

PREFACE-PIRATA-CLIVAR Tropical Atlantic Variability Conference
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Climate Change: Economic Aspects

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The Paris Agreement in a nutshell

The agreement main objective is *“to strengthen the global response to the threat of climate change”* by (Art 2):

- Holding the increase in the global average temperature to well below 2 °C (...) and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels
- Increasing the ability to adapt (...) and foster climate resilience and low greenhouse gas emissions development
- Making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development

Mitigation

Governments agreed on

- a long-term goal of keeping the increase in global average temperature to **well below 2°C** above pre-industrial levels;
- limiting the increase to **1.5°C**, since this would significantly reduce risks and the impacts of climate change;
- developed countries “should” undertake **absolute economy-wide reduction targets**, developing countries “are encouraged” to move **toward economy-wide targets over time (differentiation!)**
- **rapid reductions** in accordance with the best available technologies.

Before and during the Paris conference, 188 countries submitted comprehensive **national climate action plans** ([INDCs](#)). These are not yet enough to keep global warming below 2°C, but the agreement traces the way to achieving this target.

Adaptation

Governments agreed to

- strengthen societies' ability to **deal with the impacts** of climate change;
- provide continued and enhanced international **support** for adaptation **to developing countries.**

Loss and damage

The agreement

- recognises the importance of averting, minimising and addressing **loss and damage** associated with the adverse effects of climate change;
- acknowledges the need to **cooperate** and enhance the **understanding, action and support** in different areas such as early warning systems, emergency preparedness and risk insurance.

Transparency and global stocktake

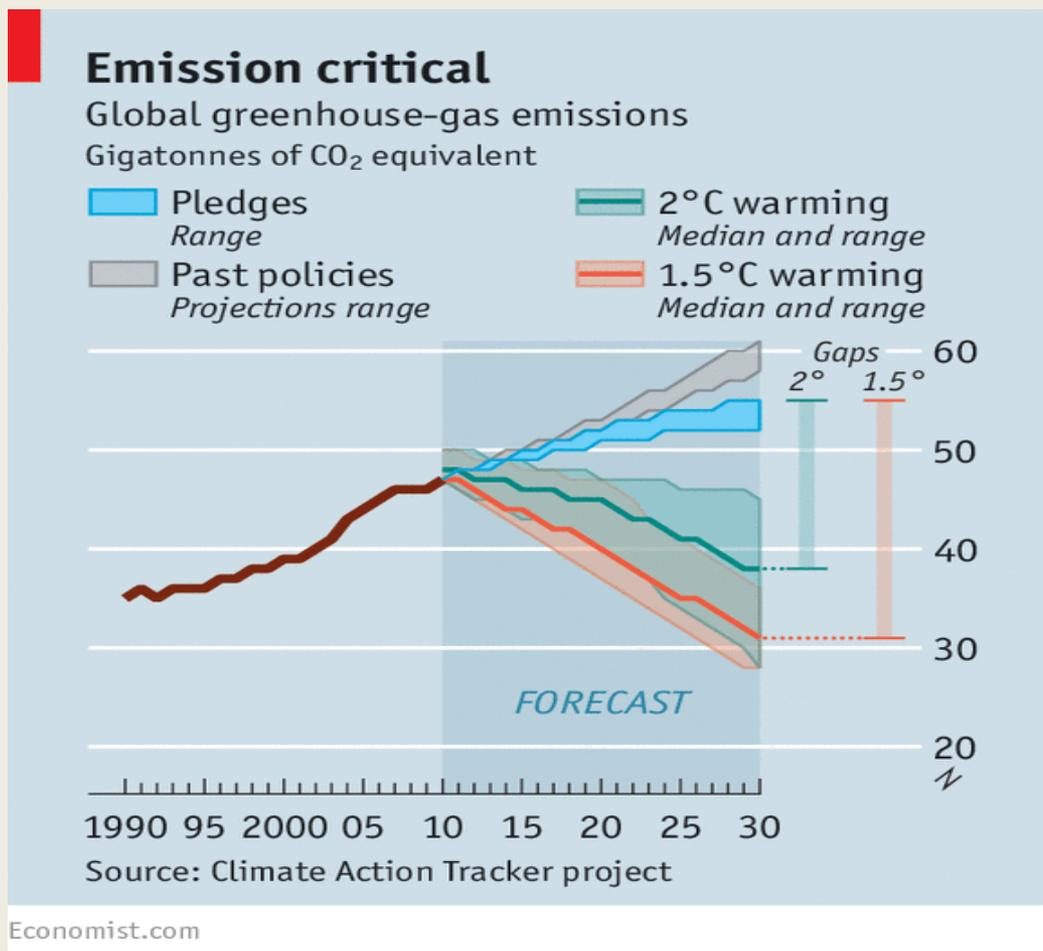
The implementation foresees that Countries

- come together every 5 years to **set more ambitious targets** as required by science;
- **report** to each other and the public on how well they are doing to implement their targets;
- track progress towards the long-term goal through a robust **transparency and accountability** system.

Support

- The EU and other developed countries will continue to **support climate action** to reduce emissions and build resilience to climate change impacts **in developing countries**.
 - Other countries are encouraged to provide or continue to provide such support voluntarily.
- Developed countries intend to continue their existing [collective goal](#) to mobilise USD 100 billion per year until 2025 when a new collective goal will be set.
- What about *carbon pricing*? Art 137 ... “recognizes the important role of providing incentives for emission reduction activities, including tools such as domestic policies and carbon pricing” ...

“A test of first-rate intelligence by its ability to hold jointly two opposing ideas: to see that things are hopeless, and to be determined to move forward anyway”. F. Scott Fitzgerald



Latest steps

- The [Paris Agreement enters into force](#) thirty days after ratification by at least 55 countries and by countries representing at least 55% of global emissions. It will become legally binding for those countries that sign and ratify it, once it has entered into force.
- On 5 October 2016, the double threshold of 55 countries and 55% of global emissions was met, meaning that the **Paris Agreement has entered into force on 4 November 2016: [Landmark Climate Change Agreement to Enter into Force](#)** .
- The Agreement opened for signature on 22 April 2016 at a high-level signing ceremony, convened by UN Secretary-General Ban Ki-moon, taking place in New York. **Signature is the stage before ratification.** When a country signs the Paris Agreement, it is obliged to refrain from acts that would defeat its object and purpose. The next step, ratification, signifies a country's intent to be legally bound to the terms of the treaty at the international level.

Ratification of the Agreement



To ratify the Paris Agreement so that it enters into force these two conditions need to be met



55

countries need to ratify

55 %

of global emissions need to be covered

100

countries ratified

69,48%

of global emissions covered

0

countries still needed

0

of global emissions needed

Last updated:
4 November 2016

CLIMATE ANALYTICS 

The Paris Agreement and Market Signals: A Survey (I)

- **Study conducted at Columbia University**
- Applying a survey methodology widely used in marketing but not previously used in climate policy analysis, they asked several hundred investors, infrastructure developers and others their views on the Paris Agreement, other national and international policies and climate finance. The survey was conducted both before and after the Paris conference with respondents mostly from the United States and United Kingdom.

Key Findings From the Survey (I):

- Respondents viewed national climate policies as the most important tool for increasing funding for climate mitigation and adaptation. These policies included increasing policy support for renewable energy, decreasing fossil fuel subsidies and support for early-stage feasibility studies for green investments.
- Private sector respondents ranked several elements of the Paris Agreement as among the most important factors for “creating a favorable state for climate finance investment,” second only to national climate policies.

The Paris Agreement and Market Signals: A Survey (II)

Key Findings From the Survey (II):

- A robust system of transparency, including details about countries' domestic implementation and deep-decarbonization plans, could be very important in increasing funding for climate mitigation and adaptation. Many respondents indicated that providing more details about *how* countries will implement their targets is more important than the target itself.
- A striking result from the survey was the extent to which respondents mostly drawn from the U.S. and U.K. private sectors considered international commitments by governments to increase climate funding to be relatively unimportant in mobilizing climate finance. Respondents appeared to find such pledges to be, at a minimum, several steps removed from decisions on mobilizing on private capital.

Cop 22: the commitments?

- [COP22 in Marrakech: The COP of Action](#) **November 7 to 18, 2016.**
- According to Salaheddine Mezouar, President of COP22, this conference is an *“opportunity to make the voices of the most vulnerable countries to climate change heard, in particular African countries and island states. It is urgent to act on these issues linked to stability and security,”* he declared on Nov 6th.



Marrakech achievements: the context (I)

- The United Nations Environment Programme provided a stark reminder on 3 November, [with the publication of the latest edition of its annual 'Emissions Gap Report'](#), that action by countries currently pledged for 2030 would likely result in annual emissions of 54 to 56 billion tonnes of greenhouse gases
 - far above pathways that are consistent with the goal of Paris Agreement to limit the rise in global mean temperature to well below 2°C above its pre-industrial level.

Marrakech achievements: the context (II)

- There was good news at the start of the second week of the summit when [the Global Carbon Project released its latest findings](#); showing that there was almost no increase in annual emissions of carbon dioxide between 2014 and 2016.
- However, on the same day, [the World Meteorological Organisation indicated](#) that it expects 2016 to be the warmest year globally since records began in the 19th century.
- [Despite the uncertainties about future climate policy in the United States](#) following the election of Donald Trump, the White House published on 16 November the ‘United States Mid-Century Strategy for Deep Decarbonization’.
- By the end of the summit, [Germany, Mexico and Canada had also provided long-term strategies](#), which go beyond the post-2020 pledges contained in their ‘nationally determined contributions’ to the Paris Agreement.
- A new initiative, [the ‘2050 pathways platform’](#), was launched with the aim of “supporting those seeking to devise long-term, net zero-greenhouse gas, climate-resilient and sustainable development pathways”.

Marrakech achievements: decisions?

“This summit has also featured, for the first time, substantive discussions between finance ministers and financial institutions about how to accelerate the transition to low-carbon and climate-resilient economic development and growth.

I hope that we will see a commitment by the development banks to double their investments in sustainable infrastructure over the next five years, as part of this acceleration. It is clear from this summit that there is widespread understanding of the attractiveness of boosting economic growth and development through investments in modern, clean and smart infrastructure”

Sir Nicholas Stern

Marrakech achievements:

The way forward

- The day before the end of the summit, all of the participating countries released a strong joint statement, the [Marrakech Action Proclamation](#), which reiterated their determination to implement the Paris Agreement.
- The summit ended late on Friday 18 November, the date on which it was due to finish. There were difficulties over some issues, such as how the Adaptation Fund, [which was set up in 2001 under the Kyoto Protocol](#), might support the Paris Agreement. [The final decisions of the Marrakech summit](#) include a commitment by countries to submit their views by the end of March 2017.
- Other key decisions included agreements to finalise the ‘rulebook’ for the Paris Agreement ahead of the ‘facilitative dialogue’ between countries, which is scheduled to take place in 2018.
- And participants also expressed their support for the [‘Marrakech Partnership for Global Climate Action’ \(PDF\)](#), which seeks to increase the scale of emissions reductions that will be achieved by 2020.



Thank you for your attention

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PSL Research

History of the Conference of Parties

- The UNFCCC (United Nations Framework Convention for Climate Change) entered into force on 21 March 1994. Today, it has near-universal membership. The 197 countries that have ratified the Convention are called Parties to the Convention.
- The UNFCCC is a “Rio Convention”, one of three adopted at the “Rio Earth Summit” in 1992. Its sister Rio Conventions are the UN Convention on Biological Diversity and the Convention to Combat Desertification. The three are intrinsically linked.

Preventing “dangerous” human interference with the climate system is the ultimate aim of the UNFCCC

UNFCCC and « COPS »

- **What is the COP?**
- The **Conference of the Parties** is the supreme decision-making body of the UNFCCC. All States that are Parties to the Convention are represented at the COP, at which they review the implementation of the Convention and any other legal instruments that the COP adopts and take decisions necessary to promote the effective implementation of the Convention, including institutional and administrative arrangements.
- The COP meets every year, unless the Parties decide otherwise. The first COP meeting was held in Berlin, Germany in March, 1995.

The Kyoto Protocol

- The Kyoto Protocol is an international agreement linked to the United Nations Framework Convention on Climate Change, which **commits** its Parties by setting internationally binding emission reduction targets.
- Recognizing that developed countries are principally responsible for the current high levels of GHG emissions in the atmosphere as a result of more than 150 years of industrial activity, the Protocol places a heavier burden on developed nations under the principle of "common but differentiated responsibilities."
- The Kyoto Protocol was adopted in Kyoto, Japan, on 11 December 1997 and entered into force on 16 February 2005. The detailed rules for the implementation of the Protocol were adopted at COP 7 in Marrakesh, Morocco, in 2001, and are referred to as the "Marrakesh Accords." Its first commitment period started in 2008 and ended in 2012