

The Paris Ambition Mechanism

REVIEW AND COMMUNICATION CYCLES

Options Note¹

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Executive Summary

The [Paris Agreement](#) provides for a five-year cyclical mechanism to enhance the collective ambition of Parties. The mechanism takes the form of synchronized communications, syntheses of information, and ‘Global Stocktakes’ – the latter being one of the most innovative elements of the post-2020 arrangements.

In 2015, countries had announced an initial set of undertakings (‘intended nationally determined contributions’) that used both five- and ten-year timeframes. Agreement on a common timeframe was not possible by Paris, so both five and ten-year timeframes are used in the Paris Outcome. This has led, in effect, to two distinct timeframe-specific five-year communication cycles – defined in paragraphs 23 and 24 of the ‘Paris Decision’ ([1/CP.21](#)) – with the *proviso* in Article 4.10 of the Paris Agreement that its governing body ‘shall consider common time frames’, that is to say a common communication cycle, at its first session.

The Note assesses options in which these two cycles could be operationalized as part of an ambition mechanism, with respect to their ability to encourage enhanced collective ambition, taking into account elements of the architecture that have been agreed. Key considerations in this context are the capacity:

- [i] to *lock-in maximum short-term ambition*;
- [ii] to provide a *medium-term indication of ambition* in addition to ‘no-backsliding’, while *avoiding locking-in low medium- to longer-term ambition*.

The Note considers two different tools to enhance the ability to strengthen collective ambition, namely the use of:

- *synchronized updates*, that is periodic updates with a clear deadline – akin to the synchronized communications of Nationally Determined Contributions (NDCs) already stipulated in the Agreement (Art. 4.9);
- *indicative ambition figures* (‘indicated NDCs’) that would be less likely to be ‘locked-in’ than communicated NDCs – indicated, say, as an additional feature of NDCs (in accordance with the provisions of §26 with a clear *caveat* of being indicative), or as part of low greenhouse gas emission development strategies envisaged in Art 4.19.

The Note explores two options for each of the two timeframe-specific communication cycles:

- an ‘end-of-term’ and a ‘mid-term’ update/review option for the 10-year timeframe cycle, and
- a ‘one step at a time’ option together with what has become known as the ‘dynamic contribution cycle’ (‘5+5’) option for the 5-year timeframe cycle.

An assessment of the four options with respect to [i] and [ii] concludes that the dynamic contribution cycle is the most promising as concerns the ability to encourage enhanced collective ambition and should be the choice under Article 4.10. The Note ends by presenting an option of how the two timeframe-specific communication cycles could be merged, amounting to the very simple additional decision by the COP or CMA, to *request all Parties in 2025 to indicate a 2035 NDC and update their 2030 NDC, and to do so every five years thereafter*.

1. Framing the Issues

There is general consensus that an “ambition mechanism” is necessary in the implementation of the Paris Agreement in order to enable Parties to reflect their “*highest possible ambition*” in their Nationally Determined Contributions (NDCs), as mandated in Article 4.3 of the Paris Agreement. The aim of this Note is to analyse what this means and to evaluate concrete options of how to achieve it.

This Note reflects the discussion at the 2016 ecbi Oxford Fellowships and Seminar on the ‘Paris Ambition Mechanism’, itself based on two ecbi Policy Briefs:

- Christian Holz and Xolisa Ngwadla, *The Global Stocktake: Opportunities & Challenges*, ecbi Policy Brief (forthcoming).
- Benito Müller, [*From Contribution Framework to Ambition Mechanism: How to enhance mitigation ambition under the Paris Agreement*](#), ecbi Policy Brief, April 2016.

The Note proceeds to look at what is needed in an ambition mechanism to facilitate the Art 4.3 mandate (Section 1.1.), and at how the idea of an ambition mechanism has been integrated into the Paris Agreement (Section 1.2.).

Following Müller (2016), the Note distinguishes between two synchronized and mutually interconnected five-year cycles in the Paris ambition mechanism: a ‘*Review Cycle*’ at the international level (with information syntheses feeding into Global Stocktakes assessing progress towards the achievement of the purpose and long-term goals of the agreement with a view to informing Parties in updating and enhancing their actions and support, as well as enhancing international cooperation) discussed in Section 2, and a ‘*Communication Cycle*’, chiefly at the national level (communication/updates of NDCs, and their national determination), discussed in Section 3.

Box 1. Terminology

The Note also uses the nomenclature proposed in Müller (2016). In particular, the five-year “*Review and Communication Periods*” (RCPs), are identified by reference to their end-year. For instance, “*2025 RCP*” refers to the 2021-25 period, “*2030 RCP*” refers to the 2026-30 period, and so on. Second, the Note distinguishes between “time frames” and “periods of implementation”. While “time frames” are used to refer to the time intervals used in defining an NDC, “period of implementation” refers to the period in which it is implemented. Third, it is assumed that time frames and periods of implementation of NDCs end in the same year, and that these end years (also multiples of five) are used to identify the NDCs: “*2025 NDC*” is thus used to refer to an NDC with a time frame/period of implementation ending in 2025. Finally, unless otherwise specified, “*Art.*” refers to Articles of the Paris Agreement, and “§” to paragraphs of Decision 1/CP21 on Adoption of the Paris Agreement.

Section 4, finally, considers options of how the Paris ambition mechanism could be operationalized, and evaluates them with respect, in particular, to their ability to enable Parties to reflect their highest possible ambition in their NDCs.

1.1. Achieving ‘Highest Possible Ambition’: The role of ratcheting

The point of an (international) ambition mechanism, as mentioned above, is to enable Parties to be as ambitious as possible in their NDCs. The key to understanding what this implies is to keep in mind the fact that ‘the maximum level of ambition that is possible’ is not a fixed figure, but is relative to the existing political–economic context. Moreover, and crucial in the present context, what is ‘possible’ in terms of Party ambitions depends not only on domestic factors, but also on:

- what other Parties are willing to do ('contribute'), and
- whether the aggregate of what is individually 'possible' is actually adequate with respect to achieving the ultimate collective goal.

To increase ambition, therefore, it is necessary not only to know what others intend to do, but also to be able to assess the sum total of these individual ambitions. The latter becomes problematic if the individual ambitions are not referring to the same time horizon, or if (major) Parties are missing. Thus, if half the indicated individual ambitions refer to, say, a 2025 time horizon, and the other half to 2030, then it becomes very difficult, if not impossible, to assess the collective ambition in 2025 or 2030.

In order to enhance ambition (on the basis of this sort of information and assessment) one must be able to revise one's original intentions. Assuming that they were provided as NDCs – either formally 'communicated' or, more informally, 'indicated' – this is where the Paris notion of 'updating and enhancing NDCs' comes into its own, particularly in the context of Art. 14.3 which stipulates that:

The outcome of the global stocktake [GST] shall inform Parties in updating and enhancing, in a nationally determined manner, their actions and support in accordance with the relevant provisions of this Agreement, as well as in enhancing international cooperation for climate action.

Art. 4.11 provides that a Party “*may at any time adjust its existing nationally determined contribution with a view to enhancing its level of ambition*”. However, this sort of 'spontaneous' updating – even in the presence of the aforementioned information on future NDCs – is suboptimal in its potential to enhance overall ambition, as it does not provide a 'moment in time' for the necessary informal consultations between countries to provide them with sufficient assurance that their envisaged enhanced ambition is not disproportionate to that of their 'peers'. The willingness of Parties to increase ambition not only depends on what others say they are willing to do, but also on the extent to which they are willing to increase their ambition. Parties are more likely to increase ambition if their increase is seen to be 'proportionate' in the context of what everyone else is putting forward. If not, then it is unlikely that the increase will be regarded as 'possible', not least for domestic political reasons.

The Paris Agreement rightly recognizes the need for some synchronization, that is to say the setting of periodic deadlines, with respect to the submission of NDCs (§25) and the same holds true for updating them. To harness the maximum potential enhancement of collective ambition, an ambition mechanism thus needs to involve regular *simultaneous* NDC updating exercises. The ratcheting-up potential of such exercises is increased if: most (if not all) Parties are involved; the NDCs to be updated are of the same batch; and most (if not all) Parties think the outcome is fair.

The aim of this Note, as indicated above, is to look into options of how such an ambition mechanism could be operationalized in the context of the relevant provisions of the Paris Outcome, i.e. the Paris Agreement and its Adoption Decision.

1.2. The Paris Provisions

The Paris Outcome defines a recurring *sequence of national and international processes and activities* that provides the framework for an ambition mechanism, namely:

- [A] *NDC Communications*. Parties are asked to submit their Nationally Determined Contributions (NDCs) – comprising adaptation and mitigation components, as appropriate – at least 9 to 12 months in advance of the relevant session of the CMA (§25). Parties may at any time adjust their existing NDC with a view to enhancing its level of ambition (Art. 4.11), but they must communicate NDCs every five years (Art. 4.9), at present in a timeframe-dependent manner indicated in §23 and §24. On finance, the agreement in Art 9.5 and §56 provides for the

communication of indicative support, including projected levels of public financial resources to be provided to developing countries, communicated biennially.

- [B] *Information Synthesis*. The information from the NDCs and other relevant information – on implementation progress, science, means of implementation (finance, technology, capacity building) – needs to be synthesized and aggregated to feed into the Global Stocktakes.
- [C] *Global Stocktakes* (GSTs) are to be undertaken every five years, starting in 2023 (Article 14.2) to consider progress made, to inform the updating and enhancement of actions (mitigation, adaptation) and support (finance), and to enhance international cooperation and assess progress in relation to the purpose of the Agreement.
- [D] *National Determinations*. The outcome of the Global Stocktake shall inform Parties' new NDCs (or update/enhance previously communicated NDCs), as well as figures regarding the support for means of implementation, leading to the next round of ...
- [A] *NDC Communications*.

As mentioned earlier, this Note follows Müller (2016) in dividing these processes and activities into intertwined cycles – a 'Review Cycle' and 'Communication Cycle(s)' – to be discussed separately in the next two sections.

2. Review Cycle

2.1. Information Syntheses

The review cycle, to be undertaken in a 'collective' manner (Art 14.1), is informed by inputs from individual Parties and science, with a view of informing action by individual Parties. This means that 'reported information' needs to be synthesized as inputs for the GST – with the objective of assessing the implementation of the Agreement and the collective progress towards achieving its purpose and long-term goals, in the context of the collective ambition of Parties. The following syntheses can serve as inputs for the GST:

A. NDC Synthesis Report

According to §25, the UNFCCC Secretariat is to produce a Synthesis Report of NDCs following their submission by the beginning of the final year in each RCP. While this would allow for some information to be made available by the end of that year (by the 'relevant CMA' as §25 puts it), the information on the projected aggregate effect of the communicated⁷ NDCs in question would not be required until the following GST, which will occur three years after the NDC submission. This means, in particular, that the full synthesis of NDCs submitted by the beginning of 2020 will be required only by the beginning of 2023.

B. Synthesis of Implementation Progress.

Information on collective progress towards the purpose of the Agreement and its long-term goals (Art. 4.) will also have to be collected and synthesized as input for the GST. [National Communications](#) from Parties can provide relevant information, but it will be provided mainly through reported information from the transparency processes. Such a synthesis can thus only be made when at least 2.5 years have elapsed since the communication of [Biennial Reports](#) (BRs) of the [International Assessment and Review Process](#) (IAR) and of [Biennial Update Reports](#) (BURs) under the process of [International](#)

⁷ We differentiate between 'communicated' and 'reported' information, where 'communicated information' is yet to be implemented, whilst 'reported information' relates to implemented actions.

[Consultation and Analysis](#) (ICA). This means that for the 2023 GST, the synthesis would only be able to cover implementation up to 2020.⁸

C. Synthesis of delivered Financial Support

According to Art. 9.5, developed country Parties are to communicate biennially information with respect to finance provided and mobilized, “including, as available, projected levels of public financial resources”. Experience has shown that countries find it very difficult to provide even medium-term projections for their public sector contributions, except in the case of replenishments, where a multi-year pledge may be possible. This is why it would be helpful if the start of climate finance-related replenishment periods could coincide with the start of the GST. While this will not be the case for Global Environment Facility (GEF) [replenishments](#), it should be ***a consideration for Green Climate Fund (GCF) replenishments***, which are yet to be designed. Options for such a consideration in the GCF replenishment are outlined in Müller, *et al.* (2015).⁹

Another source of synthesized financial information that ought to inform the GST are the *ex post* [Biennial Assessments](#) and overviews of climate finance flows, which the Standing Committee undertakes in even-numbered years.

D. Scenario Syntheses

Scientific information on emission pathways, information on adaptation needs in relation to global average temperature scenarios, as well as information on finance scenarios will also have to be synthesized. These constitute the benchmarks against which the forward-looking aspects of the GST will be undertaken, with the Intergovernmental Panel on Climate Change (IPCC) having an instructive role in this regard.

In terms of the benchmarking reports, the sixth IPCC Assessment Report is due in 2020/21, with a Summary for Policy Makers in 2022, a year before the 2023 Stocktake. Furthermore, the IPCC will publish the Special Report on 1.5 °C in 2018. It is important for the IPCC cycles to synchronize with the Review cycles. Similarly, the Standing Committee on Finance needs a mandate to provide a synthesis report on climate finance needs, covering timeframes consistent with the solution adopted in the common timeframes negotiation, in time for the GST.

2.2. The Global Stocktake

The Global Stocktake is set to pursue two distinct tracks – one forward-looking and one backward-looking. The forward-looking track seeks to achieve the Art 14.3 objective of enhancing action and support, whereas the backward-looking element, seeks to fulfil the Article 14.1 objective of assessing progress against the purpose and long-term goals of the Paris Agreement.

A. The Backward-looking Track

The backward-looking track of the GST will aim to track the difference – should there be any – between what was pledged, and what has been achieved. It will rely on the most recent available reported information in reports submitted by Parties as part of the transparency framework – such as BRs, BURs, National Communications, the IAR, ICA, as well as any other reporting provisions under

⁸ The 2.5-year requirement is based on the fact that the BRs and BURs, having been submitted every two years, undergo the IAR and ICA processes. This differentiated two-step process consists of a technical review/analysis and a multilateral assessment, which should provide time for Q&A and presentation by Parties, and be conducted over several sittings of SBs.

⁹ Benito Müller, and Xolisa Ngwadla, [A Paris Replenishment Cycle for Contributions to the UNFCCC Financial Mechanism](#), OCP/ecbi Concept Note, October 2015

the CMA. Given that considerable time will be needed to generate a synthesis of this implementation information, the backward-looking assessment can in practice only take into account information regarding the preceding RCP. So, for instance, the 2023 GST will contain synthesized information up to 2020 and thus will be able to assess collective progress in implementing the Cancun pledges, but not the 2025 or 2030 NDCs. The BRs/BURs submitted in 2022 require at least two years to be assessed under the IAR and ICA processes. Therefore, no information on post-2020 implementation will be available for the 2023 GST: a backward or *ex post* assessment of implementation progress in the 2025 RCP will only be possible in the 2028 GST.

There are some elements of the Paris Agreement where *ex ante* information is not covered by the transparency arrangements and information provided in accordance with – such as technology, capacity building, and loss and damage. In the case of these elements, reports from related mechanisms can serve as inputs, with a view of assessing the direction of travel compared to previous RCPs.

B. The Forward-looking Track

The second track of the GST will assess the projected aggregate effect or ambition of ‘future’ NDCs – NDCs with an implementation beyond the ‘current’ RCP (i.e. the RCP of the GST in question) – relative to pathways to the 1.5 °C or 2 °C goal in the context of mitigation; relative to impacts associated with a temperature scenario (1.5 °C or 2 °C) in the context of adaptation; and relative to the costs for mitigation and adaptation associated with the temperature levels in the context of finance

‘Current’ NDCs (with implementation ending in the current RCP) could, in principle, also be assessed, but this would largely be a futile exercise, given that only two years will remain of their implementation period, within which only limited follow-up action could be taken. It will be more productive for the forward-looking track to look at future NDCs – so, for instance, the 2023 GST should focus on 2030 and later NDCs, as available.

The usefulness of this forward-looking assessment will be determined by the availability of forward-looking information. In order to make a meaningful assessment of the aggregate effect/ambition of Parties’ envisaged or planned efforts at a given future moment in time, it is necessary to have ‘ambition figures’ from all Parties for that moment. To be sure, such ‘ambition figures’ need not be given through formal communications, they could be supplied less formally, say as ‘*indicated NDCs*’. But they are needed to get a full picture of the collective envisaged or planned state of affairs at that future moment in time, inter alia, to inform Parties whether they are in line with scientific projections to keep global average temperature within the goal of the Paris Agreement.

For example, take the case of the 2028 GST, which in light of the above-mentioned constraints would be focusing on assessing the 2035 and the 2040 NDCs. If by that time there has not been a harmonization of timeframes, then 2035 NDCs would not be available for those Parties working on a ten-year timeframe, and it is also possible that some Parties working on a five-year time frame would not have communicated/indicated a 2040 NDC. Accordingly, it would be difficult, if not impossible, for the 2028 GST to make any plausible forward-looking assessment, whether for 2035 or 2040.

C. Architecture of the Global Stocktake

The Paris Agreement establishes in regard to the Global Stocktake for the Ad hoc working group on the Paris Agreement (APA) to identify sources of input for it to make a recommendation to CMA.1 on the following information: i) the overall effect of the NDCs communicated by Parties (in addition to adaptation efforts and provision of support) and ii) the latest reports of the IPCC and reports by Subsidiary Bodies (SBs).

The Paris Agreement also requests the Subsidiary Body for Scientific and Technological Advice (SBSTA) to provide advice on how the assessments of the IPCC can inform the global stocktake of the implementation of the Agreement and report to APA2.

In addition, further requests the APA to develop modalities for the Global Stocktake and to report to the COP with a view to making recommendation to CMA.1. (See §99, §100, and §101 in the appendix below.)

It is important to note that the SBSTA will provide advice on how the assessments of the IPCC can inform the global stocktake. This could include approaches, methods, and reporting of the results that take into account the (probabilistic) nature of the models used, in order to arrive at relevant policies.

3. Communication Cycles

3.1. The Paris Provisions

The Review Cycle described in the preceding section is complemented by a sequence of periodic activities involving the determination, communication, and updating of NDCs, all of which predominantly national activities. According to Art. 4.9, ‘Each Party shall communicate a nationally determined contribution every five years’. However, due to the fact that the *Intended Nationally Determined Contributions* (INDCs) submitted before Paris are defined in terms of either five-year (2020-25) or ten-year (2020-30) timeframes, and because no headway could be made in Paris in choosing between the two, the Paris Outcome contains two distinct sequencing provisions on how to implement Art. 4.9 (together with a provision in Art. 4.10 that CMA.1 shall try again to choose a ‘common timeframe’):

- Parties with a five-year INDC are urged to communicate “a new NDC and to do so every five years thereafter” (§23);
- Parties with a ten-year INDC are requested “to communicate or update” their 2030 (I)NDCs “and to do so every five years thereafter.” (§24)

In short, we currently have *two distinct communication cycles*, derived from the time frames of the INDCs communicated prior to Paris. In order to avoid confusion, it is important to keep in mind that if (as is the case in this Note) ‘timeframe’ is taken to refer to the time intervals used in defining NDCs, then Article 4.10 is really about *choosing a common communication cycle*, and as demonstrated in Müller (2016: Figure 6), this can be achieved without uniform timeframes.

The Paris Provisions (see also Section 1.2 above) leave considerable room for interpretation with regard to operationalizing an ambition mechanism, including with regard to these two communication cycles. However, some general concerns can be formulated in the absence of a full operationalization of these Provisions.

3.2. General Concerns

A. *Sub-optimal Ratcheting*

The first concern is simply that the mechanism in question does not allow for optimal ratcheting, as discussed in Section 1.1 above.

B. *Low-ambition Lock-in*

Another concern relates to the fact that once NDCs are officially communicated, it becomes difficult for some Parties to revisit and update them. While this may be acceptable, indeed under certain

circumstances even desirable,¹⁰ for NDCs with a short-term (five-year) horizon, it is a legitimate concern for NDCs with medium- or longer-term horizons of ten or more years ahead. This has led to a reluctance on the part of some to admit submissions/communications other than on a short-term horizon, but the risk could be managed, as suggested in Section 2.2.B above, by introducing the option of less formally ‘indicating’ medium or longer-term NDCs instead of formally communicating them.

C. Inadequate Planning/Implementation Horizon

At the same time, it has also been argued that some stakeholders (particularly those in the private sector) need, at any point in time, at least indicative information over a minimal (say, five year) planning horizon on where the ambition of Parties/the regime is likely to evolve. Others feel that they need at least a medium-term (ten-year) time horizon for implementing the measures envisaged to provide the NDCs.

3.3. Cliff Hanger Scenarios

To illustrate how these concerns can arise, consider what could be called the ‘Cliff Hanger Scenario’, namely the situation where, towards the end of the ‘current’ NDC time-horizon, there is no indication as to what Parties intend to do beyond it. This has a number of important (adverse) implications. Consider, for illustrative purposes, the 2030 RCP, where all we have are the 2030 NDCs and the expectation of Parties to communicate follow-on NDCs by the end of 2029 (Art. 4.9).

In this situation, the forward-looking track of the 2028 GST becomes meaningless, given that the only ‘forward-looking’ NDC figures available at the time are the 2030 ones: no one will even contemplate updating NDCs if the time left for formulation and implementation is just two years (2029-30)

While there may be time – roughly one year, between the end of the GST (end of 2028) and the §25 submission time limit (the beginning of 2029) – to use the backward-looking information on the progress of implementation by 2025 (see Section 2.2.A) in the national determination of the 2030 NDCs, these will have to be communicated without having had the benefit of a synthesis analysis or having gone through a synchronized updating, and as such will not reflect the full collective ambition potential.

Finally, there is the issue that, over time, the time-horizon of information about the ambition vision diminishes to 9 to 12 months (apart from the prescription that there should be no backsliding). This clearly will not be long enough for many planning purposes, in particular for those relating to medium- and longer-term private sector investments.

4. Operational Options

4.1. §24-Cycle Options

According to §24, Parties with 10-year (I)NDC timeframes are “to communicate or update” contributions every five years (pursuant to Article 4.9). Given that Parties are able to update spontaneously at any time, our interpretation of §24 is that it refers to *synchronized* updating. Under this interpretation, there are theoretically three options, namely: no updates, mid-term updates, and end-of-term updates. As the first is not a realistic option,¹¹ we focus on the latter two.

¹⁰ In particular if the short-term NDCs in question have been ‘systematically enhanced’ through a collective ratcheting-up process as described in Section 1.1.

¹¹ The ‘no update’ option faces the same problems as the ‘one step at a time’ Option C (discussed below) only more so.

Option A. Synchronized End-of-Term Updates

Timetable 4.1. Synchronized End-of-Term Updates

RCP	Year	Action	Comments
	2020	Update 2030 NDC (communicated at ratification)	Locking-in of systematically enhanced medium-term (10-year) ambition
2025 RCP	21		
	22	Scope of NDC Synthesis	Updated 2030 NDCs
	23	GST (forward-looking track)	Updated 2030 NDCs
	24		.
	2025	Communicate or indicate 2040 NDC	Risk of locking-in unenhanced longer-term (15-year) low ambition
2030 RCP	26		
	27	Scope of NDC Synthesis	(indicated) 2040 NDCs
	28	GST (forward-looking track)	(indicated) 2040 NDCs
	29		.
	2030	Update (indicated) 2040 NDC	Locking-in of systematically enhanced medium-term (10-year) ambition
2025 RCP	31		
	32	Scope of NDC Synthesis	Updated 2040 NDCs
	33	GST (forward-looking track)	Updated 2040 NDCs
	34		.
	2035	Communicate or indicate 2050 NDC	Risk of locking-in unenhanced longer-term (15-year) low ambition

The option under which §24 Parties use synchronized updates at *the end of the respective NDC time frames* begins in 2020 with such an update of the 2030 NDCs, previously communicated at the time of ratification.

In 2025, at the end of the 2025 RCP (and mid-term for their 2030 NDC), Parties are then meant to communicate or indicate their next ten-year NDCs, i.e. their 2040 NDC. Given that this will be subject to a (synchronized) update in 2030, it means that in 2025, these (indicated) 2040 NDCs are not locked-in (but there is still a risk of locking-in).

In 2030, at the end of the 2030 NDC term, the 2040 NDC would be updated and locked in and the cycle would start again, leading to the mid-term communication/indication of 2050 NDCs in 2035.

The colour coding of the 2020 and 2030 Comments in Timetable 4.1 – (light) green for (moderately) desirable, and orange for problematic – is based on the idea that, as explained in Section 3.2 above, we take systematically enhanced NDCs to be generally preferable to unenhanced, or even individually enhanced NDCs. The problem is not about locking-in of ambition per se, but about locking in a medium-term ambition, whether enhanced or not.

Option B. Synchronized Mid-term Updates

Timetable 4.2. Synchronized Mid-term Updates

RCP	Year	Action	Comments
	2020	2030 NDC is communicated at ratification	Risk of locking-in unenhanced medium-term (10-year) ambition
2025 RCP	21		
	22	Scope of NDC Synthesis	2030 NDCs
	23	GST (forward-looking track)	2030 NDCs
	24		
	2025	Update 2030 NDC	Lock-in of systematically enhanced short-term (5-year) ambition
2030 RCP	26		
	27	Scope of NDC Synthesis	Updated 2030 NDCs
	28	GST (forward-looking track)	Updated 2030 NDCs
	29		
	2030	Communicate or indicate 2040 NDC	Cliff Hanger. Risk of locking-in unenhanced medium-term (10-year) ambition
2035 RCP	31		
	32	Scope of NDC Synthesis	2040 NDCs
	33	GST (forward-looking track)	2040 NDCs
	34		
	2035	Update (indicated) 2040 NDC	Lock-in of systematically enhanced short-term (5-year) ambition

If, by contrast, §24 Parties decide to use synchronized *mid-term* updates, the risk of low-ambition lock-in diminishes both with respect to the time horizon, and to the likelihood of changing the relevant figures, even though previously communicated.

The scenario begins with a 2020 (re-) communication of a 2030 NDC, to be followed in 2025 (which is ‘mid-term’ for the 2030 NDC) with a synchronized update of the 2030 NDC batch. To be noted in this context is that the preceding 2023 GST will have been able to provide all the necessary backward and forward-looking information necessary to maximize the ratcheting-up potential of this 2025 updating exercise. At the same time, given that the implementation period of these updated NDCs still has five years to go, it stands to reason that Parties do have time to implement an upward adjustment in their 2030 ambition.

However, this mid-term updating option does face the Cliff Hanger Scenario (Section 3.3, above) at the end of its contribution terms.

Conclusion

Looking at the Comments in Timetables 4.1 and 4.2, it is clear that the Synchronized Mid-term Update (*Option B*) is likely to perform better in generating overall ambition for the regime, based on the idea that all the relevant Parties are requested to update in a synchronized format.

Indeed, in every odd-numbered RCP (2025, 35, 45 ...), *Option B* generates what we consider to be the best possible outcome, namely a locking-in of systematically enhanced short-term ambition. The drawback is that in every even-numbered RCP (2020, 30, 40, ...) it is lumbered with a Cliff Hanger Scenario, which for reasons mentioned above, we think is clearly sub-optimal.

4.2. §23 Cycle Options

Option C. ‘One Step at a Time’

Timetable 4.3. The ‘One Step at a Time’ Option

RCP	Year	Action	Comments
	2020	Update 2025 (I)NDC *	Locking-in of near-term (5-year) individually enhanced ambition
			No risk of locking in medium or longer-term ambition
2025 RCP	21		
	22	Scope of NDC Synthesis	2025 NDCs
	23	GST (forward-looking track)	No meaningful assessment
	24		.
	2025	Communicate 2030 NDC	Cliff-hanger. Locking-in of unenhanced short-term (5-year) ambition No risk of locking in medium or longer term ambition
2030 RCP	26		
	27	Scope of NDC Synthesis	2030 NDCs
	28	GST (forward-looking track)	No meaningful assessment
	29		.
	2030	Communicate 2035 NDC	Cliff Hanger. Locking-in of unenhanced short-term (5-year) ambition No risk of locking in medium or longer-term ambition
2025 RCP	31		
	32	Scope of NDC Synthesis	2030 NDCs
	33	GST (forward-looking track)	No meaningful assessment
	34		
	2035	Communicate 2040 NDC	Cliff Hanger. Locking-in of unenhanced short-term (5-year) ambition No risk of locking in medium or longer-term ambition

* The §23 requirement for Parties to communicate by 2020 a ‘new’ NDC is here interpreted as the communication of an updated version of the 2025 (I)NDC submitted with the ratification of the Agreement.

This is one of the simplest of all contribution cycle options, in that it simply amounts to the communication of new short-term (5-year) NDCs at the end of the preceding term of implementation (which coincides with the RCP).

The main point in favour of this option is to avoid, ‘at all cost’ as it were, the possibility of medium- (or longer-) term locking-in of low ambition by refusing to have any figures indicated/communicated/submitted pertaining to a time horizon of more than five years ahead.

The drawbacks are, of course, that all communications are not only carried out under ‘Cliff Hanger’ conditions – with all the associated impediments (see Section 3.3) – but it also involves constant lock-in of short-term (sub-optimal) ambition.

Option D. The Dynamic Contribution Cycle

Timetable 4.4. The Dynamic Contribution Cycle

RCP	Year	Action	Comments
	2020	2025 NDC communicated at ratification	Locking-in of unenhanced short-term (5-year) ambition
		Communicate 2030 NDC*	Risk of locking-in unenhanced medium-term (10-year) ambition
2025 RCP	21		
	22	Scope of NDC Synthesis	2025*, 2030 NDCs
	23	GST (forward-looking track)	2025*, 2030 NDCs
	24		
	2025	Update 2030 NDC	Locking-in of systematically enhanced short-term (5-year) ambition
		Indicate 2035 NDC	
2030 RCP	26		
	27	Scope of NDC Synthesis	(indicated) 2035 NDCs
	28	GST (forward-looking track)	(indicated) 2035 NDCs
	29		
	2030	Update 2035 NDC	Locking-in of systematically enhanced short-term (5-year) ambition
		Indicate 2040 NDC	
2035 RCP	31		
	32	Scope of NDC Synthesis	(indicated) 2040 NDCs
	33	GST (forward-looking track)	(indicated) 2040 NDCs
	34		
	2035	Update 2040 NDC	Locking-in of systematically enhanced short-term (5-year) ambition
		Indicate 2055 NDC	

* The §23 requirement for Parties to communicate by 2020 a ‘new’ NDC is here interpreted as the communication of a 2030 NDC.

The Dynamic Contribution Cycle (i.e. rolling five year NDCs with a ten-year time horizon) would commence with the communication, in 2020, of a five-year 2030 NDC as the ‘new’ NDC referred to in §23.

In 2025, these 2030 NDCs are updated and Parties *indicate* NDCs for the following period (i.e. for 2035, to mitigate the risk of medium-term ambition lock-in), and so on, as illustrated in Timetable 4.4.

Conclusions

Both Options for 5-year NDCs discussed here have advantages and disadvantages, as illustrated in Timetables 4.3 and 4.4 by green and orange colourings.

Option C (‘One Step at a Time’) is highly risk-averse as concerns the possibility of a medium to longer-term low-ambition lock-in. But at a cost. It not only has to deal constantly with the drawbacks of Cliff Hanger Scenarios, as explained in Section 3.3, but, given the short-term nature of the communicated NDCs, it also has to settle for continuous locking-in of unenhanced short-term ambition.

Option D (the ‘Dynamic Contribution Cycle’) does admittedly expose itself to a risk of locking-in medium-term ambitions at the end of each RCP, but that risk is managed by the fact that the same NDCs are systematically updated in the following RCP leading – in stark contrast to *Option C* – to a locking-in of enhanced short-term ambition.

In *Option C*, the forward-looking potential of the GST is defeated, as there are no future NDCs on the table to assess during the stocktake. The intention of the ten-year time horizon with an updated and a indicated follow-on five-year NDC (*Option D*) is to create a rolling cycle with the clear expectation that the follow-on NDC will be looked at for updating five years before the end of its period of implementation.

Given this, we contend that the Dynamic Contribution Cycle (*Option D*) would, *ceteris paribus*, lead to higher aggregate ambition than the over-cautious *Option C*.

4.3. The Way Forward:

How could the two timeframe-specific communication cycles be merged to harness the maximum ambition-enhancing potential of the four discussed options?

There are essentially two ‘merger options’ depending on which of the two time frame-dependent communication cycles one chooses to converge on.

Option E. ‘10+5’ Merger

Timetable 4.5. 10+5 Merger

RCP	Year	Action	Comments
	By 2020		
	§23	<ul style="list-style-type: none"> 2025 NDC communicated at ratification Communicate 2030 NDC Indicate 2035 NDC 	<ul style="list-style-type: none"> Locking-in of unenhanced short-term (5-year) ambition Risk of locking-in unenhanced medium-term (10-year) ambition
	§24	<ul style="list-style-type: none"> 2030 NDC communicated at ratification Update 2030 NDC Indicate 2035 NDC 	<ul style="list-style-type: none"> Locking-in unenhanced medium-term (10-year) ambition
2025 RCP	21		
	22	Scope of NDC Synthesis	
		§23	2025,* 2030, indicated 2035 NDCs
		§24	2030,* indicated 2035 NDCs
	23	GST (forward-looking track)	
		§23	2030, indicated 2035 NDCs
		§24	2030,* indicated 2035 NDCs
	24		
	2025	<ul style="list-style-type: none"> Update 2035 NDC Indicate 2040 NDC 	Locking-in of systematically enhanced medium-term (10-year) ambition
2030 RCP	26		
	27	Scope of NDC Synthesis	Updated 2035,* indicated 2040 NDCs
	28	GST (forward looking track)	Updated 2035,* indicated 2040 NDCs
	29		
	2030	<ul style="list-style-type: none"> Update 2040 NDC Indicate 2045 NDC 	Locking-in of systematically enhanced medium-term (10-year) ambition

* = NDCs that at the time in question are already locked-in.

The first of these merger options (see Timetable 4.5) is based on a combination of the two ten-year cycles, i.e. *Option A* and *Option B*. By adding a longer-term (15-year) ambition indication, it overcomes the Cliff Hanger Scenarios of *Option B*, but at a cost, namely trading-in *Option B*'s five-year with *Option A*'s ten-year ambition lock-in.

Option F. '5+5' Merger

Timetable 4.6. '5+5' Merger

RCP	Year	Action	Comments
	By 2020		
	§23	<ul style="list-style-type: none"> • 2025 NDC communicated at ratification • Communicate 2030 NDC 	<ul style="list-style-type: none"> • Locking-in of unenhanced short-term (5-year) ambition • Risk of locking-in unenhanced medium-term (10-year) ambition
	§24	<ul style="list-style-type: none"> • 2030 NDC communicated at ratification • Indicate 2025 NDC 	<ul style="list-style-type: none"> • Risk of locking-in unenhanced medium-term (10-year) ambition
2025 RCP	21		
	22	Scope of NDC Synthesis	
		§23	2025, * 2030 NDCs
		§24	indicated 2025, 2030 NDCs
	23	GST (forward-looking track)	
		§23	2030 NDCs
		§24	2030 NDCs
2025		Update 2030 NDC	Locking-in of systematically enhanced short-term (5-year) ambition
		Indicate 2035 NDC	
2030 RCP	26		
	27	Scope of NDC Synthesis	indicated 2035 NDCs
	28	GST (forward looking track)	indicated 2035 NDCs
	29		
	2030	Update 2035 NDC	Locking-in of systematically enhanced short-term (5-year) ambition
		Indicate 2040 NDC	

* = NDCs that at the time in question are already locked-in

The second option is, essentially, to merge the §24 communication cycle as defined in the Paris provisions into the Dynamic Contribution Cycle (*Option D*). As is apparent from the two timetables (4.5 and 4.6), in the end, the two are quite similar, differing only in the time horizon of ambition that is locked-in every RCP. If one prefers short-term over medium-term ambition lock-ins, then clearly the '5+5' Dynamic Contribution Cycle' is the optimal way to proceed.

Formally, what it would take is a clarification that 'new NDC' in §23 refers to a 2030 time horizon, and a very simple additional decision by the COP, namely to **request all Parties in 2025 to indicate a 2035 NDC and update their 2030 NDC, and to do so every five years thereafter.**

5. List of Acronyms

<i>Acronym</i>	<i>Name</i>	<i>First mention</i>
APA	Ad hoc working group on the Paris Agreement	2.2.C
BR	Biennial Reports	2.1.B
BUR	Biennial Update Reports	2.1.B
CMA	Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement	Executive Summary
COP	Conference of Parties	Executive Summary
ecbi	European Capacity Building Initiative	1
GCF	Green Climate Fund	2.1.C
GEF	Global Environment Facility	2.1.C
GST	Global Stocktake	1.1
IAR	International Assessment and Review process	2.1.B
ICA	International Consultation and Analysis	2.1.B
INDC	Intended Nationally Determined Contribution	3.1
IPCC	Intergovernmental Panel on Climate Change	2.1.D
NDC	Nationally Determined Contribution	Executive Summary
RCP	Review and Communication Period	1
SB	Subsidiary Body	2.1.B.
SBSTA	Subsidiary Body for Scientific and Technological Advice	2.2.C.

6. Appendix: The relevant Paris Outcome Language

The Agreement

Article 4.2. (Nationally Determined Contributions)

Each Party shall prepare, communicate and maintain successive nationally determined contributions that it intends to achieve. Parties shall pursue domestic mitigation measures, with the aim of achieving the objectives of such contributions.

Article 4.3 (Ambition Mechanism)

Each Party's successive nationally determined contribution will represent a progression beyond the Party's then current nationally determined contribution and reflect its highest possible ambition, reflecting its common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

Article 4.9 (Communication Cycle)

Each Party shall communicate a nationally determined contribution every five years in accordance with decision 1/CP.21 and any relevant decisions of the Conference of the Parties serving as the meeting of the Parties to this [the Paris] Agreement and be informed by the outcomes of the global stocktake referred to in Article 14.

Article 4.10 (Harmonization of Time Frames)

The Conference of the Parties serving as the meeting of the Parties to this [the Paris Agreement] shall consider common time frames for nationally determined contributions at its first session [CMA.1].

Article 4.11 (Ratcheting of NDCs)

A Party may at any time adjust its existing nationally determined contribution with a view to enhancing its level of ambition, in accordance with guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement.

Article 4.19. (Development of low greenhouse gas emission strategies)

All Parties should strive to formulate and communicate long-term low greenhouse gas emission development strategies, mindful of Article 2 taking into account their common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

Article 7.10. (Adaptation Communication)

Each Party should, as appropriate, submit and update periodically an adaptation communication, which may include its priorities, implementation and support needs, plans and actions, without creating any additional burden for developing country Parties.

Article 7.11. (Periodic submission and updating of adaptation communication)

The adaptation communication referred to in paragraph 10 of this Article shall be, as appropriate, submitted and updated periodically, as a component of or in conjunction with other communications or documents, including a national adaptation plan, a nationally determined contribution as referred to in Article 4, paragraph 2, and/or a national communication.

Article 9.1. (Developed country financial assistance)

Developed country Parties shall provide financial resources to assist developing country Parties with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention.

Article 9.2. (Financial assistance from other parties)

Other Parties are encouraged to provide or continue to provide such support voluntarily.

Article 9.5. (Communication of financial assistance from developed countries)

Developed country Parties shall biennially communicate indicative quantitative and qualitative information related to paragraphs 1 and 3 of this Article, as applicable, including, as available, projected levels of public financial resources to be provided to developing country Parties. Other Parties providing resources are encouraged to communicate biennially such information on a voluntary basis.

Article 13.7 (Inventory and other Reporting)

Each Party shall regularly provide the following information:

- (a) A national inventory report of anthropogenic emissions by sources and removals by sinks of greenhouse gases, prepared using good practice methodologies accepted by the Intergovernmental Panel on Climate Change and agreed upon by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement; and
- (b) Information necessary to track progress made in implementing and achieving its nationally determined contribution under Article 4.

Article 14 (Global Stocktake)

1. The Conference of the Parties serving as the meeting of the Parties to this [the Paris Agreement] shall periodically take stock of the implementation of this Agreement to assess the collective progress towards achieving the purpose of this Agreement and its long-term goals (referred to as the ‘global stocktake’). It shall do so in a comprehensive and facilitative manner, considering mitigation, adaptation and the means of implementation and support, and in the light of equity and the best available science.
2. The Conference of the Parties serving as the meeting of the Parties to this [the Paris] Agreement shall undertake its first global stocktake in 2023 and every five years thereafter unless otherwise decided by the Conference of the Parties serving as the meeting of the Parties to this [the Paris] Agreement.
3. The outcome of the global stocktake shall inform Parties in updating and enhancing, in a nationally determined manner, their actions and support in accordance with the relevant provisions of this Agreement, as well as in enhancing international cooperation for climate action.

Article 15 (Compliance Mechanism)

1. A mechanism to facilitate implementation of and promote compliance with the provisions of this Agreement is hereby established.
2. The mechanism referred to in paragraph 1 of this Article shall consist of a committee that shall be expert-based and facilitative in nature and function in a manner that is transparent, non-adversarial and non-punitive. The committee shall pay particular attention to the respective national capabilities and circumstances of Parties.
3. The committee shall operate under the modalities and procedures adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session and report annually to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement.

The Decision Text

II. INTENDED NATIONALLY DETERMINED CONTRIBUTIONS

20. *Decides* to convene a facilitative dialogue among Parties in 2018 to take stock of the collective efforts of Parties in relation to progress towards the long-term goal referred to in Article 4, paragraph 1, of the Agreement and to inform the preparation of nationally determined contributions pursuant to Article 4, paragraph 8, of the Agreement;

III. DECISIONS TO GIVE EFFECT TO THE AGREEMENT

MITIGATION

22. *Also invites* Parties to communicate their first nationally determined contribution no later than when the Party submits its respective instrument of ratification, acceptance, approval or accession of the Paris Agreement; if a Party has communicated an intended nationally determined contribution prior to joining the Agreement, that Party shall be considered to have satisfied this provision unless that Party decides otherwise;
23. *Requests* those Parties whose intended nationally determined contribution pursuant to decision 1/CP.20 contains a time frame up to 2025 to communicate by 2020 a new nationally determined contribution and to do so every five years thereafter pursuant to Article 4, paragraph 9, of the Agreement;
24. *Also requests* those Parties whose intended nationally determined contribution pursuant to decision 1/CP.20 contains a time frame up to 2030 to communicate or update by 2020 these

contributions and to do so every five years thereafter pursuant to Article 4, paragraph 9, of the Agreement;

25. *Decides* that Parties shall submit to the secretariat their nationally determined contributions referred to in Article 4 of the Agreement at least 9 to 12 months in advance of the relevant session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement [CMA] with a view to facilitating the clarity, transparency and understanding of these contributions, including through a synthesis report prepared by the secretariat;
26. *Requests* the Ad Hoc Working Group on the Paris Agreement to develop further guidance on features of the nationally determined contributions for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session;
27. *Agrees* that the information to be provided by Parties communicating their nationally determined contributions, ... may include, as appropriate, inter alia, quantifiable information on the reference point (including, as appropriate, a base year), time frames and/or periods for implementation, scope and coverage, ...
56. Also decides to ensure that the provision of information in accordance with Article 9, paragraph 7, of the Agreement shall be undertaken in accordance with the modalities, procedures and guidelines referred to in paragraph 91 below;

TRANSPARENCY OF ACTION AND SUPPORT

91. Also decides that all Parties, except for the least developed country Parties and small island developing States, shall submit the information referred to in Article 13, paragraphs 7, 8, 9 and 10, as appropriate, no less frequently than on a biennial basis, and that the least developed country Parties and small island developing States may submit this information at their discretion;

GLOBAL STOCKTAKE

99. *Requests* the Ad Hoc Working Group on the Paris Agreement to identify the sources of input for the global stocktake referred to in Article 14 of the Agreement and to report to the Conference of the Parties, with a view to the Conference of the Parties making a recommendation to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement for consideration and adoption at its first session, including, but not limited to:
 - (a) Information on:
 - (i) The overall effect of the nationally determined contributions communicated by Parties;
 - (ii) The state of adaptation efforts, support, experiences and priorities from the communications referred to in Article 7, paragraphs 10 and 11, of the Agreement, and reports referred to in Article 13, paragraph 7, of the Agreement;
 - (iii) The mobilization and provision of support;
 - (b) The latest reports of the Intergovernmental Panel on Climate Change;
 - (c) Reports of the subsidiary bodies;
100. *Also requests* the Subsidiary Body for Scientific and Technological Advice to provide advice on how the assessments of the Intergovernmental Panel on Climate Change can inform the global stocktake of the implementation of the Agreement pursuant to its Article 14 and to report on this matter to the Ad Hoc Working Group on the Paris Agreement at its second session;
101. *Further requests* the Ad Hoc Working Group on the Paris Agreement to develop modalities for the global stocktake referred to in Article 14 of the Agreement and to report to the Conference of the Parties, with a view to the Conference of the Parties making a recommendation to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement for consideration and adoption at its first session;