This briefing provides an overview and assessment of the annual UN climate conference that was held in Warsaw in Poland from November 11–22, and is part of our regular ‘Insight’ series, which can be found here. The paper is complemented by a pre-COP briefing and blogs produced before and during the Warsaw summit respectively. More details on our COP coverage can be found here.

Key Points from COP19

- Countries kept talks on track toward a new global climate deal in 2015, but the form and timing of submission of new commitments were weakened, raising fears that the ambition of the new deal will be lowered.

- The role of sub-national governments has been recognized in helping to raise climate action ambitions in the period to 2020, with agreement to facilitate learning from and sharing of sub-national government experiences.

- A ‘Loss and Damage’ mechanism to help vulnerable developing countries cope with severe climate impacts has been established, but without a clear means of adequate funding.

- Discussions on climate finance, in particular the capitalization of the Green Climate Fund and how to mobilize US$100 billion per year by 2020 failed to bridge key divisions, with countries agreeing to continue talks in 2014.

- On a positive note, countries agreed to modalities governing ‘results-based finance’ for developing countries that halt deforestation. Some US$280 million of new funding to support initial efforts was announced by the governments of Norway, the UK and the US.

- Overall, Warsaw was procedurally successful, delivering a suite of decisions that keep the UNFCCC process ticking over. But from a climate protection perspective, it joins a growing line of COPs that have fallen short in terms of collective efforts to reduce emissions.

Introduction

The 19th annual UN climate conference (COP19) concluded in Warsaw early on Sunday, November 24, more than 30 hours after its official closing—continuing what has become a familiar feature of international climate negotiations.

Although delivering a set of relatively low ambition decisions, Warsaw produced enough to keep countries on track to agreeing a new global climate deal at COP21 in Paris in 2015—provided that substantive progress is made in the coming 12 months and by COP20 in Lima, Peru next year. Whether negotiators did enough to keep the world on a path to less than 2°C of warming is far less certain, however.

This briefing takes a short look at COP19, including the atmospherics of the meeting, the main outcomes and the likely road ahead.
CHARGED ATMOSPHERE

The conference took place in an unusually charged atmosphere throughout its two weeks. Although UN talks are normally characterized by disagreements and heated debate, tension was raised in Warsaw by external and internal developments.

The devastation created by Typhoon Haiyan in the Philippines immediately before the start of the conference, brought a human face to the impacts of climate change as the Philippines’ lead negotiator spoke of fears for his family at the opening plenary. Understandably, this put the sensitive agenda item on ‘Loss and Damage’ front and center of the talks (see below for details).

An announcement from Japan that it was significantly reducing its pledged 2020 emission target (from 25% to just 3.5%) as a result of the Fukushima disaster, and disruptive negotiating tactics from Australia (reflecting the climate sceptical positioning of the new federal government) put further strain on relations between developed and developing countries.

AN AWKWARD COP PRESIDENCY

Normally, under such circumstances Parties look to the host country as COP President to act as an independent champion for cooperation and progress. In Warsaw, however, the Polish government was criticized for its mixed messaging. This was most notable with respect to its decision to host a two day World Coal Summit in parallel with the climate talks, drawing heavy criticism from environmental groups and other observers.

Corporate sponsorship of the COP, including by leading Polish fossil fuel companies, also raised questions about Poland’s objectives for the conference. Finally, a cabinet reshuffle, which saw the demotion of the Environment Minister (and COP president) mid-negotiations, underscored for many the lack of political capital the Polish government seemed willing to spend on the conference.

LOW EXPECTATIONS MET

Given these circumstances, the general sense of ‘low expectations met’ perhaps best sums up the conference. Those close to the negotiations, such as UN climate chief Christiana Figueres, expressed basic satisfaction with the decisions adopted, while underlining the significant amount of work that countries have ahead of them.1

MAIN OUTCOMES

As is normal for any UN climate conference, Parties adopted a wide range of decisions under both the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol. In total, some 37 decisions were adopted2 that will guide and further develop international climate efforts over the next 12 months and beyond. Four key areas, however, define the overall outcome from Warsaw.

WORK PROGRAM FOR THE ‘DURBAN PLATFORM’ NEGOTIATION PROCESS

The critical deliverable from Warsaw was always the decision relating to the work of the ‘Durban Platform’ negotiating process, otherwise known as the ‘ADP’.3 As explained in our pre-COP briefing, the ADP has two workstreams. The first is mandated to negotiate the new post-2020 global climate agreement by COP21 in Paris in 2015. The second is concerned with agreeing voluntary actions that countries can implement prior to 2020 to raise the level of climate action ambition, such as initiatives to deal with HFC gases and other short-lived pollutants, as well as increased funding and resilience building.

For the post-2020 workstream, a key issue has been when countries will submit their proposals for the actions they will take under the new treaty and what form these actions will take. On both counts, the decision from Warsaw is relatively weak. Parties agreed that they would communicate their proposals “well in advance” of COP21, but with a note clarifying that this would be “...by the first quarter of 2015 by those Parties ready to do so”.4 Such leniency in the language is disappointing and seems

---

2 For a full list of decisions see here: http://unfccc.int/meetings/warsaw_nov_2013/meeting/7649/php/view/decisions.php
3 ADP: Ad-hoc Working Group on the Durban Platform for Enhanced Action
4 http://unfccc.int/files/meetings/warsaw_nov_2013/decisions/application/pdf/cop19_1_adp.pdf
certain to invite some very tardy responses. The submissions have also been defined as ‘contributions’ rather than the more stringent ‘commitments’ that many developed as well as vulnerable developing countries had sought.

The failure to inject more urgency into the process is a concern, and reminiscent of the two years preceding COP15 in Copenhagen. Then negotiators failed to act early enough to put the flesh on the bones of a deal, leading to the last minute scramble witnessed in 2009. Countries cannot afford to repeat the same mistake.

With respect to the pre-2020 ambition-raising workstream, the defining verb used in the decision is “urging”. Parties are urged to “implement”, “communicate”, “revisit”, “evaluate” and “increase” a range of efforts and actions. Given that this workstream is deliberately focused on voluntary action, such non-prescriptive language is understandable, but also hardly inspiring for those outside the UNFCCC bubble.

On a more positive note, Parties have agreed to “accelerate activities” by, among other things, “facilitating the sharing ...of experiences and best practices of cities and subnational authorities... in identifying and implementing opportunities to mitigate... and adapt”. This is a welcome nod to the leadership of mayors, premiers and governors in tackling climate change and provides a useful hook for sub-national governments to increase the level of ambition at the national and international level.

In terms of the ADP process over the next 12 months, Parties have agreed to “further elaborate... elements for a draft negotiating text” beginning at their first meeting in 2014. These elements include the usual list of issues, including mitigation, adaptation, finance, technology and capacity building. But the fact that the list isn’t exhaustive suggests that much time will be spent on trying to reach agreement on what should and shouldn’t be included. Parties have already agreed that a draft text should be ready by May 2015, so substantive progress will be essential in 2014 and ideally before COP20 in Peru.

LOSS AND DAMAGE

Negotiations on the subject of ‘loss and damage’ – the proposition that even with the best mitigation and adaptation efforts the most vulnerable developing countries will increasingly require international support as a result of serious climate impacts – was the totem issue in Warsaw.

As our pre-COP briefing explained, Parties agreed in Doha last year to consider the establishment of an ‘institutional mechanism’ for loss and damage in Warsaw.

As expected, negotiations proved difficult. This was due to firm opposition from developed countries to the idea of financial compensation based on ‘historic responsibility’, colliding with the equally firm view of the poorest and most vulnerable countries that a mechanism had to be established. The backdrop provided by Typhoon Haiyan added extra emotion to the already fraught discussions.

As failure was not an option for either side, the outcome from Warsaw is one of compromise. Parties have established a new ‘Loss and Damage’ mechanism, but there is no mention of financial compensation, and any reference in the text to finance is tightly controlled.

The new mechanism will sit under the existing ‘Cancun Adaptation Framework’, which self-evidently frames loss and damage as a subset of adaptation, rather than its own standalone issue. Arguably, this lowers the status of the new mechanism (and the issue), relative to say the ‘Technology’ and ‘Finance’ mechanisms, which are seen as central pillars of the UNFCCC’s institutional architecture.

The functions of the new mechanism are essentially supportive in nature and include: “Enhancing knowledge and understanding of comprehensive risk management approaches...”; “Strengthening dialogue, coordination ...among...stakeholders”; and “Enhancing action and support, including finance...” The general sense from reading the text is a mechanism that will likely lack bite—an outcome that, if accurate, will rankle the most vulnerable countries.

A review of the mechanism in 2016 to assess its structure, mandate and effectiveness, provides the means to correct deficiencies and cement its role. On the flip side, the review also creates a degree of uncertainty around the mechanism’s long-term future, i.e. will it exist beyond 2016? Such concern is probably unfounded. As is often the case with institutional structures, once established they are usually very hard to remove, suggesting that the new mechanism is here to stay.

*Or perhaps more accurately just the right amount of flesh for ministers to chew over, as opposed to the 200+ pages of options and bracketed text they were given at the 11th hour in Copenhagen.
Permanence, of course, does not necessarily mean effectiveness. Like all UNFCCC institutions, the impact of the new mechanism will depend on funding, mention of which is entirely absent from the decision. Further tough talks relating to loss and damage in 2014 are therefore a certainty.

CLIMATE FINANCE

Finance is one of the perennial issues of the UNFCCC process. The outcome from Warsaw ensures that it remains so—or at least for a while longer.

The central point of debate continues to be the capitalization of the Green Climate Fund (GCF), both in terms of timing and volume. Developed countries committed in Copenhagen to mobilize US$100 billion per year of climate finance from 2020, and there is general agreement that the GCF will be a key conduit for this funding. But precisely how key remains a critical point of contention.

The GCF is not quite fully operational, so there was never any real expectation that capitalization announcements would be made in Warsaw. But developing countries and many NGOs were seeking clarity on when developed countries would step forward with their initial funds.

While Parties did agree on new guidance to the GCF, much of this is operational. The decision does however call for “ambitious and timely contributions” from developed countries by COP20 in December next year, to enable the operationalization of the GCF. These contributions will certainly not amount to billions, or perhaps even hundreds of millions, but a clear expectation has been set that some meaningful level of finance will flow over the next 12 months to the GCF.

In a separate decision, negotiators also agreed to continue the work program on long-term finance, while “urging” developed countries to maintain and increase flows of climate finance in order to reach the US$100 billion target by 2020. In addition, further technical workshops will also be held to look at strategies and approaches for scaling finance, while a biennial ministerial dialogue on finance is to be established, starting in 2014 and ending in 2020. The ministerial dialogue should provide some political heft to finance discussions, although much how much will depend on the type of ministers that attend—a dialogue between a few finance ministers is arguably worth more than a full COP of environment ministers.

The best that could perhaps be said about finance in Warsaw is that Parties have kept the talks alive for next year. Notwithstanding positive news about new funding commitments for forest protection from Norway, the UK and the US (US$280 million) and increased funding for the Kyoto Protocol’s Adaptation Fund (US$100 million), it appears that countries remain as sharply divided as ever on climate finance.

Finding a middle ground is not beyond reach, however. But this will likely require progress in other areas, for example greater mitigation ambition by developed countries and/or early and meaningful contributions to the GCF. A greater readiness to accept a larger role for private sector finance by some of the key developing countries would also be helpful.

The most likely outcome at present though, is that the UNFCCC will follow rather than lead international climate financing efforts. Other multilateral as well as bilateral and public-private sector initiatives seem more likely to blaze the climate finance trail. The six multilateral development banks, for example, delivered some US$27 billion in climate finance last year. But if the UNFCCC process continues and ultimately adds scale to these early efforts, then Warsaw’s meager advances may yet prove one of many vital steps down the long path to effective climate financing.

REDUCING EMISSIONS FROM DEFORESTATION AND DEGRADATION

Negotiations to agree an effective mechanism for reducing emissions from deforestation and degradation (REDD) in developing countries have been running for close to nine years. Over this time progress has often been slow, incremental and uneven. Decisions taken in Warsaw, however, mark an important breakthrough, finally establishing the means for “results-based payments” to developing countries for the demonstrable protection of forests. Given the huge emission reduction opportunities from halting tropical deforestation and degradation, the agreement reached in Warsaw could be transformational. The US$280 million in funding mentioned earlier from the governments of Norway, the UK and the US will help to kick start this new effort.

The six are: the World Bank Group, the Africa Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, and the Inter-American Development Bank.


Beyond the negotiating bubble of Warsaw, The Climate Group joined a range of other organizations, businesses and sub-national governments in discussing, exploring and understanding the rich opportunities that come with ambitious climate action.

A key highlight was a meeting of our States and Regions Alliance, where we heard of the latest low carbon initiatives underway in Bavaria, the Basque Country, Brittany, Catalonia, KwaZulu-Natal, North Rhine Westphalia, Ontario, Québec, Rhône-Alpes, São Paulo, Scotland, South Australia, Upper Austria, Wales and Wallonia. Nancy Sutley, the Chair of the White House Council on Environmental Quality, also joined us and spoke about the important role of sub-national governments.

We were also a strategic partner of the UN Global Compact’s (UNGC) Caring for Climate Business Forum, which shone a light on the range of initiatives that are being taken by companies worldwide to solve climate issues from the ‘bottom up’.

We chaired a session on ‘Unlocking the Value of Low-carbon Innovation’ with senior representatives from Scotland and Catalonia as well as representatives from Siemens, Philips Lighting and Dow. The discussion considered the elements needed to scale low carbon innovations to transformational levels.

During this session, we announced the launch of a stakeholder consultation process on the procurement of LED streetlighting with Philips, aiming to help local and regional governments more rapidly scale the solutions already available for energy efficient streetlighting today. The process will officially begin next month (December).

Another session of the Forum saw the presentation of a new Guide for Responsible Corporate Engagement in Climate Policy jointly developed by the UN Environment Program, UNGC, World Resources Institute, WWF, CDP, Ceres and The Climate Group. The report, the first of its kind, sets out the minimum requirements for credible corporate engagement on climate policy.

We also chaired a UNFCCC-led session on ‘Promoting Energy Efficiency, Renewables and Technology Solutions’. This brought together participants from the World Energy Council, the UN SE4All campaign, BMW, Philips and Siemens to discuss the transformational elements needed for a new global energy system.

Within the walls of the official COP venue, we were also active. Mark Kenber our CEO, chaired the ‘COP Presidency Dialogue on Cities and Sub-national Governments’, with Secretary General Ban Ki-moon, UN climate chief Christiana Figueres, the Polish Environment Minister and the Mayor of Warsaw. We also co-organized a formal side-event with nrg4SD on ‘Implementing Climate Action on the Basis of Territorial Cooperation’. This event shared experiences and best practices of how governments at different levels can collaborate to address climate challenges in the most impactful way.
THE ROAD AHEAD

Many negotiators will have left Warsaw tired, mentally drained and relieved to have survived another COP. Equally, however, they will also be cognizant of the heavy workload they have in front of them through 2014 and into 2015.

ADP: CONTACT TIME CRUCIAL

In terms of the ADP, Parties will reconvene for their first meeting of 2014 from March 10-14 and then again at the regular mid-year intersessional of the UNFCCC in June. With luck (and funding) a third meeting, perhaps in September or October, will also be arranged. Contact time in 2014 will certainly be crucial given the need to reach initial agreement on the elements of the draft 2015 negotiating text at the next COP. The talks in Warsaw demonstrated that although Parties can broadly agree what the elements are (i.e. mitigation, adaptation, finance, technology etc.), there remain important differences when it comes to the specifics (i.e. the who, how, what and when).

SUPPORTING INITIATIVES

A wave of activity through 2014 is likely to support and hopefully accelerate progress in the UNFCCC process. The World Economic Forum, for example, will dedicate a full day of its Davos conference to climate change in January. This will provide an early and critical opportunity for bringing the scientific, policy and business case for much greater ambition to the attention of top political and business leaders.

In March and April, meanwhile, the IPCC will release the second and third parts of its Fifth Assessment Report. Dealing with ‘Impacts, Vulnerability and Adaptation’ and ‘Mitigation’ respectively, the reports will lay out both climate risks and the opportunities of direct relevance to decision makers in business and government.

Also in March, the EU Council will consider, and hopefully make a decision on, the region’s draft 2030 climate and energy package. The adoption of an ambitious set of targets (e.g. a 45% plus emission reduction target for 2030), would provide a significant boost to ADP negotiations, as well as the EU’s own standing in the process. But such an outcome remains far from certain.

The main event for the year—even more so than the next COP—will be UN Secretary General Ban Ki-moon’s Climate Summit in New York on September 23. This one day event will bring heads of state and government together with the aim of focusing political attention on the need for greater ambition in the lead up to COP21 in Paris in 2015. To this end, the Secretary General has asked that countries bring new commitment pledges to New York. These will not be binding and no negotiation—formal or informal—will take place. There is an expectation (or perhaps, more accurately, a hope) that developed countries will make funding commitments for the GCF at the summit. Significant gestures are also expected from the major emerging economies, but all countries regardless of size or wealth are expected to make pledges of some kind. The summit will also invite contributions and commitments from non-state actors, including business and civil society groups.

IN SUMMARY

So where does all this actually leave us? In short, a long way from where we need to be.

In the lead up to Warsaw, the UN Environment Program (UNEP) released its latest Emissions Gap report, highlighting that the world’s annual emissions are likely to be 8 to 12 gigatons above where they need to be in 2020 to maintain a reasonable chance of keeping below 2°C of warming. The outcomes from Warsaw do little to change things.

This reality underlines why 2014 is likely to be such a crucial year. a point repeatedly made by UN climate chief Christiana Figueres. With luck, the supporting initiatives noted above and the increased activity in the UNFCCC will deliver greater progress than that seen in 2013. Without this, the hopes of an ambitious global deal and the likelihood of keeping below 2°C are likely to slip from the world’s collective grasp.