovative approaches for raising new and additional financial resources.</p> <p>Supports the call by the G77 for the provision of financing by Annex I Parties over and above ODA at the level of 0.5% to 1% of the GNP of these Parties and call upon developed countries to provide public money amounting to at least 1.5% of their gross domestic product (GDP), in addition to innovative sources of finance, annually by 2015 to help developing countries make their transition to a climate resilient low-carbon economy.</p> <p>Financing is to be new and additional (a number of Annex I Parties are planning to repackage Overseas Development Assistance rather than provide new and additional financing required by the UNFCCC).</p> <p>The adequacy and additionality of financing for 2010 should be reviewed before or during the UNFCCC Cancun meeting.</p>
<p>Marshall Islands (May 2010)</p>	<p>Encourages Parties to consider the effectiveness of a focused compilation of 'fast start finance'-related information.</p>	<p>Encourages Parties to pursue methods of addressing challenges in navigating, coordinating and accessing diverse funding streams without prejudice to any fora or future financial mechanisms established under the Convention.</p>	

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
<p>Philippines on behalf of G77 and China (October 2010)</p>	<p>A Standing Committee on Finance will manage a registry to MRV the fulfillment of contributions, flows and scale.</p>	<p>An ad hoc committee or a standing committee on Finance is to provide regular support to the COP in exercising its functions with respect to the Financial Mechanism of the UNFCCC. By the 17th session of the COP, its task will be to</p> <ol style="list-style-type: none"> Make arrangements to operationalize the Fund including inter alia its rules of procedures, criteria for project/programme funding operations & strategic priorities, policies and guidelines, direct access modality and legal arrangements for adoption by the COP Develop recommendation to the COP on the composition and criteria for the membership of the Board to be elected by the 17th Conference of Parties; Develop recommendation to rationalize the Financial Mechanism of the Convention; Develop recommendation for effective cooperation between the fund and the thematic bodies/adaptation committee/technology mechanism/capacity building committee/REDD; Establish a framework for recipient country involvement to ensure country drivenness; Develop recommendation on balanced allocation of resources between all thematic areas; <p>Member Parties of the Standing/Ad Hoc Committee on Finance shall appoint representatives with expertise/criteria attached.</p> <p>The Standing Committee/Adhoc Committee on Finance shall convene its first meeting soon after it is constituted, and shall meet as frequently thereafter as it decides and shall present a report to the 17th COP for adoption through the Subsidiary Body for Implementation at its 34th session.</p> <p>The Board is to have an equitable and balanced representation. Board members (and Alternates) are to be elected by the COP at its 17th session.</p> <p>The Fund is to be established under the Convention and either be a/the operating entity of the Convention or have a Board which will serve as an/the operating entity of the Convention . The establishment of the Fund and the Standing Committee are to be incorporated in a legally binding outcome in the future.</p> <p>The G77 also proposes to establish a Standing Committee on Finance comprising to provide regular support to the COP in exercising its functions with respect to the Financial Mechanism of the UNFCCC. The Standing Committee on Finance shall:</p> <ol style="list-style-type: none"> Exercise functions enumerated in paragraph 14 of the Convention; Provide guidance to the operating entities of the Financial Mechanism; Make recommendations to other multilateral/bilateral entities/organization dealing with climate change finance to ensure coherence in delivering of climate finance; Assure the accountability of the operating entity/entities of the FM; Assess the adequacy of climate change for developing countries; Manage Registry for measuring, reporting and verifying the fulfillment of contributions/assessed contribution, flow of total financial resources/commitments to the developing countries through all sources/channels and review the scale of contributions/assessed contribution; Act as a central platform for consultation/cooperation with the private sector and multilateral/bilateral entities in channeling climate finance to the developing countries. 	

SECTION II. PARTY VIEWS ON FINANCE

PARTY	MRV OF FINANCE	GOVERNANCE	SOURCES
South Africa (May 2010)	Progress could be made In the negotiations under the AWG-LCA in the run-up to Cancún; including on the MRV of financial commitments by developed countries, starting with a common reporting format for financial contributions by developed countries.	Progress could be made In the negotiations under the AWG-LCA in the run-up to Cancún; including on architecture of the financial mechanism.	
Sri Lanka (April 2010)		Does not support any other financial mechanisms imposed to the COP other than the outcome of the negotiations.	Provision of financial resources should be predictable, new and additional, and adequate.
United States (April 2010) (June 2010 - US Speech in LCA informal group on finance institutions*) (October 2010)	Breaks MRV into four baskets, including “international MRV of the financial/technological support of actions”, which, with the basket of “international MRV of those non-Annex I actions that are supported”, are two sides of the same coin. At a minimum, placeholders should be inserted into the Chair’s text with respect to all four of these aspects of MRV. As near-term international discussion puts flesh on the bones of MRV, elaborated textual provisions will need to be added to the text.	Fast-start funding will take place through existing channels/institutions. *The establishment of the Fund should be a three step process, with the Accord being step 0. Step 1, a COP decision, consistent with the Accord specifying that the new fund will be established as an operating entity, specifying the basic composition and criteria for the Board, specifying the Trustee, specifying the thematic areas to be covered. Step 2, finance experts, a party or a group of parties convene in a series of meetings to design an instrument. A the final meeting of this working group, countries approve the instrument and nominate the Board. Step 3, a MoU is agreed between the COP and the Fund Board setting out the details of guidance and accountability. In step 2, a Transitional Working Group is convened by finance ministries of one or two parties, it is open to all interested Parties and reports to the Conference of the Parties on its progress in both establishing the Fund and the process of board selection. The fund will be an Operating entity of the financial mechanism, under the guidance of and accountable to the COP. Criteria for membership of the Board will focus on expertise in finance and development. The Technology Executive Committee (TEC) and the Climate Technology Center and Network (CTC&N), which are not operating entities of the financial mechanism, should provide information and advice related to technology development and transfer that could be included in COP guidance to the financial mechanism.	The Accord’s “High Level Panel” does not need to be reflected in the LCA Chair’s text because the UN Secretary General has already set up a High Level Advisory Group on Climate Change Financing.
Venezuela on behalf of Bolivia, Cuba, Ecuador and Nicaragua (April 2010)	Financial support provided by developed countries should be recorded and monitored.	Neither States’ sovereignty nor self-determination of communities and most affected groups should be disturbed by means of other mechanisms. Such mechanisms, if any, should be voluntary and regulated in accordance with the principles of the Convention and international law. The Adaptation Fund should be exclusive to climate change, and managed and led in a sovereign, transparent and equitable manner. The Adaptation Fund should also manage a facility to remedy any impacts which may arise if our planet exceeds the ecological thresholds. Polluting countries must directly transfer financial and technological resources to pay for restoration and conservation of forests and jungles, in favor of indigenous peoples. The establishment of a fund for funding and inventory of appropriate technologies, free from intellectual property rights, particularly patents, is also essential.	Financing should be from public funds. Funding for restoration and conservation of forests and jungles is outside of the carbon market.

Glossary of Acronyms

A1	Annex I Countries
AAU	Assigned amount unit
AGF	United Nations High-Level Advisory Group on Climate Change Financing
AOSIS	Alliance of Small Island States
AWG-KP	Ad-hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol
AWG-LCA	Ad-hoc Working Group on Long-Term Cooperative Action
BAP	Bali Action Plan
CA	Copenhagen Accord
CMP	The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
COP	Conference of the Parties
ESTR	Environmentally Sound Technology Rewards
ERU	Emission Reduction Unit
EU	European Union
FTCB	Finance, Technology and Capacity-Building
G77	The Group of 77 (a bloc of non-Annex I countries)
GDP	Gross Domestic Product
GEF	Global Environment Facility
ICA	International Consultations and Analysis
ICAO	International Civil Aviation Organization
IMO	International Maritime Organization
IPR	Intellectual Property Rights
KP	Kyoto Protocol
LDCs	Least-developed countries
MDB	Multilateral Development Bank
MOP	Meeting of the Parties
MRV	Measure, Report & Verify
MTAF	Multilateral Technology Acquisition Fund
NA1	Non-Annex I Countries
NAMAs	Nationally Appropriate Mitigation Action
NatComms	National Communications
ODA	Official Development Assistance
QERCs	Quantified Emission Reduction Commitments
QELROs	Quantified Emission Limitation and Reduction Objectives
REDD	Reduced Emissions from Deforestation and Degradation
SBI	Subsidiary Body for Implementation
SBSTA	Subsidiary Body for Scientific and Technological Advice

SIDS	Small Island Developing States
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
US	United States

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10 G Street, NE
Washington, DC 20002
www.wri.org