



Submission by Switzerland on Differentiation

1. Context

- For the 2015 Agreement to be effective and thus enduring, a fair and dynamic differentiation must be ensured between all Parties. It must be based on the principles of the Convention, including the principles of equity and common but differentiated responsibility and respective capability.
- In Durban, UNFCCC Parties have decided (decision 1/CP.17) to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties.
- Science clearly requires an engagement by all according to their responsibilities and capacities. It is also clear that the evolving reality with regard to responsibility, capacity and needs require a dynamic differentiation.
- In this context, the concept of self-differentiation has emerged. Self-differentiation may be seen as the best way to reflect the specific circumstances of each Party. At the same time, it is also understood that a purely self-differentiated system will not be sufficient and that self-differentiation must be complemented by additional elements that guide self-differentiation.
- This understanding that self-differentiation should be the starting point but complemented by additional guiding elements is e.g. reflected in the Warsaw decision (decision 1/CP.19) that Parties should prepare *intended nationally determined contributions* (element of self-differentiation), and submit them *well in advance to COP 21 and those ready to do so by the first quarter of 2015* (complementary guiding element) *in a manner that facilitates the clarity, transparency and understanding of the intended contribution* (complementary guiding element), and that COP 20 should identify the *information that Parties will provide* when putting forward their contributions (complementary guiding element), which was indeed identified in Decision 1/CP.20. Furthermore, the decisions adopted in Lima confirm and further develop this approach, including by underscoring the commitment to reaching an ambitious agreement in 2015 that reflects the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances, and by taking into account the specific conditions of LDCs and SIDS. This should be duly reflected in the 2015 agreement.

2. Proposed elements for a position

- The new agreement will be applicable to and engage all. This application and engagement must be legally the same for all.
- However, differentiation and flexibility will be important to allow participation by all in the new agreement. Differentiation/flexibility will be needed both with regard to the substantive commitments and with regard to depth of specific upfront information and depth of accounting rules and MRV.
- Differentiation should be a tool a) to reflect realities with regard to equity, responsibility and capacity; b) to ensure fairness; c) and to stimulate ambition.
- Parties know best their specific circumstances, responsibilities, capacities and needs. Self-determination can therefore be accepted as starting point for differentiation.
- However, self-determination should be complemented by guiding elements. These guiding elements include:
 - ✓ **Principles / direction of travel:**

- **“no backsliding” with regard to effort:**

It is important that the 2015 agreement is an upward spiral for ambition. Hence, it should include a provision on all Parties for “progressing beyond their current undertaking, as already reflected in 1/CP.20 (Para 10)” in combating climate change. Such a provision is key for the 2015 agreement to be an effective and enduring response to the climate challenge and to send a clear signal to the private sector and other stakeholders for the direction of travel, in the short, mid and longterm.

As part of an enduring agreement, such a provision is to be formulated in regard to the *effort* of a Party’s commitment to reduce greenhouse gas emissions. Responsibilities and capabilities evolve and the effort underlying mitigation outcomes changes. A provision for “no backsliding” in the *effort* to combat climate change maintains the flexibility for each Party to formulate (type of commitment) and quantify (mitigation outcome) its commitment and subsequent commitments in light of the evolved realities.
- ✓ **“pull factors”:**
 - **strive for highest possible mitigation effort in light of recommendations of science**

Deep cuts in global greenhouse gas emissions are required as a matter of urgency. It is crucial that all Parties strive for highest possible mitigation effort in reducing greenhouse gases taking into account the recommendations by science.
 - **move gradually towards absolute economy-wide emission commitments as soon as possible**

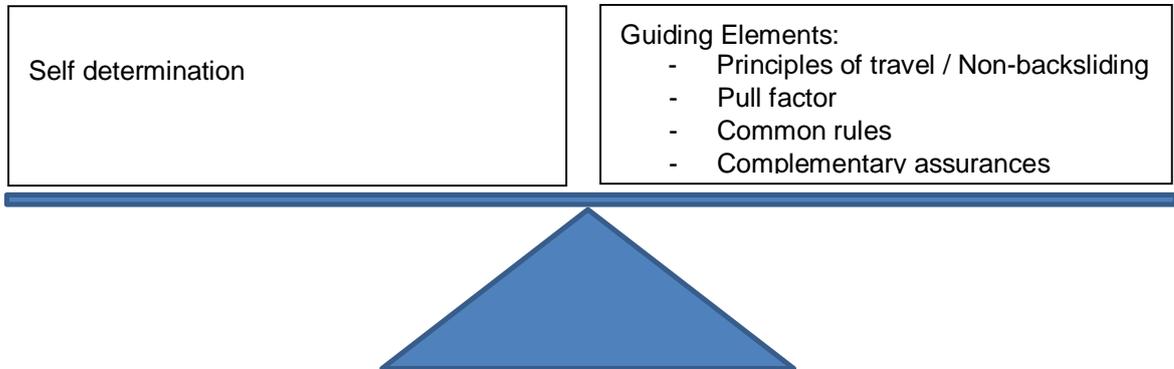
Economy wide emission reduction commitments quantified in terms of greenhouse gases provide the highest level of clarity, predictability and environmental integrity (“what the atmosphere sees”). The 2015 agreement must set a clear direction of travel for all Parties to move to such type of commitments while respecting that not all Parties are in the position to formulate quantified economy wide emission reduction commitments already from 2020.
- ✓ **Common rules;**
 - **Common requirements for upfront information while allowing for flexibility:**

It is important to have same requirements for upfront information for all Parties for the purpose of transparency, clarity and understanding. However, flexibility in relation to specific upfront information requirements is needed for different types of commitments.
 - **Common MRV system allowing for improvement over time:**

A common MRV scheme / system for all Parties providing all relevant information to the COP to assess the implementation of the Convention and progress towards its ultimate objective is crucial for transparency. However, it is important to respect the differentiated capabilities of Parties and allow for gradual improvement over time for Parties with less capabilities in the operationalization of the MRV system (in regard to the depth of MRV). Also, the common MRV scheme / system needs to be designed to fulfil its function in a resource-efficient manner and allow for specific flexibility and lighter arrangements for LDCs and smallest countries with minimal emissions.
 - **Common accounting system allowing for some / bounded flexibility and improvement over time:**

A common accounting system for all Parties is of utmost importance for transparency, comparability and as a driver of global ambition. However, the common rules may need to allow for specific flexibility such as e.g. specific opt-out or opt-in provisions in the area of market mechanisms. Furthermore, the common rules may need to allow for improvement over time e.g. in the land sector reference level approach.
- ✓ **Complementary assurances**

- Self-differentiation complemented in a **balanced manner** by the guiding elements would ensure that differentiation reflects realities, ensures fairness, and stimulates broadest participation and highest ambition:



- The differentiation/flexibility can be reflected in a) the 2015 agreement, b) COP decisions, c) complementary assurances.
- The core elements for differentiation/flexibility under the post 2020 agreement should be reflected in the agreement itself (e.g.: provision for common rules while allowing for some flexibility as to be defined by the COP; e.g. reflection that flexibility / a lighter process will be applied with regard to the MRV of LDCs and smallest countries with minimal emissions while safeguarding that all relevant information is available to the COP to assess the implementation of the Convention and progress towards its ultimate objective).
- The agreement should also authorize the COP to further concretize the differentiation/flexibility anchored in the agreement.