



Intended Nationally Determined Contributions (INDCs)

“The Conference of the Parties decides:

To invite all Parties to initiate or intensify domestic preparations for their intended nationally determined contributions, without prejudice to the legal nature of the contributions, in the context of adopting a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties towards achieving the objective of the Convention as set out in its Article 2 and to communicate them well in advance of the twenty-first session of the Conference of the Parties (by the first quarter of 2015 by those Parties ready to do so) in a manner that facilitates the clarity, transparency and understanding of the intended contributions, without prejudice to the legal nature of the contributions ...”

Decision adopted by the COP 19
Warsaw 2013 (1/CP.19)

For the first time the Conference of the Parties has agreed in Warsaw at COP 19 that *all* countries may prepare their contribution to a global stable climate. Although Decision 1/CP.19 leaves Parties without clear guidance on the scope of INDCs in the context of the UN climate negotiations, a common understanding has emerged that these INDCs shall comprise a national mitigation goal which contributes to the ‘stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system’ (UNFCCC Article 2). This means, based on the IPCC, keeping the global temperature increase below 2°C above pre-industrial levels. Many Parties have, however, expressed a desire to include additionally in their INDC information on adapta-

tion, finance and other core elements of the UN climate negotiations. Whether and how this desire will be addressed is yet to be defined. As it is likely that countries must gather experience and make incremental progress to prepare and implement mitigation contributions which are sufficient to meet the 2°C objective and are realistic and feasible for the sustainable development of the countries, the INDCs will need to start an iterative process of submitting, assessing, implementing and revising beyond a mere ‘headline number’. Hence, a dual approach is necessary that ensures progress on ambitious mitigation *goals* as well as the *process* to be defined in the 2015 agreement.

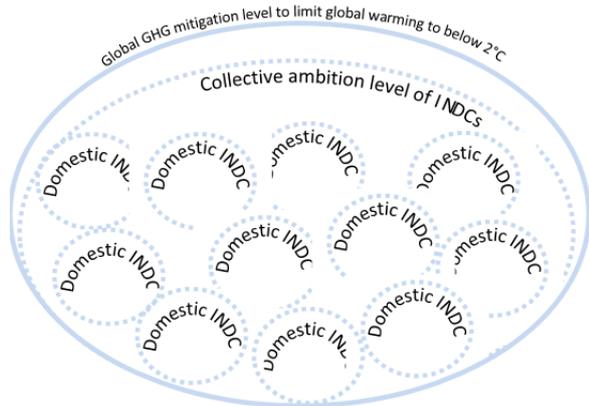
INDC types and headline numbers

INDCs shall make it possible to track progress and achieve a collective ambition level sufficient to limit global warming to below 2°C relative to pre-industrial levels. To this end INDCs shall comprise a mitigation goal. That goal needs to be transformed into an eventually legally binding mitigation commitment in the 2015 agreement, and must be transparent, quantifiable, comparable, verifiable and ambitious. Once this transformation has taken place the contributions are not ‘intended’ anymore.

In a prior step, Up-front Information (UFI) will underpin and provide the starting point for an important process: to analyse the INDCs submitted. This process facilitates consideration of both the individual and global level of ambition. If the global level of ambition of INDCs is considered insufficient, Parties can raise their ambition in a timely manner to stay on track to meet the **below 2°C objective**.

INDCs

- *should* comprise a mitigation goal which eventually can be transformed into a legally binding mitigation commitment.
- *must* be transparent, quantifiable, comparable, verifiable and ambitious.
- *shall* reflect equity according to the Common but Differentiated Responsibilities and Respective Capacities principle.
- *shall* reflect national circumstances and are expected to be of many different types.



INDCs can include:

- An *absolute, economy-wide emissions target* which defines until when (target year or period) a country will emit not more than a certain amount of GHG emissions. These mitigation goals are most straightforward and can be best understood and aggregated internationally. The Dominican Republic, for instance, pledged a -25% emissions reduction target compared to 2010 by 2030. Another example is the EU which committed to -40% emissions reductions compared to 1990 by 2030.
- A *deviation from a BAU scenario* which defines by how much, and by when, a country will undercut a scenario of emissions growth projected into the future. This mitigation goal requires a transparent approach and basic assumptions on the BAU scenario based on projections of GDP and emissions. As such projections are uncertain it is also more difficult to aggregate up-front the actual emissions and emissions reductions in a target year or period. South Africa, for instance, pledged -42% emissions reductions below Business As Usual (BAU) by 2025.
- An *intensity target* which defines target GHG emissions per unit GDP (or capita). This requires transparent methodologies to measure GDP and GDP growth. The absolute quantity of GHG emissions in the target year or period depends on actual economic growth; this makes an international aggregation of emissions reductions difficult. On the one hand intensity targets can reflect evolving economic capacities and responsibilities – on the other hand an intensity target puts extra stress on economies in bust cycles as emissions sources tend to continue to emit even when economic output is shrinking. Considering different initial situations and conditions of transformation, intensity targets can make mitigation efforts and ambition comparable as the emissions reductions are relative to the different and evolving capacities and responsibilities. China pledged -40% to -45% below BAU GDP emission intensity compared to 2005 levels.
- A *set of policies and actions* which measure and quantify emissions reduction impacts. This, however, is often methodologically difficult and therefore requires particularly transparent guidelines to project emissions in a target year or period and to quantify the emissions re-

ductions attributable to policies and actions. Ghana, for instance, has announced NAMAs on energy, transport, buildings, waste, industrial processes, agriculture and forestry – while their INDC is still under development.

At the same time individual INDCs shall reflect equity according to the Common but Differentiated Responsibilities and Respective Capacities (CBDR+RC) principle. The reasoning why an INDC is ambitious and equitable shall further take account of evolving capacities and responsibilities, considering that past, present and future emissions are relevant.

It is currently being discussed in the context of the UN climate negotiations whether INDCs may also address other important elements of the negotiations such as *adaptation, finance, technology* and *capacity building*. Adaptation is a precondition in some countries to meaningful mitigation and may add information with importance at the national level and can help to reflect national circumstances.

Up-front information (UFI)

Long Term Transformation

One particular aspect of INDCs and the actions to implement them is the sustainability of the emissions reductions achieved. For that reason target periods are sometimes referred to in order to track progress. Mitigation actions must *transform* patterns of production and consumption and shift them onto long-term sustainable development paths. Models capturing how such transformational change can be achieved and indicators which can track such change are yet to be developed and understood in order to be MRV^{ed}.

UFI shall make INDCs transparent, understandable and clear in order to be able to quantify and compare INDCs, add them up internationally and provide the information basis for analysis. Currently, UFI is the only element of INDCs that is actually under negotiation. At COP 20 in December 2014 in Lima the Parties will decide which information countries will have to submit along with their INDC. There is some consensus emerging on what UFI shall apply to all INDCs:

Up-front Information (UFI) shall entail:

- | | |
|---|--|
| • Base year | • GHG coverage |
| • Target year/period | • Inventory methodology |
| • Sector coverage | • Use of market units |
| • Global Warming Potential (GWP) | • Land-use approach |
| • Indicators related to fairness and ambition | • Conditions attached to target (upper bound of target corridor) |

In addition, it is likely that further information will be required according to the specific type of INDC submitted:

Quantified Absolute Target:	<ul style="list-style-type: none"> • Projections of emissions
Deviation from Business-As-Usual:	<ul style="list-style-type: none"> • Projected emissions in BAU for target year/period • Projected GDP in target year/period • Methodology to project BAU
Intensity Target:	<ul style="list-style-type: none"> • GDP in base year • Methodology to measure GDP/GDP growth
Set of Policies and Measures:	<ul style="list-style-type: none"> • Description of policy and/or measure • Methodology to measure impact of policy and/or measure • Methodology to project emissions in target year/period

So far, no decision has been reached on what is supposed to be included in the up-front information. More aspects are under negotiation than those listed above. See also the [draft text of the ADP Co-Chairs](#).

International process to consider and analyze

When the INDCs are formally submitted and information on them is available and openly accessible, this will reflect a great effort as well as a serious commitment by the Parties. UFI underpins and provides the starting point for an important process which is still under discussion: to analyse the INDCs submitted. This process facilitates consideration of both the individual and global level of ambition. It will help to understand whether the aggregate contributions are sufficient to stay below 2°C or whether and by how much the Parties must collectively increase their efforts to avoid dangerous climate change.

How this process of consideration will be organised is not yet agreed upon.

Mechanism to regularly revisit the collective level of ambition

If the global level of ambition of INDCs is considered insufficient, Parties can raise their ambition in a timely manner to stay on track to meet the below 2°C objective. So far, the UN climate negotiations have not yet touched upon this mechanism in great detail. What many Parties do agree is that such revision of INDCs and the emerging commitments must under all circumstances avoid any backsliding of mitigation goals in terms of replacing absolute targets with relative or intensity ones and of decreasing the aspired amount of emissions reductions.

In order to be as ambitious as possible while ensuring countries' sustainable prosperity, commitments can increase in a flexible manner in an iterative process over time. Such a process might start with (1) what is the BAU as a first step. (2) Then it adds what is doable and what offers opportunities for investments, sustainable development and co-benefits. And finally (3) it pushes for what is technologically possible under certain conditions. Countries can frame this process by defining a *target range* and attaching conditions to

the upper bound of what is technologically possible under certain conditions, depending, for instance, on received international support, domestic economic growth, what other countries do, etc. Therefore, all INDCs should include a unilateral, unconditional component and may include a conditional component, the upper bound, in addition.

In the UN climate negotiations there is a debate of having such a process, how it should be framed and in particular whether there should be a joint target year and if so which.

Robust common MRV and accounting rules

The INDC in combination with a robust rules base should form the mitigation commitment of a country under the 2015 Agreement.

Ex ante the UFI will facilitate the clarity, transparency and understanding of INDCs and thereby provide inter alia the information to understand the possible emissions reductions impacts of an INDC and help establish a process to manage collective mitigation efforts.

Ex post robust common MRV and [accounting rules](#) shall enable tracking individual and collective progress towards the below 2°C objective. The challenge will be to integrate the GHG inventory based reporting with the very detailed reporting on mitigation actions and progress towards the committed INDCs, i.e. to integrate top-down with bottom-up approaches. While bottom-up approaches must quantify and account the emissions reductions impact of individual actions, thus making it possible to identify good practice for replication, top-down approaches can track whether total net emissions trends of countries match their mitigation goals and match what is needed collectively at global level. Currently, methodologies for accounting mitigation goals and policies and actions are under pilot testing.

Reflections on progress made at the fifth part of the second session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action are summarised in [ADP.2014.5.InformalNote](#).

How does GIZ support the INDC process?

The [GIZ Global Support Project for the Preparation of Intended Nationally Determined Contributions funded by the Federal Ministry for Environment, Nature Conservation, Building and Nuclear Safety \(BMUB\)](#) of Germany aims to facilitate peer-to-peer learning and foster the preparation of ambitious and fair, transparent, quantifiable and comparable and robust INDCs.

The project supports 16 selected partner countries in developing their INDCs via ongoing in-country projects of BMUB's International Climate Initiative (IKI).



These bilateral support measures include, *inter alia*:

- Conducting analyses and studies
- Technical support for inter-ministerial working groups and processes to agree with line ministries on specific emissions reduction targets
- Supporting political decision-making processes for the submission of Intended Nationally Determined Contributions and the implementation thereof
- Backing the dialogue process with multiple relevant stakeholders

As an additional support, further country-specific measures can be identified through a needs-assessment. The project also offers ad-hoc support in the preparation of INDCs for up to 10 additional countries.

The project promotes knowledge management to capture experiences from national contribution processes and prepare them for dissemination. Therefore, it provides inputs to the UNDP/UNFCCC regional technical dialogues and coordinates with research projects and *think tanks* working on INDCs.

Early Lessons Learnt

Early experiences showed that various countries implement mainly the following steps: setting up an inter-institutional

arrangement for the preparation; analyses of mitigation potentials based on the GHG inventory; prioritization of sectors, actors and means of implementation; development of BAU scenarios, baselines and projections; studies on political as well as technical, social and economic feasibility; prioritization of mitigation actions; quantification of emissions reduction potentials; embedding in national sustainable development plans like LEDS; development of MRV and accounting systems. All these steps are supposed to be consulted in many countries with stakeholders. However, the biggest challenge for many countries is the short time available to conduct this comprehensive process. Thus, the process of preparing, assessing and raising an INDC in an iterative process, maximizing the ambition and realism of the aspired policies and actions, is likely to extend beyond March 2015 and will repeat the steps above in order to enable to make progress and gather lessons learnt.

Disclaimer:

The information of this factsheet is meant to increase the understanding of the context of the negotiations process on INDCs. It does not claim to reflect accurately all positions in the international negotiations.

Imprint

Published by:
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<http://www.mitigationpartnership.net/global-support-project-preparation-intended-nationally-determined-contributions-indcs>

Related Documents:

International Partnership on Mitigation and MRV (2014): [Intended Nationally Determined Contributions](#)
WRI (2014): [Ex-Ante Clarification, Transparency, and Understanding of Intended Nationally Determined Mitigation Contributions](#)
Oeko-Institut (2014): [Up-Front Information for emission reduction contributions in the 2015 Agreement under the UNFCCC](#)
International Partnership on Mitigation and MRV (2014): [Knowledge Product Summer School: An Accounting Framework - Background and Recommendations](#)