

# ANNUAL REPORT

### Scope of this report

This report encompasses the key achievements of the UNFCCC intergovernmental process and the activities of the secretariat, particularly the impacts of those activities in support of the Convention, the Kyoto Protocol and the Paris Agreement.

### A note on terminology

In this publication, "UN Climate Change" refers collectively to the United Nations Framework Convention on Climate Change (UNFCCC or Convention), the Kyoto Protocol and the Paris Agreement, and their bodies, institutional arrangements and organs, including the secretariat.

©2019 United Nations Framework Convention on Climate Change (UNFCCC)

All rights reserved.

This publication is issued for public information purposes and is not an official text of the Convention in any legal or technical sense. Unless otherwise noted in captions or graphics all matter may be freely reproduced in part or in full, provided the source is acknowledged.

ISBN 978-92-9219-184-9

Cover image:

NASA's investigation to study how the changing conditions in the Arctic affect the ocean's chemistry and ecosystems. "Retrieving dropped supplies".

Photo by NASA/Kathryn Hansen. Licensed under CC BY 2.0

Art direction and design: Imprimerie Centrale Luxembourg



For many people across the world, climate change is already a matter of life and death. Yet we are still not doing enough to protect them. Nor are we doing enough to capitalize on the social, economic and environmental opportunities of climate action, which can enable economies and societies to thrive sustainably for decades to come.

The UNFCCC Conference of Parties in Katowice was undoubtedly a step forward. By agreeing on the rules to operationalize the Paris Agreement, nations signaled that they are ready to step up ambition. At COP 24, we also saw other critical players, such as leaders in the finance sector, demonstrate their readiness to act on climate change with the urgency and seriousness it deserves. Multilateral development banks, private banks and investors all made promises that bode well for divesting their holdings of fossil fuels, incorporating climate risks in their portfolios and investing in concrete solutions to help developing nations adapt to climate change.

It takes an enormous amount of work to organize such a conference and bring it to a successful conclusion. The UNFCCC secretariat, the Presidency and all Parties deserve great credit for showing once more that multilateralism delivers. Now we must use the momentum generated by Katowice to focus on implementation and on the transformations needed to shift toward a resilient, low-emission global economy.

We know that solutions exist and we are seeing economic signals on a daily basis that those solutions are both available and cost-efficient. However, we also know that the current set of Nationally Determined Contributions is wholly insufficient. Even if they are fully implemented, we would be on track to reach a temperature rise of at least 3 degrees Celsius above preindustrial temperatures by 2100 – a recipe for catastrophe.

Our goal must be to keep global warming below 1.5 degrees Celsius, in line with the Intergovernmental Panel on Climate Change Special Report, which recommends greenhouse gas reductions of 45 per cent below 2010 levels by 2030, and net zero emissions by 2050.

To achieve this, I ask all nations and leaders to join me in bringing groundbreaking levels of ambition to the Climate Action Summit I am hosting in September 2019. Throughout 2019, I hope that governments will upgrade their Nationally Determined Contributions and their long-term strategies, and will come to the Summit not just with speeches but with concrete and measurable plans. The UN system and I are strongly committed to support all nations to make this possible. I have also asked the President of France and the Prime Minister of Jamaica to mobilize climate finance, from both public and private source, to reach the target of \$100 billion for developing countries.

The Climate Action Summit will focus on increased ambition and accelerated efforts by governments at all levels, and by the private sector and civil society. I count on multiple new commitments on mitigation and adaptation, as well as innovative solutions to improve public health by reducing air pollution and to devise training and employment plans to ease the low-emission transition, such as new jobs in clean energy and clean electric transport. I am also seeking new commitments in the highest impact sectors: energy, industry, infrastructure, cities, resilience, carbon pricing and nature-based solutions.

With the adoption of the Paris Agreement Work Programme, we have the framework for an era of action and ambition that will allow us to build a better tomorrow. The time for action is now. In that spirit, I commend this UNFCCC annual report to a wide global audience.



After years of negotiations – sometimes difficult, sometimes exhausting, but always constructive – the world united at COP 24 in December 2018 to adopt the majority of the guidelines needed to put the Paris Agreement into action. This is a clear and resounding victory for the fight against climate change and for multilateralism. It allows us to unlock the potential of the Agreement for delivering a low-emission, climate-resilient future.

However, we must not forget that this is only the beginning of a new era of climate ambition. We must do much more, and we must do it now.

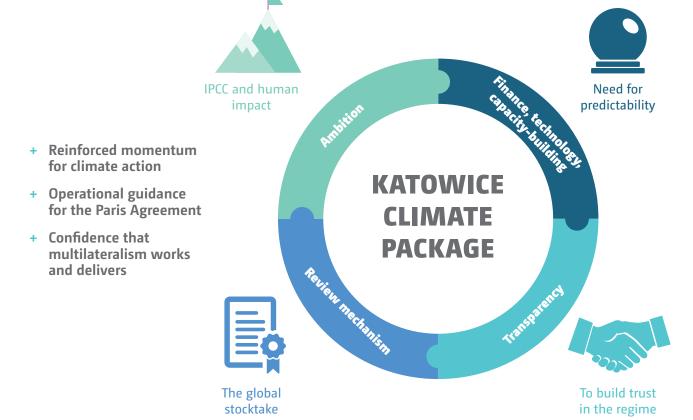
The Katowice climate package, as the guidelines are known, gives the international community the tools it needs to address climate change with decisiveness and clarity. The package reflects the different capabilities, responsibilities and realities of nations. It balances provisions on action and support with transparency of action of support, and emphasizes the priorities and needs of developing countries. Nations now have a framework for increasing the ambition of their nationally determined contributions (NDCs), and they can start making plans to take greater action on reducing emissions and adapting to climate change, including through increased finance for action in developing countries.

Stepping up action has never been more urgent. The Intergovernmental Panel on Climate Change (IPCC) special report on the impacts of global warming at 1.5 °C, requested at COP 21, made this crystal clear. We are running out of time to stay under this limit. On the basis of current trends, the World Meteorological Organization expects a global average temperature increase of 3–5 °C by 2100. According to research published by the United Nations Office for Disaster Risk Reduction in October 2018, extreme weather events already account for 91 per cent of all major disasters and 77 per cent of recorded economic losses from natural disasters. If we meet the Paris Agreement goals, we can protect societies and economies, particularly in developing nations, from the worst impacts and allow them to thrive.

I have hope. Alongside new scientific evidence and the increasingly observable signs of climate change – from melting glaciers to massive storms – 2018 showed that the world is now ready and determined to act. Over 20,000 people from around the world brought fresh ideas and energy to Katowice for COP 24, sharing initiatives and achievements from the previous year. There is much progress to highlight, from both State and non-State actors.

Parties delivered on the Katowice climate package following the momentum built up over the year by the Talanoa Dialogue, regional climate weeks, the Bonn and Bangkok Climate Change Conferences, the Global Climate Action Summit and COP 24 itself. The Marrakech Partnership. for Global Climate Action showed us that climate initiatives by non-State actors are growing. The Adaptation Fund once again broke its single-year record, with pledges totalling USD 129 billion. The World Bank promised USD 200 billion in climate action funding for the period 2021–2025. C40 Cities, a network of 94 cities representing over 700 million citizens and one quarter of the global economy, agreed to work towards achieving the 1.5 °C limit. International and private banks pledged to align their activities with the Paris Agreement, finance low-emission technologies and work with customers on their transition to a low-carbon economy. A host of businesses and international organizations made commitments to go climate neutral or reduce their emissions.

As this annual report illustrates, the UNFCCC secretariat continued to support tirelessly the global climate platform that supports and encourages this progress. In our role to support negotiations, the secretariat's staff made its contribution to success in Katowice. The secretariat helped to set up mechanisms for managing ambition, assessing data, progress and support, and building institutions. At the same time, it continued working to support the Convention and its Kyoto Protocol, through all mandates given by Parties, such as monitoring and analysing commitments to build transparency and trust, helping to increase the capacity of developing countries to adapt to climate change through support, training and access to the latest information, and communicating scientific evidence to help Parties shape their actions. Additionally, the secretariat increased its efforts to engage new partners



and galvanize non-State actors into action. Finally, it also contributed in raising awareness among the general public through communications and outreach efforts.

Now, we must gather all of our energy and look ahead. Nations need to put the final touches to the Paris Agreement guidelines, including in relation to using market mechanisms to meet part of their domestic mitigation goals and back sustainable development. Pre-2020 action is also crucial. Securing the remaining ratifications needed to bring the Doha Amendment into force will formalize the second commitment period of the Kyoto Protocol until 2020. The Secretary-General's Climate Action

key opportunity for each and every actor to put forward new commitments.

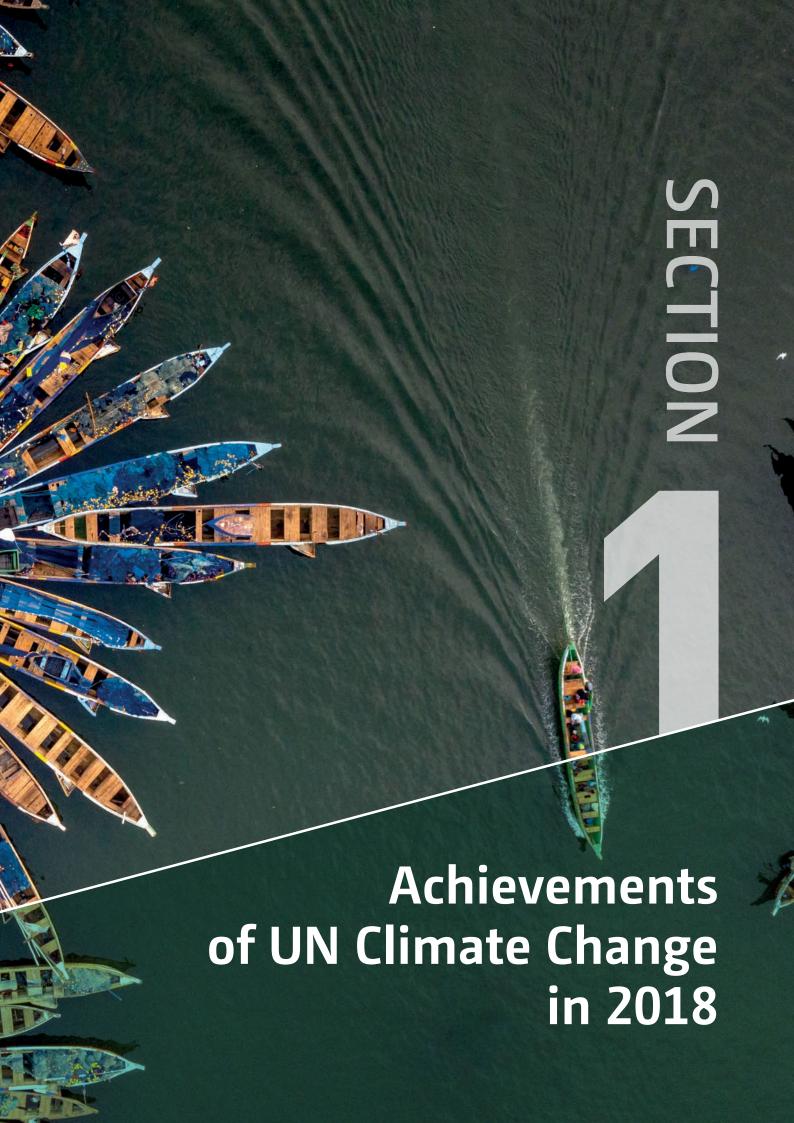
Fundamentally, everybody needs to raise their ambition levels. Governments, cities, the UN system, international organizations, civil society, businesses, investors and individuals must all do absolutely everything in their power to act and influence others to do the same. It means putting aside our differences, whatever they may be, to work together towards a common goal.

The UNFCCC secretariat will support this

raised ambition every step of the way.







## The Katowice package: making the Paris Agreement work for all

With the Katowice rulebook, we have taken a big step towards achieving the ambitions set in the Paris Agreement.
At COP 24, all nations showed their commitment to the Earth, which is our home and the home of future generations.

Michał Kurtyka, COP 24 President With the adoption of the Katowice climate package at COP 24, the world entered a new era in its collective efforts to address climate change. It was a huge accomplishment, representing an incredible amount of work by Parties, UNFCCC bodies and the secretariat.

The package provides the operational framework for climate action and guidance on tracking and evaluating efforts at the national and international level. For example, the package outlines how countries will report on their NDCs, the specific action they will take and how they can communicate their progress. This includes mitigation and adaptation measures, as well as financial support for climate action in developing countries. While current pledges under the NDCs fall far short of where the international community needs to be to achieve its climate goals, by finalizing the Katowice climate package nations showed they are committed to increasing their ambition.

The sections that follow outline what has been agreed on each area in the package alongside information on what the secretariat has been doing and will do to support nations as they address climate change related challenges, through the Convention, the Kyoto Protocol and the Paris Agreement.



Climate pilgrims, who walked 1,500 km from the Vatican to Katowice, gather at COP 24.
Photo by UN Climate Change.



UNFCCC Executive Secretary Patricia Espinosa, UN Secretary-General António Guterres, incoming COP President Michał Kurtyka and outgoing COP President Frank Bainimarama address participants at a Talanoa Dialogue event. Photo by UN Climate Change.

### **COP 24 IN NUMBERS**







Negotiators find a quiet corner to review texts of the Katowice climate package.
Photo by IISD/ENB | Kiara Worth.

COP 24 President Michał Kurtyka as the Katowice climate package is adopted. Photo by IISD/ENB | Kiara Worth. conferences Bonn, Bangkok, Katowice

345

official documents produced

110

review and analysis events

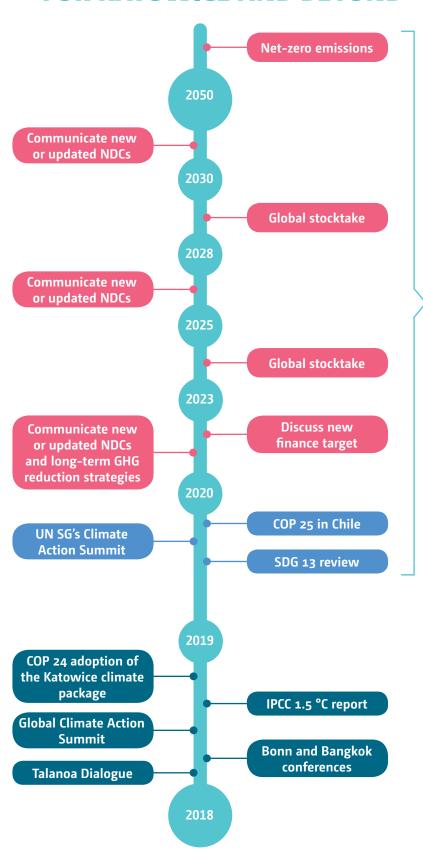
30

meetings of bodies and panels

9

information portals for Party and non-Party stakeholders

## CREATING THE MOMENTUM FOR KATOWICE AND BEYOND



Major opportunities for climate ambition

## Limiting and reducing greenhouse gas emissions

#### Why action is needed

The Paris Agreement aims to limit global warming to well below 2 °C and as close as possible to 1.5 °C. Looking at current trends, the World Meteorological Organization expects a global average temperature increase of 3–5 °C by 2100.

The IPCC special report on the impacts of global warming of 1.5 °C warned that failing to meet the more ambitious target would bring far higher risks to health, livelihoods, food security, water supply, human security and economic growth.

The report warned that the window to keep global warming at 1.5 °C will close in 2030.

#### The Katowice climate package

The package provides guidance on NDCs, which describe countries' climate goals and activities. NDCs will be updated every five years from 2020 and should demonstrate increasing ambition.

The package addresses mitigation co-benefits, support to developing countries for NDC preparation and the negative impacts of response measures on countries and sectors.

The guidance also includes modalities for a public NDC registry. The secretariat is developing a prototype based on the current interim NDC registry.



22

Limiting warming to 1.5 °C is not impossible but would require unprecedented transitions in all aspects of society. There are clear benefits to keeping warming to 1.5 °C rather than 2 °C, or more. Every bit of warming matters, every year matters and every choice matters.

Hoesung Lee, IPCC Chair

77

The dialogue at this first Africa Climate Week demonstrated the ambition and determination by both State and non-State actors, as well as development partners, to push for expanding green and resilient investments, which enable Africa to leapfrog to high impact and clean technologies in productive sectors.

Al-Hamdou Dorsouma, Manager for Climate and Green Growth Division, African Development Bank Every year, the COP Presidency and the secretariat unite the world to agree on the next steps towards achieving climate goals. In 2018, in addition to COP 24, the Bonn and Bangkok Climate Change Conferences brought together the UNFCCC subsidiary bodies to set the stage for the adoption of the Katowice climate package.

A key part of the process is ensuring that the latest climate science reaches Parties. A major piece of research in 2018 was the IPCC special report on the impacts of global warming of 1.5 °C, requested by Parties at COP 21 in 2015. The secretariat organized a joint Subsidiary Body for Scientific and Technological Advice—IPCC event on the report at COP 24 to add urgency to the negotiations. This followed a research dialogue at the Bonn Climate Change Conference to help improve the communication of climate science.

### Strengthening implementation through regional cooperation

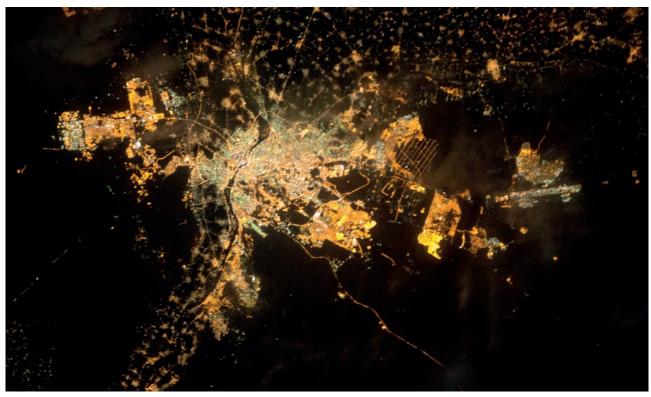
The NDC Partnership is a coalition of countries and institutions leveraging their resources and expertise to provide countries with the tools they need. The secretariat supports the Partnership by hosting a liaison office in Bonn and has hired four regional experts to coordinate activities carried out in cooperation with the regional collaboration centres (RCCs). In 2018, Honduras became the first member country to finalize its Partnership Plan, which was launched in May 2018 during the Bonn Climate Change Conference. A total of 15 plans were finalized by the end of the year. Working with the NDC Partnership and United Nations Development Programme (UNDP), the secretariat also supported regional NDC dialogues in Fiji, Georgia and Thailand. More than 400 government representatives from around 100 developing countries took part, identifying opportunities to translate NDCs into concrete projects, exchanging skills to boost action and looking at setting up regional hubs to accelerate implementation.

Regional climate weeks take place in three regions every year to inspire countries to take greater action with a view to dramatically reducing their greenhouse gas emissions. Under the Nairobi Framework Partnership, the RCCs supported events in Nairobi, Singapore and Montevideo, where 2,000 delegates, including ministers and government officials, 32 designated national authorities and international officials, together with non-State delegates, offered their insights into responses to climate change. These insights were included for consideration at COP 24 through the Talanoa Dialogue.

#### Response measures

The impacts of response measures – the effects arising from the implementation of mitigation policies by Parties – can be positive or negative, and therefore need to be analysed and managed. At COP 24, Parties agreed to set up a single forum that covers response measures under the Convention, the Kyoto Protocol and the Paris Agreement. The Katowice Committee of Experts on the Impacts of the Implementation of Response Measures was also formed to support the forum by addressing technical issues. Meanwhile, the first-ever workshop on modelling tools for analysing the economic consequences of mitigation measures has already

77



The world must rapidly reduce its dependence on fossil fuels, including for power generation, if it is to have any chance of meeting the Paris Agreement goals.

Photo by NASA's Earth Observatory.

started to produce results. Over 250 people attended the workshop, and participants are putting their new knowledge to use: for example, those deploying the Green Jobs Assessment Model in Ghana are using what they have learned to consider the social impacts of response measures.

#### Sustainable development mechanisms

Discussions about the implementation of Article 6 of the Paris Agreement, which calls for a mechanism for mitigating greenhouse gas emissions and supporting sustainable development, will continue in 2019. Meanwhile, the Clean Development Mechanism (CDM) under the Kyoto Protocol continued to deliver results. At the 100<sup>th</sup> meeting of its Executive Board in August 2018, a report laying out the cumulative benefits of the CDM was launched. The report showed that the CDM has led to investments of more than USD 300 billion and the reduction or avoidance of 2 billion tonnes of  $CO_2$  through sales of credits known as certified emission reductions (CERs), which each represent one tonne of carbon dioxide ( $CO_2$ ) equivalent.

In addition, new schemes in Colombia and the Republic of Korea have renewed interest in the CDM. Colombian legislation permits fuel providers to use CERs generated by domestic CDM activities to meet their tax obligations. This legislation led to the revival of several Colombian CDM activities and the voluntary cancellation (buying a credit and then cancelling it so it cannot be traded) of 3.6 million CERs. The offset scheme in the Republic of Korea, meanwhile, allows CERs to be converted into Korea Offset Credits. In 2018, 3.48 million CERs were cancelled for conversion. Projects that have been issued CERs under the CDM receive these in the CDM registry, which is managed by the secretariat.

44

The Colombian legislation on carbon tax stimulates strategic transfer of technology ... and delivers effective and accountable emission reductions for the country. It is not only of great economic benefit, but it is proven to be a solid contribution toward Colombia's NDC.

Alexis Leroy, Founder and Chief Executive Officer, ALLCOT

### **CDM IN NUMBERS**



140

countries involved, including 36 of the world's least developed countries



7,803 registered projects



313
registered
programmes of
activities, with 2,156
component activities

840,000



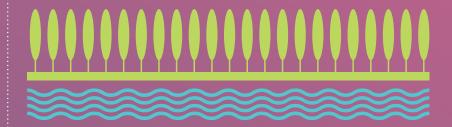
people provided with clean drinking water

152 million

trees planted

**25**%

of projects improve, protect and/or efficiently use natural resources



1 million



efficient cookstoves installed, reducing emissions and improving health 200 million



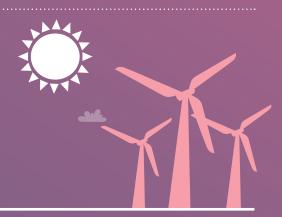
USD contributed to the Adaptation Fund

100,000

gigawatt hours

of electricity generation per year from renewable sources, enough to supply Ecuador, Morocco, Myanmar and Peru together







Momentum for Change winner 2018: Feminist electrification. Photo by UN Climate Change.

The United Nations carbon offset platform, Climate Neutral Now, also saw a huge jump in CER sales after the launch of a more user-friendly version of the platform. The new platform, which now includes a household footprint calculator and a French version, was released in August 2018. By the end of the year, people from 87 countries had voluntarily cancelled CERs. Of the 580,000 tonnes of  $\mathrm{CO}_2$  equivalent offset through the platform since its launch in 2015, more than 50 per cent were offset in the second half of 2018.

### Long-term low greenhouse gas emission development strategies

Article 4.19 of the Paris Agreement asks Parties to formulate and communicate long-term low greenhouse gas emission development strategies (LT-LEDS). The secretariat supported 11 Parties to submit and publish their LT-LEDS on its website.

The secretariat has been in close contact with several other organizations and platforms, including the Group of 20 (G20), UNDP, 2050 Pathways Platform, NDC Partnership, World Resources Institute, International Renewable Energy Agency and others to support governments with the preparation and communication of LT-LEDS, including organizing side events and global meetings, facilitating an informal global network, and participating in the long-term strategies project.

### Adapting to climate impacts

#### Why action is needed

Even if greenhouse gas emissions were halted completely, past emissions would continue to change the climate (less severely than with new emissions) and the impacts would continue to be felt. Disproportionately affected developing countries and vulnerable communities need assistance in adapting to extreme weather, rising sea levels and shifts in precipitation, among other challenges.

The IPCC special report on the impacts of global warming of 1.5 °C states that meeting this temperature target would lessen adaptation needs. Limiting risks requires adaptation and mitigation investments, policy instruments, faster technological innovation and behavioural changes.

#### The Katowice climate package

The guidelines set out how to track efforts to enhance national capacities for adapting to climate change impacts. Information on priorities, needs, plans and actions will be presented through change to national adaptation plans (NAPs), adaptation communications and NDCs.

Other elements include a review of the institutions supporting adaptation under the Paris Agreement and a process for considering ways to mobilize greater support for adaptation. The Adaptation Fund, established under the 1997 Kyoto Protocol, will serve the Paris Agreement.



The UNFCCC process helps countries to address climate risks through NAPs, which detail measures to help make nations and communities resilient to climate change impacts. Through expert bodies and committees, the UNFCCC supports governments across the whole adaptation cycle – science and observation, planning and implementation, reporting, monitoring and review.

The secretariat supported the Least Developed Countries Expert Group (LEG) in completing an annual assessment report on the status of NAPs, which was released in November 2018 and revealed the following:

- » 13 countries, including Brazil and Togo, have submitted NAPs to the online portal, NAP Central.
- » Since 2015, there has been a 45 per cent increase in countries starting the NAP process.
- 91 of 153 developing countries have undertaken at least one measure to lay the groundwork for their NAP.

The Adaptation Committee (AC) and the LEG have carried out various activities to assist Parties in meeting the goals of the Paris Agreement:

- » The AC convened an expert meeting in May 2018, detailing how global policies, practices and investments can meet the needs of vulnerable communities, groups and ecosystems. A Facebook Live panel video about the meeting was watched by over 200,000 people and prompted 12,826 interactions.
- » The AC intensified its private-sector engagement with a three-day event, organized in partnership with the International Trade Centre, focusing on the adaptation potential of the agrifood sector. Over 100 participants identified innovations for small and medium-sized enterprises and formed new partnerships.
- » The LEG provided technical guidance to promote coherence between NAPs and the Sustainable Development Goals (SDGs) through the NAP-SDG iFrame.
- » The LEG organized a global NAP Expo in April 2018, bringing together national and subnational governments, financial institutions, the private sector, local communities and indigenous peoples.

#### Closing knowledge gaps

Under the Nairobi work programme — a hub for adaptation and resilience that engages over 360 partners — events were organized across the globe to prioritize identifying adaptation knowledge gaps and closing them through collaborative action under the Lima Adaptation Knowledge Initiative (LAKI). LAKI, a collaboration with UN Environment under the Nairobi work programme, has identified 85 priority adaptation knowledge gaps across six subregions. In New Delhi, the Global Development Network and partners convened a LAKI Knowledge to Action Lab with 25 researchers, practitioners, policymakers and donors. The lab offered an innovative approach to increasing the collaboration needed to close knowledge gaps in adaptation.

44

Fiji's National Adaptation Plan process is crucial for building our country's resilience to this global threat.

Nilesh Prakash, Head of the Climate Change and International Cooperation Division, Fiji

77

44

My team and I have already started developing specific actions, which will help us to generate more innovative ideas and be able to train more youth to disseminate information on climate change and adaptation.

Peace Byandusya, Mushroom Training and Resource Centre, attendee at Fostering engagement of the agri-food sector in resilience to climate change workshop



Villager paddling in Nongkan wetland, Lao PDR, to collect lotus flowers and lotus seed heads for selling. "Livelihood activity in wetlands". Photo by FAO/Xavier Bouan.

LL

For the first time in the 18 years of my career I have seen a workshop with a focus on potential ideas, with the intent to convert them into bankable projects, simultaneously promoting collaboration.

Suruchi Bhadwal, Senior Fellow, Earth Science and Climate Change Division, The Energy and Resources Institute, New Delhi, India Under another LAKI initiative, a team of students from the University of Michigan found that a key barrier to knowledge related to sea-level rise and storm surges in the Seychelles was a lack of communication among government agencies. The output of the capstone research project will be a 'story map', a visual tool that communicates sea-level rise or storm surge scenarios to government officials using a narrative format.

"While most agencies feel that they have the capacity to adapt, they are not thinking as far into the future as they should be," said Jacob Rumschlag, a researcher involved in the LAKI capstone project from the University of Michigan. "Increased sea-level rises and storm surges are currently not considered when planning for critical infrastructure, though officials know these will pose a challenge in the near future due to climate change."

At COP 24, Parties increased the engagement of local communities and indigenous peoples by establishing a facilitative working group for the local communities and indigenous peoples platform. Half of the group will consist of representatives of indigenous peoples, opening up further space for local communities and indigenous peoples to have their say on climate change and share their efforts to respond to the challenges it poses.

77

For information on the Adaptation Fund, please see the section "Financing Action in Developing Countries" in this report.

## Addressing loss and damage

#### Why action is needed

Climate impacts can cause loss and damage to human life, productive systems, property, infrastructure, wider socioeconomic systems and the natural environment.

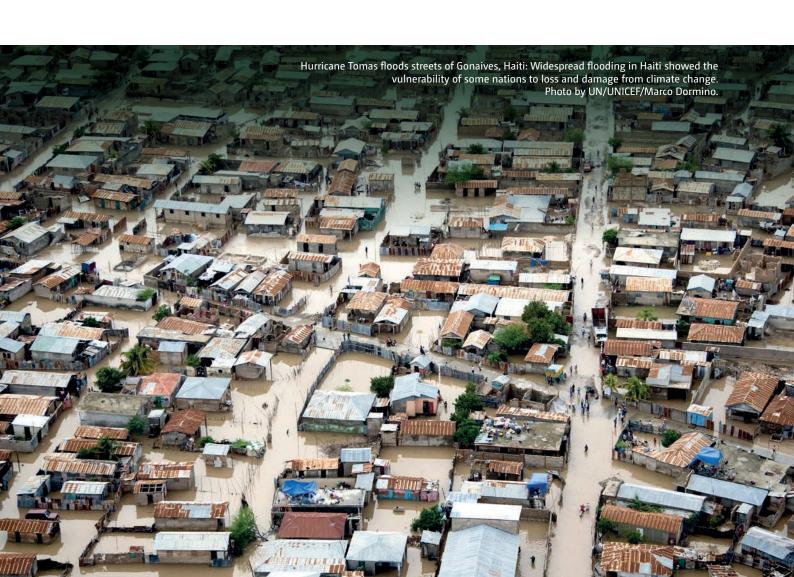
Some climate risks may not be addressed because they are not foreseen at the time of planning, or are foreseen but unaddressed owing to cultural, societal, geopolitical, economic and/or technical constraints.

Vulnerable countries need to be better equipped to make risk-informed decisions.

#### The Katowice climate package

Countries can report on efforts to enhance action that averts, minimizes and addresses climate-related loss and damage.

This information will be assessed every five years when Parties conduct the global stocktake of progress.





Bush fire burning around the town of Aberdare, Wales. "Cessnock Bush Fire 18-01-2013". Photo by Quarry photography/Jess Walsh and Cass Hodge. Licensed under CC BY-NC-ND 2.0

The Warsaw
International
Mechanism has given
unprecedented levels
of visibility to the
climate migration
nexus. This has
helped us, migration
practitioners, develop
new approaches to
support states and
migrants.

44

Mariam Traore Chazalnoel, International Organization for Migration, member of the Task Force on Displacement The secretariat supports the operationalization of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts, which enhances the overall efforts of Parties in the areas of knowledge, coherence and coordination, and action and support. The Paris Agreement underlines the importance of continuing the international community's efforts to address the residual impacts of climate change.

One growing aspect of loss and damage is climate-related displacement. At COP 21, Parties established a task force to address a growing aspect of loss and damage: climate-related displacement. The secretariat supported the task force in developing recommendations that facilitate Parties' efforts to take integrated approaches to averting, minimizing and addressing climate-related displacement. The task force conducted extensive analyses of the human mobility and climate change nexus. It took stock of the current landscape of policy and practice at the national and subnational level, policy at the international and regional level, data and assessment, and framing and linkages.

The recommendations include calls for laws, policies and strategies that reflect the importance of integrated approaches to climate-related displacement, better preparedness and early warning systems, and improved systems to facilitate the safe and easy migration of those affected.

77

## Financing action in developing countries

#### Why action is needed

The developing world is particularly at risk from the impacts of climate change. Developing countries have the greatest need for capital to build sustainable infrastructure, but the poorest access to finance.

It is essential that developed country Parties reach the goal of mobilizing USD 100 billion annually to support action in developing countries.

The World Resources Institute estimates that by 2020 about USD 5.7 trillion will need to be invested annually in green infrastructure.

#### The Katowice climate package

Developed countries pledged to mobilize USD 100 billion per year by 2020, and through to 2025, to support developing countries. Discussions about setting a new finance target from the floor of 100 billion will start in 2020.

The Adaptation Fund will serve the Paris Agreement, while the Green Climate Fund (GCF) will be replenished in 2019.

Developed countries will submit biennial communications on the projected levels of climate finance provided to developing countries after 2020. The secretariat will summarize and compile this information for the global stocktake.

From 2020 the Standing Committee on Finance will report every four years on the needs of developing countries relating to implementing the Convention and the Paris Agreement and on whether financial flows are consistent with a pathway towards low-emission, climate-resilient development.



44

We remain committed to the collective goal of developed countries of mobilizing \$100 billion a year in climate finance by 2020 and through to 2025 for climate action in developing countries in the context of meaningful mitigation actions and transparency on implementation.

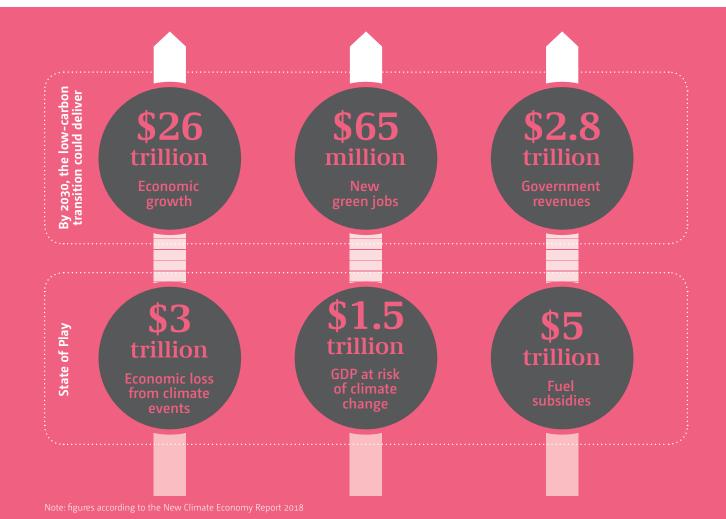
Miguel Arias Cañete, Commissioner for Climate Action and Energy, European Commission

77

The secretariat supports Parties in mobilizing finance consistent with lowemission and climate-resilient development, and in finding new ways of promoting finance flows and engaging the private sector.

For the Katowice climate package, the secretariat supported the conclusion of ten climate finance-related decisions, which laid the foundation for the post-2020 finance infrastructure. These decisions were related to the transparency of finance, guidance to operating entities, the Adaptation Fund and biennial communications on projected levels of climate finance under the Paris Agreement.

The secretariat also helps the Standing Committee on Finance to assist the COP with climate finance matters and in its interactions with public and private climate finance stakeholders, including in the preparation of the 2018 Biennial Assessment and Overview of Climate Finance Flows. This report shows that flows from developed country Parties to developing country Parties increased by 24 per cent in 2015 to USD 33 billion and by 14 per cent in 2016 to USD 38 billion, which still falls short of the USD 100 billion target. Overall, global climate finance from public and private sources increased from USD 584 billion in 2014 to USD 681 billion in 2016. However, climate finance flows still represent only a fraction of overall financial flows.



#### **Climate financing from UNFCCC-linked funds and sources**

The Adaptation Fund beat its single-year resource mobilization record in 2018 with USD 129 million in new pledges received. Funding of USD 264 million was requested by implementers in October – another record.

The GCF approved 42 new projects in 2018, with a total GCF funding commitment of USD 2.1 billion. Co-financing was USD 5.9 billion for a total approved value of USD 8 billion. In a boost to the replenishment drive of the GCF, Germany and Norway announced at COP 24 that they would double their commitments. As at the end of the year, the GCF had committed a total of USD 4.6 billion to 93 projects in 96 countries over its lifetime.

Since its establishment in 1991, the Global Environment Facility has funded 944 mitigation projects, with USD 5.6 billion in direct funding and USD 47 billion through co-financing, and 343 adaptation projects, with over USD 1.6 billion in grant financing provided through the Least Developed Countries Fund, Special Climate Change Fund and Strategic Priority on Adaptation programme and over USD 7 billion mobilized from other sources.

By the end of 2018, the CDM had provided USD 200 million in total to the Adaptation Fund over its lifetime.

#### Securing new finance from all sources

In facilitating new climate finance for developing countries, the UNFCCC, through its RCCs, works with governments, project financiers, partner agencies, financial institutions, bilateral funds and development banks.

One example from 2018 is the COP-mandated Needs-based Finance project. In this country-driven and owned project, the secretariat works with the Melanesian Spearhead Group to prepare climate finance strategies for Melanesian countries, which will be presented to the Melanesian Heads of State and used to mobilize resources for the subregion. It has also launched a project in the Philippines and is preparing to expand elsewhere.

Another example is the Green Investment Catalyst initiative. Building on the work of 2017, the initiative established a green finance framework for Zimbabwe to promote investment in the implementation of the country's NDC. In June 2018, the Asia-Pacific Green Investment Catalyst and Finance Conference, held in Singapore, drew over 200 debt capital market representatives. The conference explored how Asian capital markets can support sustainable economic growth. For example, partners were interested in pursuing a regional microfinance institution facility to tap into capital markets and provide loans for microfinance institutions.

The secretariat also helped the Standing Committee on Finance to unite hundreds of ministers and key players in the finance sector at multiple events, planting the seeds for future action at its 2018 Forum in Songdo,

44

Our aim [with the COP 24 installation] was to demonstrate how a powerful narrative can spur individuals to take action, and how the impact of that collective action can make a substantial difference. Visa looks forward to continued collaboration and partnership with the UNFCCC secretariat on its upcoming initiatives for innovative and digital donation methods.

Douglas Sabo, Vice President and Head of Corporate Responsibility and Sustainability, Visa Republic of Korea, at an in-session workshop on long-term climate finance during the Bonn Climate Change Conference and at the High-Level Ministerial Dialogue on Climate Finance in Katowice.

COP 24 also served as the platform for financial pledges and partnerships focused on climate action. In addition to the money committed to the Adaptation Fund, the World Bank pledged USD 200 billion in climate action funding for the period 2021–2025. Five private banks (ING, BBVA, Société Générale, Standard Chartered and BNP Paribas) agreed to measure how their lending portfolios are aligned with the goals of the Paris Agreement and to explore ways of steering financial flows to climate action through their core lending.

Meanwhile, the secretariat launched a collaboration with Visa to set up a new crowdfunding platform that will raise money for the Adaptation Fund and other projects. In a trial at COP 24, Visa set up a booth that allowed participants to tap a card to generate a USD 3 donation from Visa. Each tap "replenished" a digital image of a forest, which withered between donations. The taps from COP 24 participants resulted in a donation of USD 70,000 through the booth, which demonstrates how small donations can quickly multiply through crowdfunding. The online version of the platform is expected to be up and running before COP 25.

## **Developing and transferring technology**

#### Why action is needed

Many countries lack access to green technologies that reduce emissions and strengthen resilience.

Without clean energy and other climatefriendly technologies, nations cannot make the transformational changes needed for the climate-resilient and low-emission development envisioned in the Paris Agreement.

#### The Katowice climate package

The Technology Mechanism will play an important role in encouraging enhanced action on technology development and transfer.

The Technology Framework will provide guidance to the Technology Mechanism. The framework contains five focus areas, including innovation, implementation and enabling environments.

The guidelines for the periodic assessment of the Technology Mechanism establish a process for assessing progress on the development and transfer of technology and the effectiveness of support provided to the Technology Mechanism. The first assessment will begin in late 2021.



The outcomes of the thematic dialogue on climate technology incubators and accelerators have informed the GCF secretariat as it develops a request for proposals on support for climate technology incubators and accelerators for consideration by the GCF Board.

Carolina Fuentes, Head of Governance Affairs and Secretary to the Board of the GCF The extensive work on technology issues in 2018 culminated in the adoption in Katowice of decisions on the Technology Framework and the periodic assessment of the Technology Mechanism.

The secretariat continues to support the Technology Executive Committee (TEC). This is the policy arm of the Technology Mechanism, which helps countries to accelerate technology policy development and implementation. The TEC oversees technology needs assessments and the action plans that arise from them. These country-driven activities are instrumental in enabling developing countries to identify and prioritize their needs. A new global technology needs assessment project started in 2018, focusing on 23 small island developing States and least developed countries. Successes include the GCF-backed implementation of a project identified in Mongolia's technology needs assessment to support investments in energy-efficient and renewable energy technologies in small to medium-sized enterprises. The secretariat and the UNEP DTU Partnership also issued a brochure detailing the technology priorities identified between 2015 and 2018.

The secretariat supported the TEC with three publications:

- » TEC Brief #12: Energizing entrepreneurs to tackle climate change, which describes how to support entrepreneurs in their efforts to innovate climate technologies;
- » Developing and Enhancing Endogenous Capacities and Technologies: Technology Stakeholders' Perspectives, which shares technology stakeholders' insights into endogenous technologies (new technologies developed within a country);
- » Potential of South-South and triangular cooperation on climate technologies for advancing implementation of nationally determined contributions and national adaptation plans, prepared jointly with the United Nations Office for South-South Cooperation.

The TEC also worked closely with the Climate Technology Centre and Network (CTCN). Hosted by UN Environment and the United Nations Industrial Development Organization, the CTCN is the implementation arm of the Technology Mechanism. In collaboration with the GCF, the TEC and the CTCN organized a dialogue on climate technology incubators and accelerators in developing countries.

At COP 24, the CTCN released its five-year progress report, showing that the efforts it coordinates are having an impact. According to the report, 137 technology solutions have been delivered or are under way in 79 countries, 2,500 people have been trained and over 10 million tonnes CO<sub>2</sub> equivalent are expected to be avoided each year as a result of mitigation projects.





Momentum for Change winner 2018: Santiago Biofactory, Chile. Photo by Aguas Andinas & SUEZ.

Finally, the secretariat, the TEC and the CTCN, along with other partners, played a key role in the organization of technical expert meetings, which facilitate the identification of policy options, practices and technologies with high mitigation potential. Four meetings, on the following topics, took place:

- » Enabling circular economy solutions to boost climate action, held during the Latin American and Caribbean Climate Week, August 2018, Montevideo;
- » Enabling waste-to-energy, industrial waste reuse and prevention solutions to achieve circular economy and boost climate action, held during the Latin American and Caribbean Climate Week;
- » Implementation of circular economies and industrial waste reuse and prevention solutions, held during the Bonn Climate Change Conference, May 2018;
- » Efficiency in industry, held during the Africa Carbon Forum, April 2018, Nairobi.

## Building capacity in developing countries

#### Why action is needed

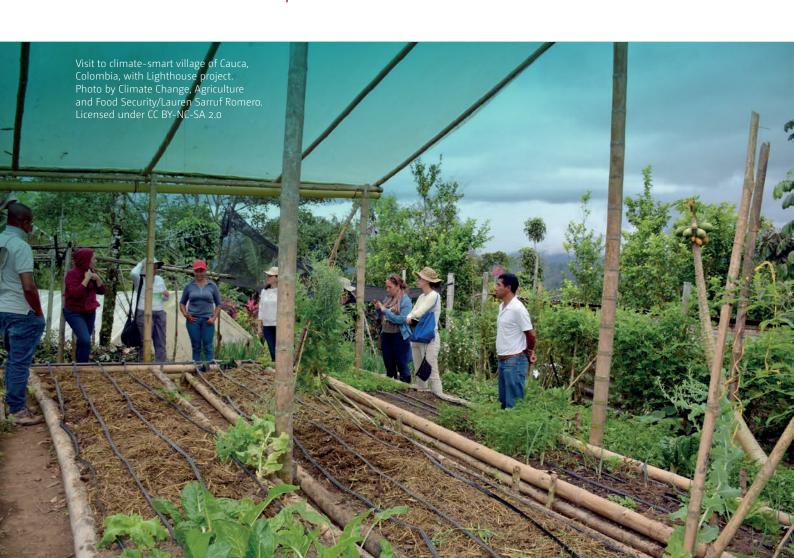
Capacity-building at the regional, national, subnational and local level is critical to enabling developing countries to meet the challenges that climate change presents and assisting all Parties in meeting the goals and purpose of the Paris Agreement.

#### The Katowice climate package

Established in 2015, the Paris Committee on Capacity-building (PCCB) addresses current and emerging gaps in and needs for capacity-building in developing countries, including coherence and coordination thereof under the Convention.

COP 24 launched a review of the PCCB and invited Parties and observers to submit their views on the review and on enhancing existing institutional arrangements on capacity-building under the Convention.

The Consultative Group of Experts assists developing countries in implementing existing measurement, reporting and verification arrangements under the Convention. Starting in 2019, it will also support developing countries in implementing the enhanced transparency framework under the Paris Agreement.



Similarly, the secretariat supported the PCCB in identifying capacity-building needs for NDC implementation by conceptualizing and coordinating work on a national PCCB pilot, the outcomes of which will feed into a 2019 report. By providing substantive and logistical support for specific PCCB activities, it also promoted enhanced engagement between the PCCB and a wide range of stakeholders on topics linked to NDC implementation (the focus area of the PCCB in 2017–2019). One example was a COP 24 side event in collaboration with the Office of the United Nations High Commissioner for Human Rights and the Mary Robinson Foundation – Climate Justice on building capacity for integrating human rights into climate action.

#### Enhancing the ability of nations to report

In 2018, the Consultative Group of Experts, with organizational and technical support from the secretariat, contributed to improving the technical capacity of developing countries to prepare their national communications and biennial update reports by:

- » Training 162 national experts from 135 developing countries in four regional training workshops on reporting on mitigation and adaptation actions in national communications and biennial update reports;
- » Conducting 11 webinars on different themes, in which 488 experts from around the world participated;
- » Offering e-learning courses on national communications, for which 684 experts have signed up to date;
- » Adding 262 certified experts to the pool of support for the technical analysis of biennial update reports.

The secretariat trained and certified 44 new experts to take part in the reviews of greenhouse gas inventories, biennial reports and national communications submitted by developed countries.

The secretariat provided additional support to developing countries on how to develop and improve the quality of greenhouse gas inventories. This included:

» Training 180 experts from 118 developing countries through four regional training workshops on the development of sustainable national greenhouse gas inventory management systems and the use of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories;



The true power to achieve the goals of the Paris Agreement lies within people. Capacity-building provides the means for men and women to take effective climate action towards sustainable, inclusive and equitable growth.

Jeniffer Hanna, member of the PCCB

77



Farmers from the community of Huaccaytaqui, Peru, in a recreational workshop: Difference of weather and climate. "Sun photo by Marlene Dapozzo Moali."

Photo by World Meteorological Organization/Marlene Dapozzo Moali. Licensed under CC BY-NC-ND 2.0

44

Our vision is to have operational measurement, reporting and verification systems by 2020 in the ECOWAS [Economic Community of West African States] countries engaged in this initiative.

Babacar Sarr, General Manager of green technology company ENERTEC-SARL

- » Holding eight in-country events on the quality assurance of greenhouse gas inventories and the building of sustainable national systems, in which 274 national experts from developing countries participated;
- » Training 30 national experts from 30 developing countries during a month-long programme on greenhouse gas inventories organized by the Government of the Republic of Korea and the secretariat;
- » Preparing two technical guides to assist countries in developing robust greenhouse gas emission baselines for mitigation actions at the national level as well as in the transport sector.

The secretariat, through its African RCC, worked with the UNDP/UNEP Global Support Programme to operate the West African South—South Network on Measurement, Reporting and Verification and Transparency. A series of nine technical workshops throughout 2018 increased the capacity of West African national institutions to set up measurement, reporting and verification systems. To date, 14 countries have joined the Network. Work on replicating such networks in Asia and the Caribbean also started in 2018.

77

#### Boosting the clean development mechanism

In 2018, RCCs co-organized 17 events related to capacity-building under the CDM, which attracted a total of 1,500 participants.

"The RCCs have directly supported almost 1,000 CDM projects and programmes, the development of 139 standardized baselines and provided capacity-building and training at the national level," said Arthur Rolle, then Chair of the CDM Executive Board, at the RCC Global Forum held during COP 24. "One of the main achievements of the RCCs is that they maintained interest and momentum in the CDM."

## Building trust and ambition through transparency

#### Why action is needed

National commitments on reducing emissions and other aspects of the response to climate change are key pillars of the implementation of the Convention, the Kyoto Protocol and the Paris Agreement.

Transparency of action and support is essential for tracking progress in implementing such commitments.

This transparency ensures effective implementation, builds trust that every country is doing its fair share and helps identify opportunities for increased ambition.

#### The Katowice climate package

The Katowice climate package adopted guidelines for the enhanced transparency framework. These guidelines define reporting, technical reviews, transitional arrangements, and a "multilateral consideration of progress".

Parties will develop common reporting tables for greenhouse gas inventories, progress made towards achieving NDCs and climate finance, and outlines of biennial transparency reports.

Governments will take stock of collective progress in 2023 and every five years thereafter. The global stocktake will review information submitted and prepared under the enhanced transparency framework and other sources, including outside the UNFCCC.

Countries established a committee that will facilitate implementation and promote compliance in a non-adversarial and non-punitive manner.



4

The sharing of views [under the process for developing countries] is a very facilitative and open process and a very good opportunity to introduce our update reports, domestic experiences and best practices to a broader audience. We also received advice on how to increase the transparency of our reports.

Sun Zhen, Deputy Director-General, Department of Climate Change, Ministry of Ecology and Environment, China

77

In addition to supporting work on the modalities, procedures and guidelines for the enhanced transparency framework and the global stocktake – key mechanisms for tracking progress and increasing the ambition of all Parties – the secretariat continued to manage the measurement, reporting and verification system throughout 2018.

The secretariat has been collating and analysing country submissions under this system since 2000. The system has separate processes for developing and developed countries to submit biennial updates and national reports. More than 1,000 experts are involved in the national submissions and 350 in the technical review and analysis process. The reports on the review of information on greenhouse gas inventories annually prepared by developed country Parties represent the most reliable information on emissions and removals by Parties. The system also covers the submission and technical assessment of reference levels for REDD-plus, which is an international initiative for reducing forest-related emissions, fostering the conservation and enhancement of forest carbon stocks and promoting sustainable forest management.

#### Transparency through reporting

Under the developed country stream (international assessment and review), in 2018 the secretariat received greenhouse gas inventory submissions from 43 developed countries, 23 of which were reviewed by experts. Expert teams also reviewed the seventh national communications and the third biennial reports of 41 developed country Parties. The reports on these reviews show the progress made by developed Parties in reaching their 2020 emission reduction targets as well as the level and scope of financial, technological and capacity-building support provided to developing country Parties. For example, between 1990 and 2016 greenhouse gas emissions from developed countries decreased by 4.4 per cent, likely owing in part to climate actions that more than offset the impact of economic and population growth.

To date, 45 developing countries have submitted their biennial update reports under the international consultation and analysis process. In 2018, 20 Parties submitted their biennial update reports, most of which were the second or third report from the country in question. This shows that the process has helped to improve reporting and establish a well-functioning domestic measurement, reporting and verification system.

#### Tackling deforestation through transparency

The secretariat coordinated the technical assessment of 12 REDD-plus reference levels in 2018. This brings the total number of available REDD-plus reference levels to 38, covering two thirds of forest area in developing countries. This assessment and results verification process transparently documents the progress made in tackling deforestation. Countries that have submitted forest reference levels and a report on their results, and have an entry in the Lima REDD+ Information Hub, are eligible for results-based finance.

According to data published in the hub in 2018, 6.3 gigatonnes of  $\mathrm{CO}_2$  (roughly equal to the emissions of the United States of America in 2016) were avoided in the previous six years owing to forest conservation measures in Brazil, Ecuador, Colombia and Malaysia alone. These results were reported to the UNFCCC and underwent the technical assessment process mandated by the Convention.

Brazil received USD 96.5 million in total in payments for 18.8 million tonnes of  ${\rm CO_2}$  equivalent avoided in the Amazon biome from 2014 to 2015. It will reinvest these proceeds in developing an incentives scheme and strengthening the implementation of its REDD-plus strategy.

For more information on how the secretariat improves the ability of nations to measure, report and verify their results, please see the "Building Capacity in Developing Countries" section of this report.



Momentum for Change winner 2018: Carbon Neutral Government Program, British Columbia, Canada. "Great Bear Rainforest". Photo by Government of British Columbia.

## Pre-2020 ambition and implementation

Ľ

We call upon everyone to act with urgency and recognize that we are in a race against time – we must act now to ensure sustainable development and the preservation of life on earth as we know it.

Talanoa Call for Action

77

Given the speed and scale of climate change, pre-2020 implementation and ambition are critical to both make a short-term impact and lay a solid foundation for enhanced post-2020 ambition.

The Talanoa Dialogue, initiated at COP 23, set out to increase implementation and ambition. Following the Pacific tradition of Talanoa, the world came together over the course of 2018 to share experience and help make wise decisions to inspire a global response to the threat of a changing climate. People shared stories of the widespread devastation already inflicted on communities by climate change. They also shared stories of ambitious action being taken all over the world in response to these threats.

Parties and non-Party stakeholders submitted 473 inputs, and 474 stories were told during the Bonn Climate Change Conference, with over 90 regional and local events associated with the Talanoa Dialogue taking place. At COP 24, 300 participants attended 21 talanoas, including 90 ministers and 42 leaders from non-Party stakeholder organizations. This input was collated into a synthesis report, and the final high-level session in Katowice resulted in the Talanoa Call for Action, which calls on all countries and stakeholders to act with urgency.

#### Climate action is growing

Every indicator suggests that, while much more needs to be done to meet global climate goals, the issue is being treated with increasing urgency – driven in part by the many global coalitions working together to raise awareness and prompt faster and stronger action. The Marrakech Partnership for Global Climate Action is one of these coalitions. The secretariat, with the high-level champions from Poland and Fiji, organized dedicated sessions at regional climate weeks and COP 24 and brought outside perspectives to the Talanoa Dialogue. It released the Yearbook of Global Climate Action 2018 and the 2018 Summary for Policymakers – which provides Parties with information on policies, practices and actions that are scalable and replicable – at a high-level event on global climate action at COP 24. The yearbook showed that global climate action is growing in scope and diversity – addressing sectors from health care, forestry, agriculture and coastal zone management to investments in both mitigation and adaptation.

These findings are presented on the new Global Climate Action platform (NAZCA), which shows that climate action is more widespread than ever before. The platform has accumulated almost 20,000 climate action commitments from more than 12,000 non-Party stakeholders globally – and this number is growing. The portal serves the critical function of capturing the breadth and depth of climate action by non-Party stakeholders. To make the portal easier to navigate, the secretariat

#### A Talanoa Story: traditional knowledge insulates Indian community from climate change

The purpose of the Talanoa Dialogue was to inspire the world by sharing stories that show how everybody can make a difference when it comes to climate action. One inspiring tale told during the process was that of Kota Bai Bheel, a 59-year-old woman from India's desert state of Rajasthan.

Kota Bai's life has been one of struggle. Widowed and raising two boys and five girls, she could easily have given in to despair. Instead, she decided to fight, not only for her own children but also for her community that had been hit by climate change.

She saw her community struggle when the water supply decreased, which was affecting agricultural productivity. She worked with her community peers, using traditional knowledge of the land and water flow to propose a structure for channelling and storing rainwater.

Kota Bai, who is a member of the Bheel tribal community, approached local organizations and persuaded them to support the plans both technically and financially. The people in the community itself funded 25 per cent of the cost because they knew how important it was for their future.

It's an inspiring story of a farmer of meagre means helping her community to identify local needs and development challenges and mobilizing it to create local, low-cost and sustainable solutions.

"Our land was useless," she says. "We had to migrate for work. Only the elderly would stay behind. But now I have a concrete house where I can live a peaceful and happy life. Migration has gone down because people now have productive lands."

Her efforts in the agriculture sector have helped to increase the productivity of her own ten bighas (1.6 hectares) of land and 1,200 bighas (192.67 hectares) in the village. She used the profits from the produce to diversify her income through activities such as goatrearing and setting up a flour-grinding machine.

"Indian agriculture can flourish if it is people managed and people controlled, and if traditional knowledge and low-carbon, nature-based solutions are recognized and promoted," says Vibhuti Joshi, who told Kota Bai's story at the Lakeba talanoa during the Bonn Climate Change Conference.

Vibhuti Joshi works for the Centre for Community Economics and Development Consultants Society, which backed Kota Bai. She is convinced that such successes show that local communities can take charge of their own fates if given the right support.

"This story is evidence of the importance of local knowledge among the farming community and their potential to lead change," she says. "It also highlights the importance of inclusive, participative, and collective efforts, and community level management as the key to long-term sustainability of agricultural interventions."



Kota Bai Bheel in Rajasthan, India.

revamped it in 2018. Now centred around an interactive map, the new portal offers an improved view of data and enhanced aggregation of climate action based on constituencies and sectors.

A stocktake of pre-2020 implementation and ambition, which took place at COP 24, also highlighted progress. While the official Paris Agreement global stocktake process will not begin until 2023, this ad-hoc stocktake looked at progress under UNFCCC bodies and funds (much of which is detailed in this report), as well as country mitigation efforts and steps taken to boost climate finance. The secretariat published a summary of the pre-2020 stocktake in early 2019.

More examples of growing climate action, including efforts taking place after 2020 and under the Paris Agreement are included throughout the report.



Talanoa participants in the Tailevu room, Langer Eugen, Bonn, Germany. Photo by IISD/ENB | Kiara Worth.

# Fostering cooperation and partnerships for greater action

Everybody must do their part to minimize climate change, from Parties and businesses to individuals. The secretariat supports many initiatives and partners to amplify the impact of climate action. In particular, the UNFCCC Global Climate Action programme facilitates climate action in support of the Paris Agreement and builds connections between Parties and non-Party stakeholders. Pledges for new and accelerated climate action came pouring in from all directions in 2018, reflecting the growing global movement for change.

#### The People's Seat Initiative

The secretariat and the United Nations Department of Global Communications launched an initiative to bring the voices of millions of citizens to COP 24. The worldwide advertising agencies network WPP provided support on a pro bono basis. The People's Seat campaign reached its apex with Sir David Attenborough's address to the COP 24 plenary, which relayed climate change stories gathered from around the world via social media. The People's Seat address triggered the launch of the Facebook Messenger Act Now bot on the main UN Facebook account. The bot recommends everyday actions such as taking public transport and eating less meat and tracks them to highlight the impact that collective action can have. The campaign reached an estimated 1.35 billion people, including through the support of celebrities like Leonardo DiCaprio, and registered 103,146 climate actions through the bot.



Sir David Attenborough brought the voices of everyday citizens to COP 24 though the People's Seat initiative. Photo by UN Climate Change.



Photo from COP 24.
Photo by IISD/ENB | Kiara Worth.



Momentum for Change winner 2018: HelpUsGreen, India. Photo by HelpUsGreen.

44

This charter is about getting the fashion industry united in important climate work. Our industry has a global reach, and only together can we create the change that is urgently needed. We are happy to be a signatory of this charter as part of our ambition to become climate positive in our value chain.

Karl-Johan Persson, Chief Executive Officer, H&M group

#### **Fashion Industry Charter for Climate Action**

Leading fashion brands, retailers, suppliers and others, including a major shipping company, agreed to address the climate impact of the fashion sector. At COP 24, 43 industry leaders, including adidas, Burberry, Esprit, Guess, Gap Inc., Hugo Boss, H&M group, Inditex, Kering, Levi Strauss & Co., Puma SE, Target and Maersk pledged to implement or support the 16 principles and targets that underpin the Fashion Industry Charter for Climate Action. Signatories made a commitment to align their operations with the goals of the Paris Agreement, including reducing greenhouse gas emissions by 30 per cent by 2030, phasing out coal-fired boilers and prioritizing low-carbon textiles.

# **Sports for Climate Action initiative**

Major sports organizations, clubs, tournaments and federations, such as the International Olympic Committee, FIFA, UEFA, Paris 2024 and many more, promised at COP 24 to reduce the climate footprint from the sports sector and use their power to increase awareness among athletes and fans.

"The [International Olympic Committee] is proud to have taken on a leadership role in the Sports for Climate Action Initiative," said Prince Albert II, Chair of the International Olympic Committee Sustainability and Legacy Commission. "With its global reach, universal appeal and the power to inspire and influence millions of people around the globe, sport is uniquely placed to drive global climate action and encourage crowds to join in."

44

#### Climate neutrality

Many organizations working in the climate field are increasingly practising what they preach. At COP 24, 15 major intergovernmental organizations, accounting for emissions of over 2 million tonnes of CO<sub>2</sub> per year, announced that they would go climate neutral. By doing so, they joined the UN, which aims to achieve climate neutrality by 2020. Over half of all UN system entities are now climate neutral, representing 39 per cent of total UN emissions, according to the 2018 Greening the Blue report. The UNFCCC secretariat has been instrumental in helping the UN system to offset greenhouse gases: 30 of the 34 climate neutral agencies used the secretariat's services. The secretariat has been climate neutral since 2012. In addition to reducing its emissions, it compensates for unavoidable emissions through CERs.

#### **Momentum for Change**

Momentum for Change hosted its annual awards ceremony at COP 24, recognizing 15 game-changing initiatives which included a mobile app that promotes the fight against food waste and hunger worldwide, a sustainable transport initiative in Syria, and the world's greenest football club. The Momentum for Change initiative also organized a special event at COP 24 on how to ensure healthy and sustainable food for a growing population in the face of increasing climate impacts. The event focused on why changing the way we eat and produce food is crucial to achieving

It is an honor to participate in the Momentum for Change movement on behalf of the Solar Sister entrepreneurs who are bringing light, hope and opportunity to their communities. We are committed to adding women's voices to ongoing efforts to address energy poverty and climate change challenges.

Katherine Lucey, Founder and Chief Executive Officer, Solar Sister



Momentum for Change winner 2018: Composting Waste Treatment, Haiti. "Composting waste treatment using EkoLakay's in-home container-based toilets". Photo by Janae Lloyd.



Momentum for Change winner 2018: Yalla Let's Bike Initiative. "Come on Girls Let's Bike" event, Damascus, Syria. Photo by Yalla Let's Bike.

the goals of the Paris Agreement and the SDGs. The panel included a keynote address by Gunhild Stordalen, founder and President of the EAT Foundation, and was moderated by Johan Rockström, Director of the Potsdam Institute for Climate Impact Research.

# **Action for Climate Empowerment**

Action for Climate Empowerment was the first part of the Katowice climate package to be agreed. It promotes the systematic integration of education, training, public awareness, public participation, public access to information, and regional and international cooperation into the NDCs, NAPs, long-term low greenhouse gas emission development strategies and climate policies. Activities in 2018 included the first Action for Climate Empowerment Youth Forum, the Youth Video Competition, and the Regional Workshop on Action for Climate Empowerment for Europe and the Mediterranean region.

# Partnerships in support of COP 24

In addition to the new partnerships with WPP for the People's Seat and Visa for a crowdfunding platform, the secretariat created links with other partners to support COP 24. These partners included: Facebook, the Global Energy Interconnection Development and Cooperation Organization, an



Momentum for Change winner 2018: Sri Lanka Mangrove Conservation Project. Photo by UN Climate Change.

organization dedicated to promoting the large-scale development and transmission of clean energy; the international power utility Iberdrola; the Brazilian-Paraguayan hydropower company Itaipu Binacional; the International Union of Railways and the International Association of Public Transport; the Viennese furniture company Papertown; the multinational technology company Google; and global furniture firm IKEA. The partnerships included joint projects that helped drive climate action in support of the Paris Agreement. The activities led by the COP24 partners included promoting sustainable urban mobility, inspiring young people to create climate solutions in schools, sharing best practices in renewable energy, and fostering sustainable consumption.

# **Chronicling the negotiations**

In 2018 the secretariat completed the digitization of its audio-visual recordings of climate negotiations dating back to the first session of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change in February 1991. The recordings allow users to gain a full understanding of the negotiations and are widely used by Parties and researchers to develop policies, by scholars and students to research the history of these negotiations and by media production companies to promote action and ambition.



We were so grateful to have access to [the secretariat's] digital archives...for their value to our research for the series and as a visual resource for several of our stories.

Judith Aley, Archival Producer for the Emmy award-winning documentary series "Years of Living Dangerously"

# Promoting gender equality in climate action

COP 24 marked the halfway point of the two-year UNFCCC gender action plan, adopted by countries in November 2017. One element of the gender action plan focuses on the importance of women's representation and meaningful participation in climate change decision-making. Progress was made in 2018, with more than 50 per cent of decision-making and technical bodies having increased women's participation to at least 38 per cent. Despite this progress, the number of women leading government delegations remains under 30 per cent.

To spur further progress, the secretariat is working closely with gender networks such as the Women's Environment and Development Organization, which runs the Women Delegates Fund, a platform for increasing the participation of female delegates from the least developed countries and small island developing States. The secretariat and the



Fund also provide training so that female delegates can more effectively participate in decision-making processes.

Since 2009, the Fund has received support from Australia, Canada, Finland, Iceland, the Netherlands, Scotland and Switzerland. It has helped over 100 women from developing countries to participate in conferences. In addition, it has trained over 500 national delegates.

The secretariat also launched the #ActOnTheGAP programme at COP 24 to highlight successes achieved so far and prompt further action. The programme included a high-level event, the Momentum for Change: Women for Results awards, and an afternoon of highlights in the COP 24 Action Hub. COP 24 also saw the first capacity-building workshop for national gender and climate change focal points, in which over 50 national representatives participated.

The clear message from these activities and exhibits is that when climate solutions are inclusive, women and girls are catalysts of change, delivering sustainable and effective climate action.

empowerment should be a continuous process in which women create and expand what it is they can be, what it is they can do and what it is they can accomplish. We all have dreams and mine is to continue this process so that we advance the goal of gender-balance and achieve a higher number of female delegates.

Women's

Stella Gama, Ministry of Natural Resources, Energy and Mining in Malawi (a beneficiary of the Women Delegates Fund)

77

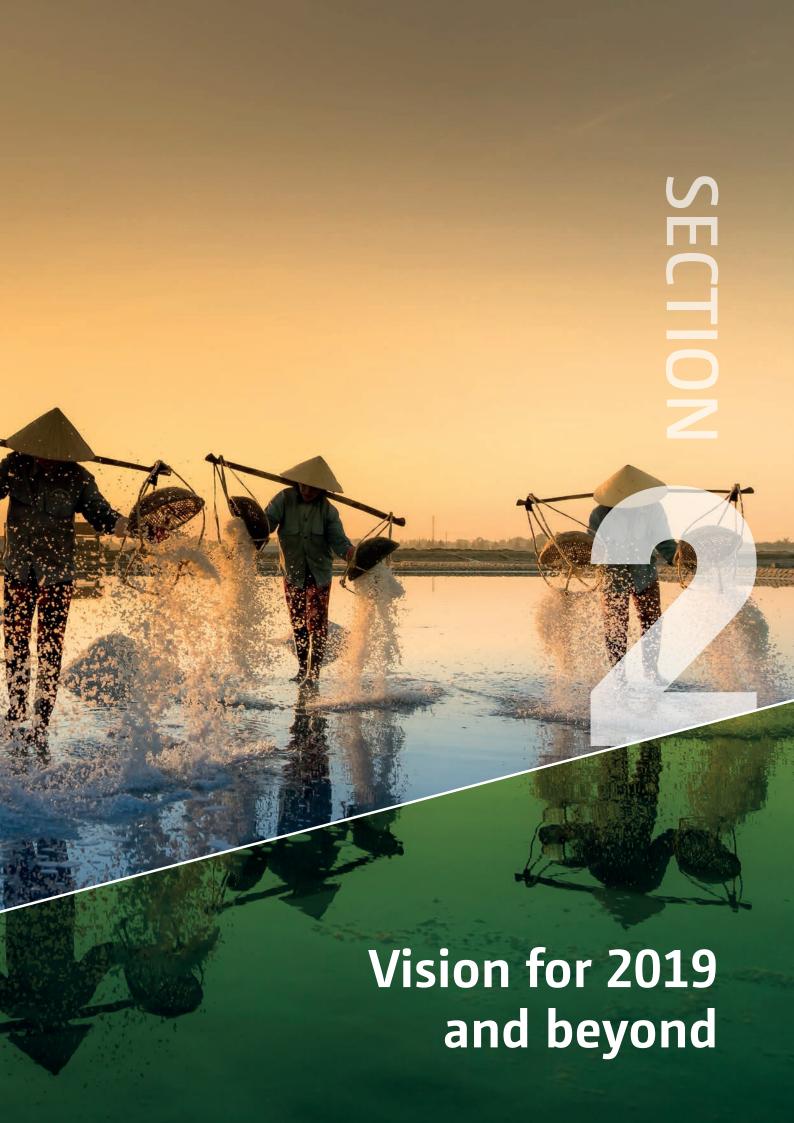


We are proud to support the gender action plan of the UNFCCC. It recognizes the central role that women play in tackling climate change in their own communities, and it seeks to promote the participation of women in global decision-making on this issue.

44

Nicola Sturgeon, First Minister of Scotland





# Vision for 2019 and beyond

With the Katowice climate package operationalizing the Paris Agreement at COP 24, the world entered a new era in its collective efforts to address climate change, focusing on implementation and the need for increased ambition.

Current pledges in NDCs are insufficient to limit the global temperature increase to 1.5 °C, beyond which, as the IPCC pointed out in its special report from last year, climate impacts will begin to rise dramatically.

To limit global warming to 1.5  $^{\circ}$ C, CO $_{2}$  emissions must fall by about 45 per cent by 2030 from a 2010 baseline. The next few years will be crucial for raising ambition sufficiently to close the gap between current pledges and what is needed.

In 2019, events such as the UNFCCC regional climate weeks, dialogues, capacity-building sessions and meetings, as well as COP 25 in Chile in December, will provide vital opportunities for collectively advancing efforts and setting the stage for the greater action that will be needed over the next decade.

With the guidance largely in place after Katowice, Parties can establish or strengthen their national systems to implement the Paris Agreement. However, if market and non-market mechanisms are to increase ambition and allow countries to meet part of their domestic mitigation goals, work to operationalize Article 6 of the Paris Agreement at COP 25 must also be finalized.

Pre-2020 action is vital. The world must take everything it has learned from the Talanoa Dialogue, the Marrakech Partnership for Global Climate Action and many other processes and partnerships and apply it now. Pre-2020 action will be further bolstered if another 16 countries ratify the Doha Amendment, which would bring into force the second commitment period of the Kyoto Protocol.

2019 also needs to be a turning point in the provision of financial, technological and capacity-building support to developing countries and the most vulnerable populations. Support to developing countries must be increased so that all Parties can fully engage in the global response to climate change, particularly in terms of adaptation.

As the international community works on these tasks, it is crucial to recall that harnessing the linkage between climate action and the SDGs can bring about positive, systemic change that will ensure a resilient, productive and healthy environment. The in-depth review of SDG 13 on climate action at the High-Level Political Forum in July, and of all SDGs by the Heads of State and Government at the High-Level Political Forum in September, will further focus attention and efforts on integrated action.

Another key moment is the UN Climate Action Summit 2019, that will be convened by the UN Secretary-General on 23 September. The summit will

provide an opportunity to raise ambition in policies, plans, actions and investments and create transformative partnerships. As the inclusive nature of the summit makes clear, raising ambition is not the job of national governments alone. One of the biggest success stories in the last two years is the inclusion of stakeholders such as regional governments, cities, private businesses, investors and citizens in climate change discussions and action. At the summit, State and non-State actors alike should step up to the plate with new commitments and evidence of the changes they have made.

As a member of the Steering Committee for the summit, the UNFCCC Executive Secretary is working closely with the team of the Secretary-General's Special Envoy for the summit, Luis Alfonso de Alba. In addition, with support from all across the secretariat, the Executive Secretary is leading the mitigation ambition workstream together with the Administrator of UNDP, the Chief Executive Officer of Unilever and representatives of the Government of Chile.

Beyond 2019, there is much work to be done, and the bar for climate action needs to be continuously raised. The next periodic review of the long-term global goal under the Convention and of the overall progress towards achieving it will be launched in 2019. It will take into account the work of the global stocktake, the Talanoa Dialogue and the technical examination processes.

Parties then need to update their NDCs in 2020 to move the world closer to achieving the temperature goals of the Paris Agreement.

The global stocktake – a key process for measuring collective progress – will start at CMA 4 in 2021 and conclude in 2023 with decisions that will inform the next round of NDC updates. Parties have reiterated that the latest reports of the IPCC will serve as a key source of input and address the "best available science" requirement of the global stocktake.

Fundamentally, the world has reached the point when climate change must be reflected in almost every decision that governments, organizations, businesses, investors and individuals make for years to come. Progress has been made, but a significant and urgent push is needed.

The UNFCCC will support all of the processes laid out above with commitment and professionalism. However, as the scope of work under the UNFCCC process has increased over time, so have the corresponding needs, responsibilities and tasks of the secretariat. For 2019 and beyond, the secretariat is being requested to perform more functions than ever, with new tasks and workstreams mandated in Katowice being added to its ongoing work.

The secretariat will, among other activities, continue to support the existing transparency arrangements and will begin building the infrastructure for the enhanced transparency framework. It will also develop the work programmes on adaptation, loss and damage, climate finance and climate technology.

With the right resources, the secretariat will deliver the support Parties need to step up ambition on climate change.



The September Summit is about action. The UN is calling on all leaders to come to New York with concrete, realistic plans to enhance their climate ambition and transform our economies and societies to ensure we are aligned with the commitments of the Paris Agreement.

Luis Alfonso de Alba, UN Secretary-General's Special Envoy for the 2019 Climate Change Summit

7,

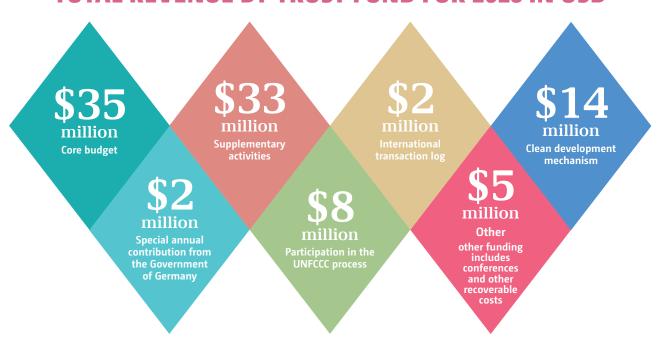


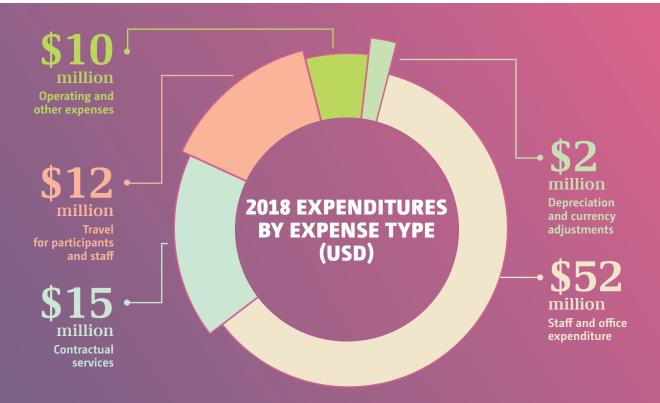


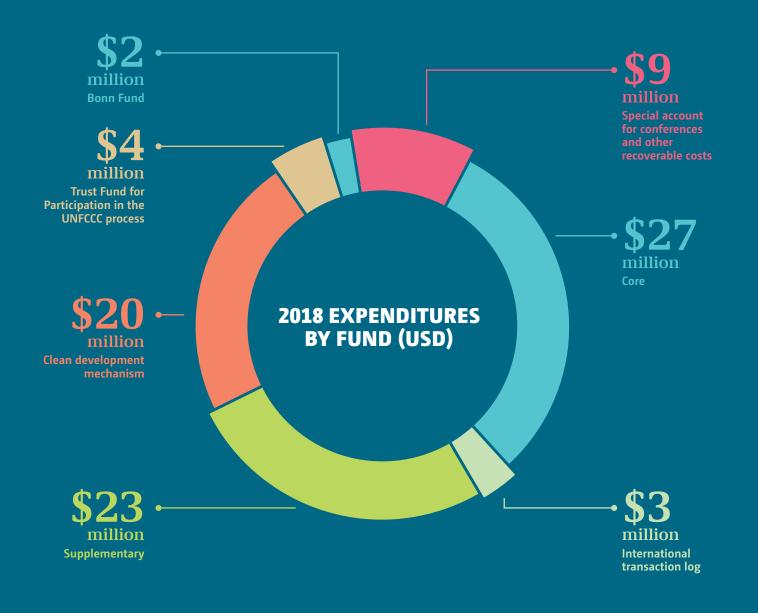
# **Financials**

The UNFCCC is financed by payments from Parties to the Convention, Kyoto Protocol and Paris Agreement, fees derived from services provided by the organization and voluntary contributions from Parties and other donors.

#### **TOTAL REVENUE BY TRUST FUND FOR 2018 IN USD**







# Contributors to the Trust Fund for Supplementary Activities from Parties In alphabetical order

Australia Netherlands
Austria New Zealand

Belgium Norway

Bulgaria Republic of Korea

Canada Caudi Arabia

Canada Saudi Arabia

Finland Spain
France Sweden

Germany Switzerland Ireland Turkey

Italy United Kingdom of Great Britain and Northern Ireland

Slovakia

Japan

European Union

**Note:** The amounts reflected in this report are drawn from 31 December 2018 unaudited financial statements, and reflect only income and expenditure for the year.

# Contributors to the Trust Fund for Supplementary Activities from other sources

#### In alphabetical order

2 Degree Investing Initiative

80edays

Bloomberg Philanthropies

**BNP** Paribas

Children's Investment Fund Foundation

Deutsche Gesellschaft für Internationale Zusammenarbeit

Iberdrola

Itaipu Binacional

Microsoft Corporation

Plant for the Planet Foundation

Rockefeller Foundation

Scotland

Stantec/Euroclima

United Nations Office for Project Services

Visa

World Bank

World Business Council for Sustainable Development

# Funding for the secretariat

Sustainable and predictable funding is critical for the planning and execution of the work entrusted by the Parties to the secretariat.

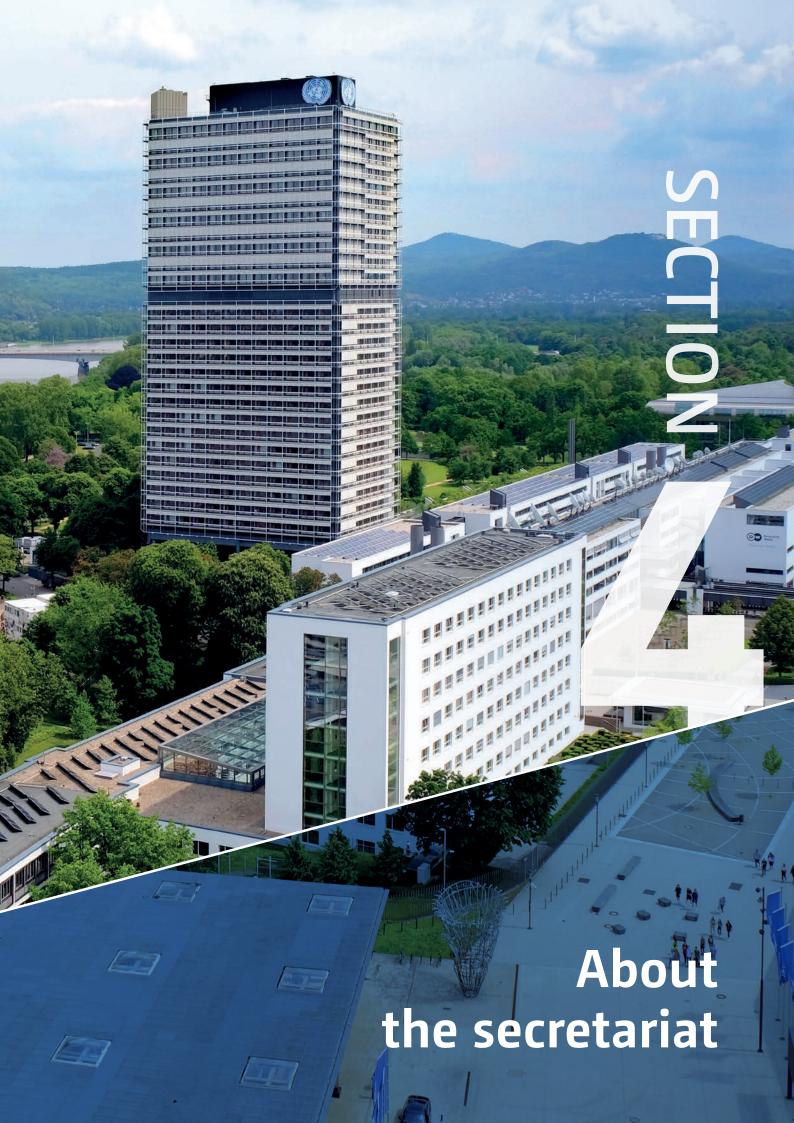
The activities of the secretariat are predominantly funded from two sources: (a) Core funds and (b) Supplementary funds.

Core funds are sourced from indicative assessed contributions of the Parties. The level of unpaid contributions by the Parties remains high and is a serious problem for the work programme of the UNFCCC. The cumulative amount of outstanding contributions was **USD 10.2 million** as of 31 December 2018.

Supplementary funds that are sourced from voluntary contributions from a range of donors complement the core funding of the secretariat.







# **About the secretariat**



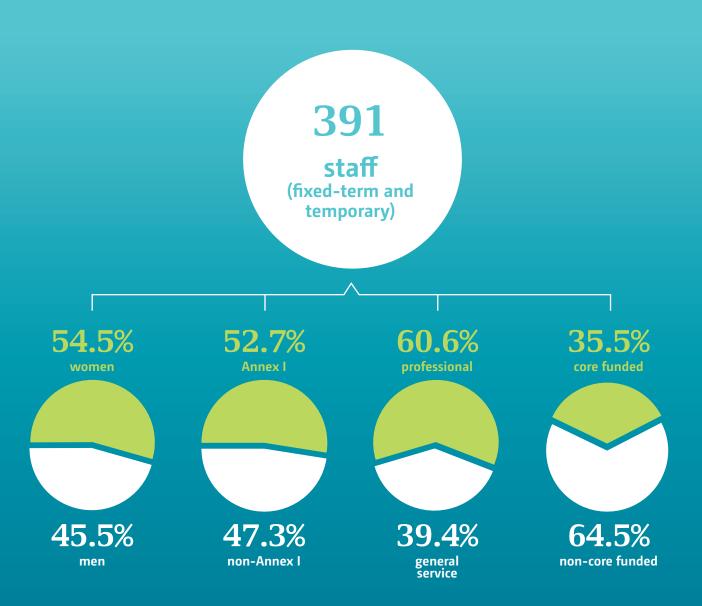
Secretariat staff with the UN Secretary-General at COP 24. Photo by UN DGC/Esra Sergi.

The UNFCCC secretariat strives to maintain a diverse and balanced workforce that is representative of the Parties it serves.

# **Fellowships**

The secretariat offers fellowships to young women and men from the least developed countries, focusing on early career stages, and to mid-career professionals from the least developed countries and small island developing States. Italy has agreed to fund the mid-career programme for at least five years.

# **STAFF COMPOSITION**



In addition, in 2018, the secretariat engaged:

247 individual contractors 77 consultants 10 fellows 134 interns

# **Abbreviations and acronyms**

CDM	clean development mechanism
CER	certified emission reduction
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CO <sub>2</sub>	carbon dioxide
COP	Conference of the Parties
CTCN	Climate Technology Centre and Network
DTU	Technical University of Denmark
GCF	Green Climate Fund
IPCC	Intergovernmental Panel on Climate Change
LAKI	Lima Adaptation Knowledge Initiative
LEG	Least Developed Countries Expert Group
NAP	national adaptation plan
Nairobi work programme	Nairobi work programme on impacts, vulnerability and adaptation to climate change
NDC	nationally determined contribution
PCCB	Paris Committee on Capacity-building
RCC	UNFCCC regional collaboration centre
SDG	Sustainable Development Goal
TEC	Technology Executive Committee
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme





WEB:

unfccc.int

TWITTER:

@UNFCCC (English)

@CMNUCC (Spanish)

@CCNUCC (French)

@UNKlima (German)

@PEspinosaC (our Executive Secretary)

**FACEBOOK:** 

www.facebook.com/UNclimatechange

LINKEDIN:

www.linkedin.com/company/unfccc

**EMAIL:** 

secretariat@unfccc.int

Main office UNFCCC secretariat UN Campus Platz der Vereinten Nationen 1 53113 Bonn Germany

Haus Carstanjen office UNFCCC secretariat Martin-Luther-King-Strasse 8 53175 Bonn Germany Mailing address UNFCCC secretariat P.O. Box 260124 D-53153 Bonn Germany

Phone: (49-228) 815-1000 Fax: (49-228) 815-1999 Web: http://unfccc.int