UN Climate Change

ANNUAL REPORT 2017

United Nations
Climate Change

A note on terminology

In this publication, "United Nations Climate Change" and "UN Climate Change" refer collectively to the United Nations Framework Convention on Climate Change (UNFCCC or Convention), the Kyoto Protocol and the Paris Agreement, and their bodies, institutional arrangements and organs, including the secretariat.

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The artificial islands of Lau Lagoon, Solomon Islands. Lynton Aaron Filia, one of the winners of the COP 23 Pacific photo contest.

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Aerial view of the
UN campus in Bonn.
UN Climate Change.

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Foreword

by António Guterres, United Nations Secretary-General

UN Photo/Mark Garten.

Climate change is the defining challenge of our time, yet it is still accelerating faster than our efforts to address it. Atmospheric levels of carbon dioxide are higher than they have been for 800,000 years, and they are increasing. So, too, are the catastrophic effects of our warming planet – extreme storms, droughts, fires, floods, melting ice and rising sea levels.

In 2015, the world's nations recognized the urgency and magnitude of the challenge when they adopted the historic Paris Agreement on climate change with a goal of limiting global average temperature rise to well below 2 °C while aiming for a safe 1.5 °C target. The unity forged in Paris was laudable – and overdue. But, for all its significance, Paris was a beginning, not an end. The world is currently not on track to achieve the Paris targets. We need urgent climate action and greatly increased ambition – in emissions reductions and in promoting adaptation to current and future impacts of climate change.

Success demands broad-based concerted action from all levels of society, public and private, action coalitions across all sectors and the engagement of all key actors. There is no time, nor reason, to delay. The dogma that pollution and high emissions are the unavoidable cost of progress is dead. Investing in climate action makes sense for the global environment, improved public health, new markets, new jobs and new opportunities for sustainable prosperity. Failing to act will simply consign all of humanity to ever-worsening climate calamity.

That is why I urge Parties to vigorously implement the Paris Agreement and to increase their ambition commensurate with the demands of science. The United Nations – led by UN Climate Change – will provide support every step of the way. There is no alternative to decisive, immediate climate action if we are to safeguard the future of this and future generations.

Highlights of 2017

by Patricia Espinosa, UN Climate Change Executive Secretary

UN Climate Change.

Our planet is warming. An astonishing 17 of the 18 warmest years on record have occurred in the twenty-first century. The past three years were the hottest since records began.

With this warming comes climate change, causing extreme storms, droughts and floods. We witnessed these climate disasters many times in 2017 and were shocked. Yet, these are only the most dramatic and visible impacts. Other upheavals range from reduced crop productivity to forced migration. Climate change is the single biggest threat to life, security and prosperity on Earth.

Faced with the challenges of climate change, the United Nations, governments at all levels, civil society, the private sector and individuals are acting to limit global temperature rise to agreed levels and to help vulnerable communities adapt to the effects of climate change we cannot avoid.

UN Climate Change's mandate is to lead and support the global community in this international response, with the Paris Agreement and the Convention being the long-term vehicles for united global climate action.

For UN Climate Change, much of 2017 was about the hard work of ironing out the details of the new climate regime. This is a laborious process. Without it, however, the Paris Agreement will have no impact.

COP 23, presided over by Fiji, demonstrated that there is an unstoppable climate movement supported by all sectors of society across the globe. Almost 30,000 people took part: Heads of State, ministers, delegates from Parties, private sector and civil society leaders, representatives of international organizations, youth groups and indigenous peoples, and many more. During the conference, financial commitments amounting to almost USD 1 billion to tackle climate change were made.

Building on the negotiations over the years, we saw key decisions made by governments, many of which broke new ground. The Talanoa Dialogue,

which will inform and inspire Parties as they review their commitments and revise them upwards. The first-ever Gender Action Plan, which will increase the participation of women in climate change responses. The first-ever agreement on agriculture and climate, which will address both vulnerabilities and emissions in this key sector. The first-ever platform for indigenous peoples and local communities, who can now share their valuable perspectives on climate change.

These decisions to bring in new voices, partners and action areas are vital if we are to succeed in meeting the challenges of climate change. This is why UN Climate Change in 2017 focused increasingly on cooperation and coherent action on climate, sustainable development and disaster risk reduction, both within the United Nations system and with external partners.

We also saw advances in climate finance. The Adaptation Fund broke its single-year resource mobilization record, raising USD 95.5 million.

UN Climate Change continued to deliver on its core tasks: supporting negotiations, including laying the groundwork for the Paris Agreement work programme, monitoring and analysing commitments to build transparency and trust, increase the capacity of developing countries to adapt to climate change and providing science to help Parties shape their actions on climate change.

There is much to do in 2018. We need to support Parties to increase pre-2020 action. Those Parties that have not yet done so should ratify the Doha Amendment to the Kyoto Protocol. Parties should use the Talanoa Dialogue as an opportunity to engage with one another and increase ambition under the Paris Agreement. In 2018, it is critical that the outcomes of the Paris Agreement work programme are adopted at COP 24 in Katowice to ensure we are ready for the implementation of the Agreement.

At the same time, we must further align planning and action on climate change with the United Nations

"UN Environment and UN Climate Change have a proud history of working together to protect human health and the environment – on everything from advancing carbon neutrality to providing the cutting-edge science that underpins climate negotiations and drives action. We have made an impact, but the moment has come to take ambition to the next level. Working with many other partners, we can help lower emissions, spark game-changing investments and bring hope to vulnerable communities. Together, we can deliver a safer climate for all the peoples of the world."

Erik Solheim, Executive Director of UN Environment

Village life in Nepal.
Paul Desanker.

"The Paris Agreement has set the world on a long-term path to a low-carbon future, but we will require international cooperation on an unprecedented scale to succeed. The United Nations Development Programme is committed to providing long-term support to the Paris Agreement and UN Climate Change by scaling-up climate change action, building resilience and assisting countries to pursue zero-carbon, sustainable and inclusive development. Together, we can and will help nations meet their climate commitments."

Achim Steiner, Administrator of the United Nations Development Programme

Sustainable Development Goals and the Sendai Framework for Disaster Risk Reduction 2015–2030, taking advantage of complementary action that supports all three global agendas.

In this regard, the work of the clean development mechanism deserves a mention. Work under the mechanism, highlighted in this report, shows that actions to mitigate climate change bring many co-benefits in human health, green jobs, poverty reduction and other aspects of development. As we look towards establishing a new sustainable development mechanism under Article 6 of the Paris Agreement, we should bear these successes in mind.

We all know the magnitude of the task ahead, and what we must do. This annual report – another first – shows how UN Climate Change is doing everything it can to support, encourage and build on the global response to climate change.

The motto of COP 23 was "Further, faster, together". Throughout 2018 and beyond, let us continue to be inspired by this message and do all in our power, together, to accelerate action. Only by doing so can we succeed in protecting our planet from climate change and securing a low-carbon, sustainable future.

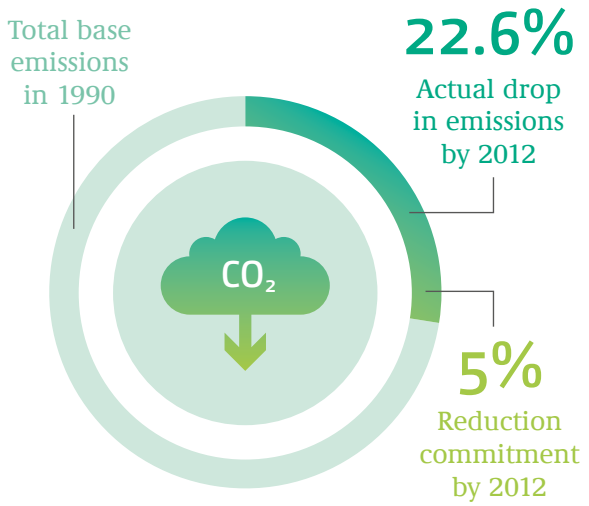
UN Climate Change: **further, faster, together**

Since the adoption of the United Nations Framework Convention on Climate Change in 1992, the international community has entrusted its secretariat with a growing responsibility to strengthen the global response to climate change and close the gap between ambition and achievement.

In 1997, Parties to the Convention adopted the Kyoto Protocol, which created binding emission reduction targets for developed countries. During its first commitment period, 2008–2012, 36 industrialized countries and the European Union pledged to reduce their emissions by an average of just over five per cent compared with 1990 levels. Despite the challenges of the Kyoto Protocol, the actions emanating from the implementation of the Kyoto Protocol have kept emissions lower than they otherwise would have been (see graphic).

The Paris Agreement is the latest and most ambitious undertaking by the international community to prevent dangerous human-induced climate change. In Paris in December 2015, countries pledged to limit the rise of global average temperature to well below 2 °C and as close as possible to 1.5 °C above pre-industrial levels. They also agreed the crucial ways to achieve that goal, through nationally determined contributions and an unprecedented level of global cooperative action across all sectors.

Greenhouse gas emissions for countries with binding targets under the first phase of the Kyoto Protocol



Sea level rise due to global warming will affect the coastal communities worldwide. Planting mangroves along the shoreline for the Island nations is considered a soft measure against extreme climatic events, for example, storm surges during intense tropical cyclones. Mavis Yuen, one of the winners of the COP 23 Pacific photo contest.

> "Unless the world acts decisively to begin addressing the greatest challenge of our age, then the Pacific, as we know it, is doomed."
>
> *Frank Bainimarama,*
> *COP 23 President and Prime Minister of Fiji*

UN Climate Change:

- Brings the world together to build consensus on the global response to climate change;
- Takes stock of, and supplies, syntheses of information on emissions, the efforts to mitigate emissions and the impacts of those efforts;
- Facilitates the implementation of decisions by Parties through the policy and science guidance of its 15 bodies and expert groups;
- Facilitates the mobilization of finance for developing countries to adapt to and mitigate climate change through the Financial Mechanism and associated funds;
- Promotes the effective development and diffusion of innovative technology to developing countries;
- Engages in partnerships with a wide range of stakeholders including civil society, the United Nations system, and public and private sector organizations.

Milan, Italy.
Chris Barbalis.

Climate change and sustainable development

Despite progress in the global response to climate change, it has yet to reach the scale and speed needed to stabilize the global temperature at a safe level.

Climate change, together with other megatrends – population growth, rapid urbanization, food insecurity and water scarcity – increases competition for resources and heightens tensions and instability. Coherent action under the 2030 Agenda for Sustainable Development, the Paris Agreement and the Sendai Framework for Disaster Risk Reduction represents the best opportunity for confronting and managing these trends. If we do not address climate change, we will not achieve the 2030 Agenda. Moreover, "keeping global temperature well below 2 °C is the greatest long-term contribution that governments, local governments and the private sector can make to disaster risk reduction," according to **Robert Glasser, the UN Secretary-General's Special Representative for Disaster Risk Reduction and Patricia Espinosa, UN Climate Change Executive Secretary.**

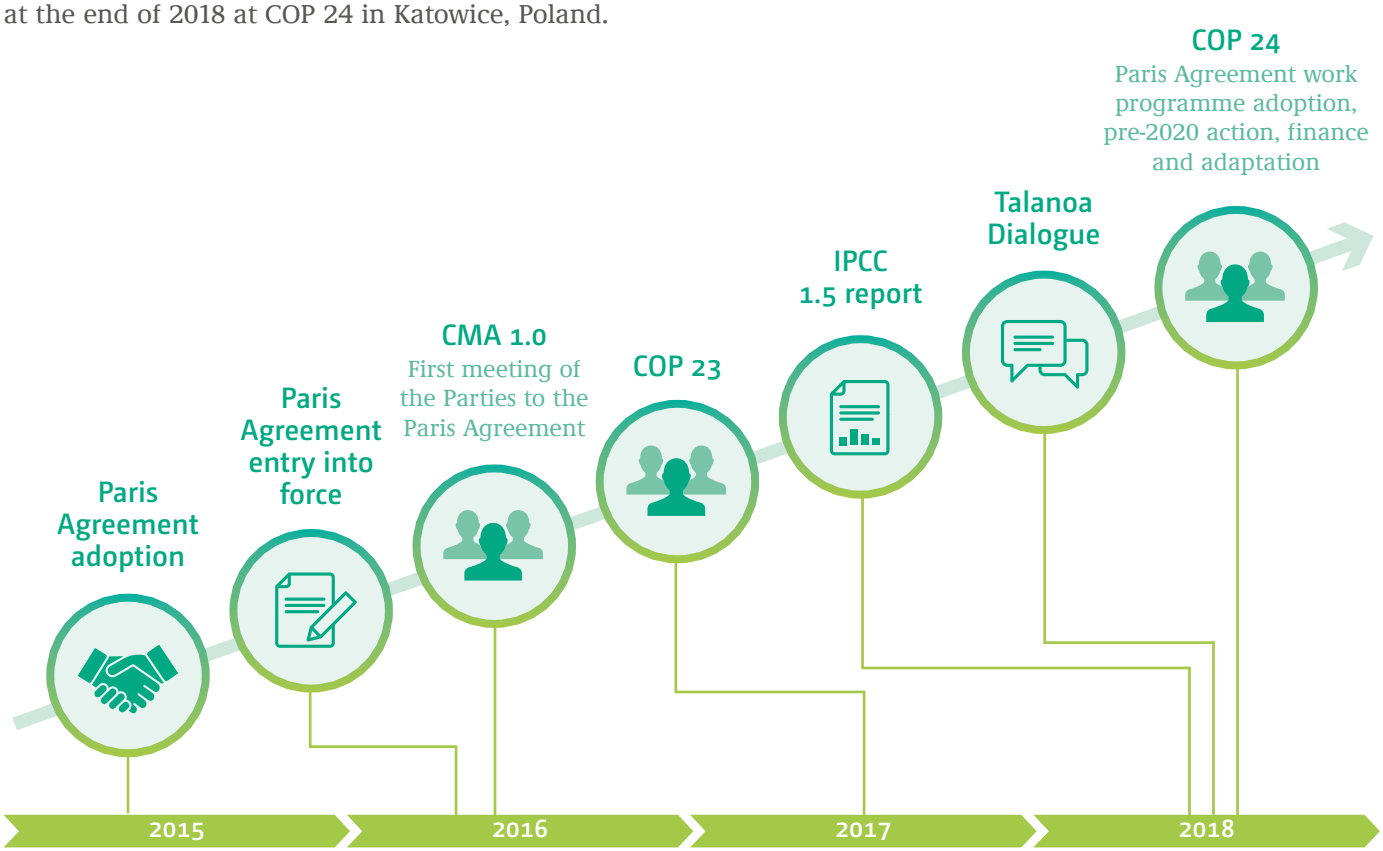
A peaceful, healthy and prosperous future requires strong and wide-ranging action under the Convention, the Kyoto Protocol and the Paris Agreement.

"The Paris Agreement, the Sustainable Development Goals and the Sendai Framework for Disaster Risk Reduction are intrinsically linked. Action in one area benefits the others, and pursuing the three together will increase impact and efficiency as well as help transform the lives of people and safeguard our planet."

Amina J. Mohammed,
United Nations Deputy Secretary-General

Paris to Katowice

To make the Paris Agreement operational, Parties at COP 21 in Paris embarked on a work programme to develop the modalities, procedures and guidelines of the Agreement through the work of the subsidiary and constituted bodies of the Convention. The outcomes of the Paris Agreement work programme will be adopted at the end of 2018 at COP 24 in Katowice, Poland.



Aerial Photo, Tuvalu. Savenaca Viriviri, one of the winners of the COP 23 Pacific photo contest.

Achievements of UN Climate Change in 2017

In 2017, UN Climate Change built the momentum of the global response to climate change and laid the groundwork for success and greater ambition in the coming years.

The focus in 2017 was both on scaling up action, delivery on commitments before 2020 and on making progress to allow for the adoption of the outcomes of the Paris Agreement work programme at COP 24 in Katowice. By supporting the transfer of climate technology under the Convention based on the right science, tools and knowledge, UN Climate Change supported an increase in the ability of developing countries to adapt to the changing climate.

Of course, governments cannot succeed alone. To amplify collective action encompassing every sector, UN Climate Change catalysed partnerships and cooperation across the globe.

Creating consensus on the global response to climate change

UN Climate Change unites the world each year to govern the global response to climate change and to scale up action to address climate

Key elements of the Paris Agreement

Parties pledged their best efforts in nationally determined contributions and agreed to report on progress regularly, as well as increase ambition over time. A global stocktake every five years, beginning in 2023, will assess collective progress.

Temperature goal
Limit the global rise to as close as possible to 1.5 °C.

Pre-2020 action and support
Encourage action between now and 2020 by all actors, including non-Party stakeholders.

Transparency and the global stocktake
Robust transparency and accounting, supported by international review and global stocktakes.

Finance, technology and capacity-building
International cooperation to support a low-carbon and climate-resilient future.

Mitigation and voluntary cooperation
All Parties must prepare nationally determined contributions (NDCs) and work to achieve them, reporting on progress, and regularly enhancing ambition.

Adaptation and loss and damage
Strengthen national adaptation efforts and support vulnerable countries to cope with climate change effects.

change, the significance of which was demonstrated by the universal support resulting from the adoption of the Paris Agreement.

In 2017, 51 countries ratified the Paris Agreement before the most important climate change negotiations of the year, COP 23, held in the host city of the UN Climate Change secretariat, Bonn, Germany, and presided over by Fiji.

COP 23 in focus

COP 23 proved, in the words of Patricia Espinosa, UN Climate Change Executive Secretary, that "support for the Paris Agreement is strong and that the journey upon which the world has embarked is an unstoppable movement supported by all sectors of society, across all parts of the globe."

The City of Bonn welcomed almost 30,000 people to COP 23, including 25 Heads of State, over 11,000 delegates from Parties and an observer State, and over 9,000 observers from civil society, business and other fields. In a further sign of global commitment, 650 volunteers from more than 80 countries contributed their time. As well as producing decisions and new initiatives, COP 23 witnessed almost USD 1 billion being committed to climate action.

COP 23 was also the first United Nations Climate Change Conference to receive official certification for eco-friendly performance under the European Union Eco-Management and Audit Scheme.

Taking early action and enhancing ambition

Greater ambition and upward revision of countries' nationally determined contributions will be encouraged and informed by a year-long process of engagement called the **Talanoa Dialogue**, which was launched at COP 23. Inspired by the traditional Pacific island practice of inclusive and transparent dialogue through storytelling, the Dialogue will solicit submissions, online and at meetings, from all climate stakeholders – countries, states, cities, organizations, companies, groups and individuals.

COP 23: Ground-breaking environmental performance

Left: The German government generously hosted COP 23 and financed the construction of temporary structures (pictured) to complement facilities at the World Conference Center Bonn. BMUB/ Dominik Ketz.

Right: UN Climate Change Executive Secretary Patricia Espinosa (front right) and Fiji's High-Level Climate Champion Inia Seruiratu (far front right) join the Moving for Climate NOW electric bike tour as it arrives in Bonn from Paris. BMUB/Sascha Hilgers.

UN Climate Change Executive Secretary, Patricia Espinosa; President of France, Emmanuel Macron, COP 23 President and Prime Minister of Fiji, Frank Bainimarama; Chancellor of Germany, Angela Merkel; and United Nations Secretary-General António Guterres at COP 23. **IISD/ENB, Kiara Worth.**

Left: Youth chat in the Talanoa space in the Bonn Zone, which hosted exhibits by governments, diverse partners in climate action and civil society. A total of 5,980 people took part in Bonn Zone events. BMUB/Dominik Ketz.

Right: Delegates huddle during negotiations at COP 23. **IISD/ENB, Kiara Worth.**

Women have a critical role to play in responses to climate change. UN Climate Change.

> "Women around the world face some of the gravest risks from our changing climate; that is why women are some of the greatest actors for change and why we need our voices on the front lines of climate diplomacy."
>
> *Mereseini Vuniwaqa, Minister for Women, Children and Poverty Alleviation of Fiji*

Through the Talanoa Dialogue, the regular stocktakes laid out in the Paris Agreement, the first of which is set for 2023, are brought forward, giving Parties the chance to review where they stand and consider what more can be done in the near term.

The Intergovernmental Panel on Climate Change special report on the impacts of global warming of 1.5 °C above pre-industrial levels and related global greenhouse gas emission pathways, requested by Parties when the Paris Agreement was adopted and due in mid-2018, will add urgency to the Talanoa Dialogue. Early action and enhanced ambition are needed urgently.

An inclusive response

Achieving a rapid transition to a low-emission, resilient world economy requires the active participation of all – women and men. Including and empowering women to develop and implement climate solutions, alongside men, is one of the five priority areas of the **first-ever Gender Action Plan** established at COP 23. The Plan aims to catalyse more effective climate action through gender-responsive implementation at the national level, and greater representation of women at all levels.

Putting agriculture on the agenda

Agriculture accounts for 10–12 per cent of global greenhouse gas emissions. It is also incredibly vulnerable to climate change; for example, up to 84 per cent of the economic impacts of drought are felt within the sector. Agriculture is both a contributor to the problem of climate change and a part of its solution. At COP 23, countries approved the first-ever agreement on agriculture in climate negotiation history. The **Koronivia joint work on agriculture** will help countries develop and implement new sectoral strategies to address food security, reduce emissions and build resilience to the effects of climate change.

Tapping into indigenous peoples' knowledge

Indigenous peoples and local communities are often on the front line of climate change and have invaluable insights into and perspectives on coping with its effects. They will now be able to share these on a **new platform for indigenous and local community climate action**, which was launched at COP 23 and is aimed at the exchange of knowledge, technologies and practices.

Fijian performers impress at the opening ceremony of COP 23. UN Climate Change.

> "We have knowledge to manage forests. We have practices in the highlands bringing plants into different ecosystems; that helps people to adapt. We have a great opportunity with this platform to exchange information from communities...that will help governments to increase their ambitions."
>
> *Johnson Cerda, climate change activist and indigenous Kichwa of the Ecuadorian Amazon*

Transforming decisions into action

While COP 23 made progress towards clear and comprehensive implementation guidelines for the Paris Agreement, work remains to be done. Implementation guidelines are crucial for transforming the Agreement into action, allowing governments to set policy and providing investors and businesses with confidence through the assurance that the low-carbon economy is here to stay. Parties will adopt the outcomes of the Paris Agreement work programme at COP 24 in Katowice this year.

Support to the COP 23 Presidency

Presiding over a COP is a complex task. Each year a new country takes over and that country's representative and team must become familiar with the breadth of the role and intricacies of what it means to be President of the COP. In 2017, the UN Climate Change secretariat simultaneously supported the Presidency of COP 22 (Morocco), the Presidency of COP 23 (Fiji) and the Presidency of COP 24 (Poland). The support provided to Fiji, the first small island developing State to hold the Presidency, included advice on substantive outcomes, legal and procedural matters, as well as logistical assistance.

COP 23: Investments in climate action

Norway, Unilever and other partners announced a USD 400 million fund to support more efficient agriculture, smallholders and sustainable forest management.

The United Nations Development Programme, Germany, Spain and the European Union launched a EUR 42 (USD 52) million nationally determined contribution support programme to help countries deliver on the Paris Agreement.

The InsuResilience Initiative announced an additional USD 125 million from Germany to support affordable insurance coverage for a further 400 million poor and vulnerable people by 2020.

The International Energy Agency, backed by 13 countries, announced EUR 30 (USD 37) million for the Agency's Clean Energy Transitions Programme.

Germany, the United Kingdom of Great Britain and Northern Ireland and partners announced USD 153 million to expand programmes to fight climate change and deforestation in the Amazon rainforest.

The World Health Organization, in collaboration with the UN Climate Change secretariat and the COP 23 Presidency, announced a special initiative to triple the amount of international financial support for climate and health in small island developing States by 2030.

The European Investment Bank announced USD 75 million for a new USD 405 million investment programme to strengthen the resilience of water distribution and wastewater treatment for 224,000 people living in and around the Fijian capital Suva.

The Green Climate Fund and the European Bank for Reconstruction and Development dedicated more than USD 37 million to the USD 243 million **Saïss Water Conservation Project** to assist Morocco with making agriculture more resilient.

The Ocean Pathway Partnership aims, by 2020, to strengthen action and funding that links climate change action with healthy oceans through the Convention's process and nationally determined contributions.

$1 billion

New funding totalling almost USD 1 billion was announced during COP 23 for new and existing initiatives that will benefit tens of millions of people.

Note: *Investments in climate action also contribute to sustainable development co-benefits.*

Bringing transparency to climate change commitments

UN Climate Change's work does not end once countries commit to a deal. National commitments on reducing emissions, and on other aspects of the response to climate change, are key pillars of the Convention, the Kyoto Protocol and the Paris Agreement. Tracking those commitments is essential to the transparency of action and support, which in turn ensures effective implementation and builds trust that every country is doing its fair share.

The UN Climate Change secretariat is the authoritative source of national climate data. Since the early years of the Convention, country submissions have been collated and analysed under the measurement, reporting and verification system. The system supports Parties in meeting their commitments by tracking progress and providing support of all kinds, from science that informs policy to building the skill sets of experts in developing countries.

Building trust

The transparency and completeness of information submitted by Parties has improved over the years since the adoption of the Convention. The Cancun Agreements strengthened the measurement, reporting and verification system by establishing a multilateral process, with separate streams for developing and developed countries, for the submission of biennial updates to national reports. Experts coordinated by the UN Climate Change secretariat analyse and summarize the reports. To date, 39 developing countries have submitted their biennial update reports, among them 35 countries that had completed the first cycle of international consultation and analysis. Forty-three developed countries undertook the second cycle of international assessment and review of biennial reports in 2016–2017. Each year more than 1,000 experts are involved in national submissions and 350 in the international verification process.

Participating in measurement, reporting and verification has helped to identify the capacity-building needs of developing countries and has enhanced their ability to report on their actions transparently. The process has also enhanced transparency on the progress of developed countries; the

Scenic view with lake and sunset at summer morning in National Park Aulanko, Hämeenlinna, Finland. Riekkinen.

Analysis of nationally determined contributions

At the request of Parties, UN Climate Change analysed the aggregate effect of planned mitigation actions under the Paris Agreement. The latest analysis, covering 189 countries and about 99 per cent of the emissions of Parties to the Convention, found that implementation of the Paris Agreement would lead to lower emissions than were expected before the Paris Agreement, specifically, 2.8 gigatonne of carbon dioxide equivalent lower in 2025 and 3.3 gigatonne in 2030. These levels, however, are not enough to put the world on track to limit global temperature rise to 2 °C.

latest analysis shows they are closing in on their 2020 emission reduction goals.

Robust measurement, reporting and verification has improved the quality and effectiveness of climate change policies and measures, examples of which are Australia's Emissions Reduction Fund, China's emission trading scheme and the European Union's proposed effort-sharing regulation. Information on developing countries' constraints and gaps – and the related financial, technical and capacity-building needs – has contributed to the design and programming of targeted support.

Channelling resources into sustainable forest management

Deforestation and forest degradation account for approximately 17 per cent of global carbon dioxide emissions, more than the transport sector. **REDD+** is an international initiative to reduce these emissions, foster the conservation and enhancement of forest carbon stocks and promote sustainable forest management.

The assessment and results verification process of REDD+ falls under the overall measurement, reporting and verification system of the Convention and brings transparency to progress in tackling deforestation. Countries that have submitted forest reference levels or forest reference emission levels (a baseline against which to track progress) and a report on their results, and that have an entry in UN Climate Change's **REDD+ web platform**, are eligible for results-based finance.

From 2015 to the end of 2017, 38 developing countries had submitted reference levels. Twenty-six of these,

covering about 1.3 billion hectares of forests worldwide and half of global carbon dioxide emissions, have had these levels assessed under the measurement, reporting and verification system. Three countries that have submitted their REDD+ results for assessment – Brazil, Ecuador and Malaysia – are now eligible for results-based payments from sources such as the Green Climate Fund.

Boosting the ability of countries to report on emissions

For developing countries to fully participate in measurement, reporting and verification, they need support. In 2017, the UN Climate Change secretariat made new tools available, in particular e-learning courses, a **training programme for review experts of greenhouse gas inventories** and a **training programme** for review experts of biennial reports and national communications. The secretariat also organized in-person courses to train and certify review experts.

"The training on the review of greenhouse inventories…and the Kyoto Protocol training has assisted me in the work that I do quite extensively…[and] has added a lot of tangible value to the inventory team of South Africa," said Phindile Mangwana, a South African inventory review specialist who took part in the training course in Zimbabwe.

In 2017, the secretariat published technical papers and guides to support developing countries, including a **handbook** for measurement, reporting and verification, and a guide to the multilateral process. Research papers, technical expert meetings and workshops helped countries understand how to maximize the positive impacts and minimize the negative impacts of response measures that move them towards low-carbon economies.

Measurement, reporting and verification training

12
New experts trained for reviews of greenhouse gas emission inventories

5
New experts trained for reviews under the Kyoto Protocol

50
New experts trained for technical analysis of biennial update reports, bringing the total certified to 205

119
Experts both new and experienced, trained for reviews of biennial reports and national communications

151
New experts trained through the regional hands-on workshops of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention

287
New experts and practitioners participated in seven webinars

Woman working in wheat fields in Nepal. Paul Desanker.

Building resilience and adapting to climate change

Climate change is happening now. It disproportionately impacts developing countries and vulnerable communities. Countries need to adapt and increase resilience. The expert bodies and committees of UN Climate Change support Parties across the whole adaptation cycle – from science and observation to planning and implementation – to help them stay resilient in the face of climate change.

Advancing national planning for adaptation

National adaptation plans allow least developed countries and developing countries to identify needs and create strategies to meet those needs. The Least Developed Countries Expert Group helps Parties in the process to formulate and implement these vital plans.

"The Convention has established an effective architecture to support developing countries to adapt to climate change. Nepal will maximize the use of existing technical and financial support under the Convention to bring transformative adaptation to our climate-vulnerable communities."

Ram Prasad Lamsal, Joint secretary and UNFCCC Focal point, Ministry of Population and Environment of Nepal

Nepal is an example of a country that has taken advantage of the Convention's adaptation architecture to build strong national systems for adaptation. In 2010, this mountainous, least developed country, whose primary climate change risk is from flooding caused by glacial melt and intense rainfall, developed a national programme of action on adaptation to address urgent and immediate needs in its most vulnerable communities. This programme was followed a year later by a national policy that directs at least 80 per cent of climate finance to community-level activities and the setting up of a national programme to support implementation of the national adaptation plan. These initiatives have created the right environment for progress in work on adaptation. Nepal and Liberia were the first countries to **receive a Green Climate Fund grant** (USD 2.9 million for Nepal) to create their national adaptation plans. Nepal's national adaptation plan is now at an advanced stage.

At five regional training sessions and two regional expos, one each in **Asia** and **Africa**, UN Climate Change in 2017 boosted the ability of hundreds of national experts to put together and finance their national adaptation plans, as Nepal has done, and align them with the Sustainable Development Goals.

Ensuring unity of action

The implementation of the 2030 Agenda for Sustainable Development, the Sendai Framework for Disaster Risk Reduction 2015–2030 and the Paris Agreement should be closely aligned to allow each to deliver its full impact. In May 2017, the Adaptation Committee's technical expert meeting on adaptation brought together policymakers, scientists and representatives of the private sector and civil society to plan this alignment.

In 2017, the Adaptation Committee **shared good practice** on accessing the Green Climate Fund, gave **advice** to Parties through the adaptation finance bulletin on the changing landscape of adaptation finance and made contributions to the Paris Agreement work programme.

> "The Nairobi Work Programme provides a unique mechanism for facilitating knowledge exchange and collaboration … [and] can help break down the barriers between different sectors and promote cross-sectoral coordination."
>
> *Edward Perry, Global Climate Change Policy Coordinator, Birdlife International*

In 2017, UN Climate Change strengthened **the Nairobi work programme** on impacts, vulnerability and adaptation to climate change, a hub that **engages over 350 partners** who between them have made 189 pledges for action to support adaptation. The Programme has fostered national adaptation plans that align with the Sustainable Development Goals by sharing research on ecosystems, water resources and economic diversification.

> "People devastated by recent weather events and communities vulnerable to climatic impacts are looking ... for support and hope for the future. Risk Talk is unlocking a world of potential, for climate policy and practitioners for climate resilient sustainable development."
>
> *Patricia Espinosa, UN Climate Change Executive Secretary*

Adaptation-focused tools, platforms and training

Adaptation knowledge portal: The portal was established to curate information and knowledge resources on enhancing climate resilience to help vulnerable countries.

NAP Central: One-stop hub of information on how to create and implement national adaptation plans. As of December 2017, it housed nine plans and event pages for workshops and regional NAP expos.

Adaptation Exchange: This Facebook page is used to disseminate knowledge, engage stakeholders and offer learning opportunities. It has more than 13,500 subscribers, and 60,000–80,000 views per month.

Addressing loss and damage

Millions of people in developing countries have already suffered loss and damage from climate change impacts and have been unable to recuperate their losses, in part because they do not have access to affordable climate risk insurance. These impacts can be minimized and addressed through comprehensive risk management, including early warning systems, measures to enhance recovery and rehabilitation, and social protection instruments.

To help vulnerable countries and communities do just that, the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts at COP 23 launched the **Fiji Clearing House for Risk Transfer**. The Clearing House helps Parties to develop and implement comprehensive risk management strategies and includes 'Risk Talk', an interactive feature that enables Parties to connect with risk transfer experts.

Building knowledge and capacity in adaptation

The Paris Agreement calls for the strengthening of the ability of developing countries to act on climate change. The UN Climate Change secretariat contributes to this strengthening with training, materials, tools and platforms.

The Paris Committee on Capacity-building sets the direction for capacity-building. At COP 23 about 350 international institutions and developing country Parties **shared ideas on capacity-building activities** to close the gaps in the ability of developing countries to meet their commitments under the Paris Agreement. The 2017 meeting of the Committee created strong links between institutions and governments, as did the **6th meeting of the Durban Forum on capacity-building**, which also provided advice for developing countries on how to develop adaptation interventions and access finance.

Delivering finance and technology where they are needed

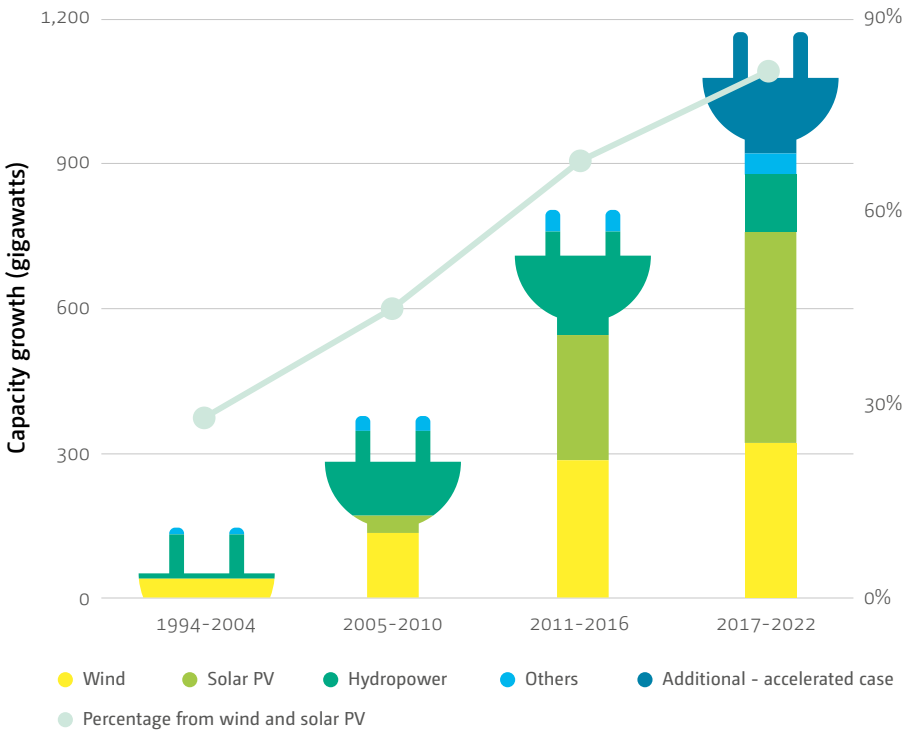
Facilitating finance and investments

Climate change should be factored into decision-making and smart investments made to mobilize the resources needed for tackling climate change. **A study by the Organisation for Economic Co-operation and Development** (OECD) found that climate-compatible infrastructure investment will bring savings that far outweigh the cost, which is only 10 per cent greater than business-as-usual carbon-intensive investment. These include billions of dollars saved per year in energy efficiency.

"Far from being a dampener on growth, integrating climate action into growth policies can have a positive economic impact," said Ángel Gurría, OECD Secretary-General. "There is no economic excuse for not acting on climate change, and the urgency to act is high."

Renewable electricity capacity growth by technology

The global climate change process has sent a signal to markets that change is inevitable, thus encouraging advances in finance and technology, particularly in the field of renewable energy. The International Renewable Energy Agency, however, says there is still great potential for countries to cost-effectively increase renewable energy ambition in their nationally determined contributions.



Based on IEA data from Renewables 2017 © OECD/IEA 2017, www.iea.org.
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Cumulative climate financing from key funds

The Green Climate Fund: 76 projects and programmes, amounting to USD 3.7 billion in direct funding and USD 8.9 billion in co-financing.

The Global Environment Facility: Over 1,000 mitigation projects, with USD 4.2 billion in direct funding and USD 38.2 billion through co-financing. For adaptation, over USD 1.3 billion in grant financing provided through the Least Developed Countries Fund, Special Climate Change Fund and Strategic Priority on Adaptation, and over USD 7 billion mobilized from other sources.

The Adaptation Fund: USD 476 million in 74 countries.

UN Climate Change facilitates Parties to mobilize finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development, using millions to leverage billions, and in finding new ways to promote the flow of finance and engage the private sector.

Funding mechanisms receiving stronger backing

As of March 2018, the Adaptation Fund had committed USD 476 million in 74 countries (since 2010) to climate change adaptation and resilience activities. In 2017, the Fund **broke its single-year resource mobilization record** when it raised USD 95.5 million from contributors, including Germany, Sweden, Italy, the Walloon Region of Belgium, the Brussels-Capital Region of Belgium and Ireland. The Adaptation Fund Board approved nearly USD 105 million in funding for the year. In total, the Fund has restored 148,085 hectares of natural habitat and directly benefited 5.48 million people.

Meanwhile, the Green Climate Fund, which was established by Parties to deliver finance for mitigation and adaptation, continued to go from strength to strength. By October 2017, the GCF portfolio consisted of 76 projects and programmes amounting to USD 3.7 billion in funding.

The Green Climate Fund seeks to mobilize private sector investments at scale. In 2017, it shortlisted 30 proposals with the potential to leverage at least USD 3 in private capital for every USD 1 of public funds invested and to deliver innovative climate solutions to support low-emission and climate-resilient development.

The Green Climate Fund responded to recommendations of the Standing Committee on Finance, adopted at COP 23, that it support environmentally sound technologies in developing countries and commence results-based payments. The Fund, by the end of 2017, was **accepting funding proposals** for a results-based payments pilot programme for REDD+ activities.

> "As the dedicated climate fund serving the Paris Agreement, GCF [Green Climate Fund] is strongly driven by countries. We help them to take the climate action they have chosen to reach their NDC [nationally determined contribution] ambitions."
>
> *Howard Bamsey, Executive Director of the Green Climate Fund*

Emissions reductions that finance development

The Kyoto Protocol's clean development mechanism has shown what can be achieved with incentives. By rewarding certified emission reductions with a saleable credit, the mechanism has financed sustainable development projects and allowed developed countries to achieve part of their emission reduction targets at a lower cost.

This incentive has led to the registration of more than 8,000 projects and programmes in 111 developing countries. As of December 2017, 1.9 billion certified emission reductions had been issued and an estimated USD 300 billion had been invested, which has resulted in sustainable development co-benefits such as the supply of clean drinking water to 840,000 people. The mechanism also contributes to the Adaptation Fund through a 2 per cent levy on certified emission reductions issued for a project or programme.

A total of 124 million certified emission reductions were issued in 2017 in 51 countries, including in 14 least developed countries. The Executive Board of the clean development mechanism in 2017 **adopted an exhaustive package** of simplified standards and procedures, which will improve use of the mechanism and will remain available as international public goods for use by emerging systems under the UN process and beyond. In 2017, the UN Climate Change secretariat generated an income of USD 8.55 million for its services rendered to participants of the clean development mechanism for processing projects.

Delegates gather at COP 23, which brought advances in climate finance. UN Climate Change.

Turning rice husks into energy helps fight climate change and promotes sustainable development. Victor Casillas Romo.

Everything's connected: mitigation actions bring co-benefits in Asia

Until a few years ago, the 200 residents of Phum Ang Snoul village in Cambodia lit their homes using batteries or gas, as unstable power supply in the area meant they had to cope with two-day blackouts.

When the Angkor Bio Cogeneration project began to export power to the local grid, it brought social and economic improvements.

"I used a battery for lighting that was used up in a few hours," says Suon Nat. "But when the ABC project began operations, I bought a refrigerator, so my food can be kept for a long time."

The project falls under the Asian Development Bank's Future Carbon Fund, which has a portfolio of 36 clean development mechanism projects in 12 developing countries.

The clean development mechanism is a Kyoto Protocol mechanism that assists developing countries in sustainable development and allows developed countries to cover a part of their emission reduction targets through the purchase of certified emission reductions.

Under the Angkor Bio Cogeneration project, a 2 megawatt generator, which uses rice husks as a renewable fuel source, was installed to supply power to the village. The project reduces emissions by substituting the power provided by the local grid's old diesel generator with clean energy and by preventing methane emissions from decaying rice husks.

The Asian Development Bank estimates that these measures result in a potential annual reduction of 51,620 tonne of carbon dioxide equivalent.

The new connection reduces blackouts and allows the villagers to save time.

"The 24-hour power supply means we can now own an electric rice cooker and a television," said 60-year-old village chief Keo Sarom. "We used to fetch wood every day to cook our meals before the ABC project started exporting power to the grid."

This is a good example of how a mitigation action – in this case access to clean energy – not only reduces emissions but also delivers co-benefits to sustainable development.

"We found strong linkages between investments in climate change mitigation projects and the delivery of co-benefits," said Virender K. Duggal, Principal Climate Change Specialist and Manager of the Future Carbon Fund. "FCF-supported projects not only reduce 2.95 million tons of carbon dioxide equivalent per year but also benefit more than 10.5 million people by delivering a broad set of co-benefits."

The Asian Development **Bank estimates** that through its purchase of certified emission reductions from clean development mechanism projects across its portfolio, among other benefits, 8.74 million people have gained access to renewable energy, 13,500 new job opportunities have been created and 1.31 million people, mostly women and children, are benefiting from improved air quality.

The price of certified emission reductions has declined, but the clean development mechanism remains a working example of how policy instruments can address climate change and spur sustainable development. Article 6, paragraph 4, of the Paris Agreement calls for a mechanism to contribute to the mitigation of greenhouse gas emissions and support sustainable development, and Duggal believes the success of clean development mechanism projects demonstrates the huge potential this mechanism still has in the future.

"There is reason for optimism," Duggal said. "The Paris Agreement on climate change acknowledges the intrinsic relationship between sustainable development and climate change actions, and...has re-ignited interest in market mechanisms and raised expectations for the resurgence of carbon markets."

> "Already the impact of the Paris Agreement is being felt in banks, stock exchanges, boardrooms and research centres as the world embarks on an unprecedented project to decarbonise the global economy."
>
> *Paul Polman, Chief Executive Officer, Unilever*

Securing new finance

At COP 23, Parties asked the UN Climate Change secretariat to collaborate with international organizations and United Nations agencies on helping developing countries assess their needs – in finance, capacity-building and technology – and on mobilizing support to address those needs. In response to this mandate on long-term climate finance, the UN Climate Change secretariat is piloting the Needs-based Climate Finance project in more than 10 countries. The secretariat is conducting baseline studies and profiles and has reached out to 15 international institutions – United Nations agencies, think tanks and multilateral development banks – for support.

A comprehensive response to climate change requires private sector investment. UN Climate Change is deploying innovative ways to involve businesses and investors. The movement has gathered pace. By the end of 2017, UN Climate Change's Non-State Actor Zone for Climate Action portal had commitments from 2,138 companies and 479 investors.

In 2017, the UN Climate Change secretariat and its network of regional collaboration centres initiated the Green Investment Catalyst round table to mobilize private sector finance for the implementation of nationally determined contributions. The first event took place in June at the African Development Bank in Abidjan, Côte d'Ivoire, and one of its outcomes was the **commitment to create a platform on finance for climate action under the Economic Community of West African States**. At the second event, in December, the Infrastructure Development Bank of Zimbabwe agreed to establish, together with the Development Bank of South Africa, a climate finance facility and green finance framework for Zimbabwe.

UN Climate Change.

Accelerating the diffusion of technology

Deploying appropriate climate technology to reduce emissions and adapt to the adverse impacts of climate change will have an immense effect on the ability of developing countries to combat climate change, which is why COP 16 established the **Technology Mechanism**. This Mechanism supports enhanced action on technology development and transfer to support mitigation and adaptation action by developing countries. The early success of the Technology Mechanism has led to a further mandate that it should serve the Paris Agreement.

Instigating change through technology policies

The **Technology Executive Committee**, the policy arm of the Technology Mechanism, helps countries to accelerate technology policy development and implementation and to catalyse action on low-emission and climate-resilient technologies. **Technology needs assessments** and the action plans that flow from them are country-driven activities overseen by the Committee; they are instrumental in enabling developing countries to identify and prioritize their needs. Work by the Committee led to Parties, at COP 21, adopting guidance to accelerate the action plans. In 2017, **the impact of this guidance** began to be seen.

An example of a technology needs assessment in action is provided by Lebanon, where farmers often rely on pumped water. However, climate change has reduced the rainfall and snowfall that recharges their artesian wells. The farmers must pump deeper, using water faster than it can recharge and risking groundwater salinization from seawater intrusion. Harvesting rainwater from greenhouse roofs to maximize every drop of rain is one of the key adaptation technologies identified through Lebanon's technology needs assessment and is recommended in its action plan. During one rainy season, the total amount of rainwater harvested from the roofs of greenhouses at three pilot sites was almost one million cubic metres, demonstrating the potential of the technology.

Wind energy.
Volwag.

Research by the Technology Executive Committee found that many developing countries used the results of their technology needs assessments to support the preparation of their nationally determined contributions, while also considering sustainable development needs. The Gambia is one example. The West African country's nationally determined contribution identified and assigned emission reduction targets in agriculture, energy, manufacturing, transport, waste, and household consumption while underlining the role of technology transfer and making recommendations for specific requirements related to sustainable development.

To demonstrate what kinds of technology can be included in action plans, the Technology Executive Committee in 2017 launched three publications (see the box) and organized two major events. The **special event on innovation and climate change** looked at how to stimulate innovation through green finance, policies, regulations and incentives, while the **thematic dialogue on industrial energy efficiency and material substitution** explored partnerships and programmes on technology solutions for industrial energy efficiency.

The Climate Technology Centre and Network

The **Climate Technology Centre and Network**, hosted by UN Environment and the United Nations Industrial Development Organization, is the implementation arm of the Technology Mechanism. It works closely with the Technology Executive Committee to promote accelerated, diversified and scaled-up transfer of environmentally sound technologies to developing countries.

The **2017 annual report** of the Climate Technology Centre and Network showed its progress in responding to requests from countries. In Jakarta, Indonesia, for example, it is helping the flood-prone city build climate-resilient infrastructure by using hydrodynamic modelling. On the basis of this collaboration, Jakarta has attracted funds to increase its efforts, and it is also sharing its knowledge with other Asian cities.

Technology Executive Committee 2017 publications

South–South Cooperation and Triangular Cooperation on Technologies for Adaptation in the Water and Agriculture Sectors highlights how countries cooperate to increase technology transfer in the water and agriculture sectors.

Technological Innovation for the Paris Agreement offers insights into how innovation can accelerate the implementation of nationally determined contributions and national adaptation plans.

Industrial Energy and Material Efficiency recommends policy options for scaling up the use of energy-efficient technologies in the industrial sector.

"The beauty of energy efficiency is that it comes with multiple benefits. A first benefit is to lower bills. Energy efficiency to a great extent is cost-effective. You invest one and you get your one back in two to three years. And if the investment lasts for 15 years you make money."

Benoit Lebot, Executive Director, International Partnership for Energy Efficiency Cooperation

"The good thing about the CTCN is that capacity-building is one of the key points, which is really a sustainable approach."

Suresh Babu Parasuraman, Head of Water Resources, DHI Water and Environment

Flood in Ganvie, Benin.

Fostering cooperation to realize the Paris Agreement's potential

Everybody must do their part to minimize climate change. UN Climate Change works with all those who can make a difference to move further, faster, together. In 2017, the UN Climate Change secretariat streamlined its processes to foster partnerships and coordination, helping to launch new initiatives. The partnerships in this section illustrate this cooperation.

Exploring new, non-traditional partnerships

The UN Climate Change secretariat used COP 23 to pilot an initiative on building new partnerships. The goal is to establish links with the private sector, the media, non-governmental organizations and others to find innovative ways to support the implementation of the Paris Agreement, the Kyoto Protocol and the Convention. A total of 112 potential partners responded to a call for partnerships. After a process of due diligence, **agreements were signed for 24 partnerships** to provide support for COP 23. The partners offer resources such as knowledge, expertise, access to finance and outreach that can accelerate action on climate change. Examples of partners include DHL, which provided pro bono climate-neutral logistical services; BNP Paribas, which engaged in a content partnership, showcasing the latest developments in sustainable finance through a series of articles and social media activities; and KPMG, which sponsored the social media platform UN Climate Talks Live.

Marrakech Partnership for Global Climate Action

The Marrakech Partnership for Global Climate Action was launched at COP 22 to catalyse and support climate action by Parties and non-Party stakeholders until 2020, with all partners aiming to take immediate action consistent with the full implementation of nationally determined contributions.

"The Marrakech Partnership for Global Climate Action...belongs to all of those across the globe who are passionately engaged in efforts to fight climate change and ensure a better, more resilient and more equitable lifestyle for our fellow citizens of the world."

Joint statement by Hakima El Haité, high-level champion of global climate action, Special Envoy for Climate Change from the Kingdom of Morocco and Inia Seruiratu, high-level champion of global climate action, Minister for Agriculture, Rural and Maritime Development and National Disaster Management of Fiji

Founder members of the Climate Action Leadership Network

- Mr. Achim Steiner, United Nations Development Programme Administrator
- Ms. Anne Hidalgo, Mayor of Paris and Chair of C40
- Mr. Anote Tong, former President of Kiribati
- Mr. Ashok-Alexander Sridharan, Mayor of Bonn and First Vice President of ICLEI – Local Governments for Sustainability
- Mr. Erik Solheim, Executive Director of UN Environment
- Ms. Hindou Oumarou Ibrahim, Co-Chair, International Indigenous Peoples Forum on Climate Change
- Mr. Jerry Brown, Governor of California, United States of America
- Ms. Jill Peeters, Founder of Climate without Borders
- Mr. Manuel Pulgar Vidal, Leader of the Climate and Energy Practice of WWF International
- Mr. Marcelo Mena Carrasco, Minister of Environment of Chile
- Mr. Miguel Arias Cañete, European Commissioner for Climate Action and Energy, European Union
- Mr. Paul Polman, Chief Executive Officer, Unilever
- Ms. Romina Picolotti, President of Centro de Derechos Humanos y Ambiente and former Minister of Environment of Argentina
- Mr. Saad Abid, President, Bahri Association
- Mr. Thani Ahmed Al Zeyoudi, Minister of Climate Change and Environment of United Arab Emirates

UN Climate Change.

From waste to wow

QUID Project, one of the 19 winners of a Momentum for Change Award in 2017, is an Italian eco-fashion social enterprise that recycles high-quality fabric waste to produce women's designer clothing. The project is led by women and about 85 per cent of its employees are women, 70 per cent of whom are from disadvantaged backgrounds. QUID Project recovered more than 200,000 metres of fabric in 2016, reducing carbon dioxide emissions by around 18,000 tonnes.

In 2017, the Marrakech Partnership **launched the Climate Action Leadership Network** at the Climate Week held in New York in September. It supports the high-level Champions of the Partnership by deploying high-level private and public sector decision makers to drive early action on climate and sustainable development globally.

At COP 23, eight thematic days were organized, incorporating over 100 events on topics as diverse as finance, innovation, resilience, ending hunger and sustainable cities. The events featured ministers, mayors, CEOs and other global influencers. The thematic days culminated in a closing event where the high-level champions shared outcomes, experiences and lessons learned with Parties. In addition, the results of the Marrakech Partnership, enshrined in the inaugural **Yearbook of Global Climate Action 2017**, were presented to the UN Secretary-General. The Yearbook illustrated growing momentum for action in the Partnership's seven thematic areas, which represent 80 per cent of global emissions. A survey of 78 initiatives demonstrated that the majority of respondents had made new commitments since 2016. Under the Partnership's stewardship, coalitions representing more than one billion people have committed to decreasing emissions by 80 per cent by 2050, cities and regions are taking the lead on issues such as public transport, food waste and district energy, and companies are committing to 100 per cent renewable energy and energy productivity.

Climate Neutral Now

Climate Neutral Now invites companies, organizations, events and individuals to limit global warming by measuring their emissions, reducing what they can, and voluntarily compensating for the remaining emissions with certified emission reductions from projects registered under the clean development mechanism. In 2017, 70 new organizations and companies signed up. Roughly 138,000 certified emission reductions (138,000 tonne of carbon dioxide equivalent) were used through Climate Neutral Now. Another 8.7 million certified emission reductions were used directly through the clean development mechanism registry. In 2017, the UN Climate Change secretariat and UN Environment

Developing effective climate legislation

In 2017, the UN Climate Change secretariat together with UN Environment and the Commonwealth Secretariat's Office of Civil and Criminal Justice Reform piloted the Law and Climate Change Toolkit.

"It [the law and climate change toolkit] is a much-needed resource for countries to review their national laws and undertake reform in support of their climate policy commitments under the Paris Agreement."

Steven Malby, Head, Office of Civil and Criminal Justice Reform at the Commonwealth Secretariat

helped 30 United Nations agencies to compensate for 450,000 tonne of carbon dioxide emissions from the previous year.

Momentum for Change

Momentum for Change, an initiative by the UN Climate Change secretariat, shines a light on the groundswell of climate action under way across the globe. Through its annual awards, Momentum for Change recognizes innovative solutions that not only address climate change but also drive progress on other Sustainable Development Goals such as health, gender equality and job creation. **Some of the climate solutions** recognized by Momentum for Change in 2017 were: a monitoring system to help Inuit people adapt to changing sea-ice conditions in Arctic Canada; a climate-neutral winery that produces zero waste and operates on 100 per cent renewable energy; and the world's first shampoo bottle made from beach plastic waste, developed by a partnership between TerraCycle, Suez and Procter & Gamble.

NDC Partnership

The NDC Partnership is a coalition of 69 countries and 13 international institutions cooperating to improve developing countries' access to technical knowledge and financial support. In Honduras, the Partnership is supporting the Government in strengthening the response to climate change by developing a road map for the implementation of the country's nationally determined contribution. Meanwhile, Uganda, which has pledged to reduce 22 per cent of its greenhouse gas emissions by 2030, has created the first NDC Partnership Plan in Africa. The UN Climate Change secretariat supported the NDC Partnership by enabling it to set up a liaison office in Bonn and hired four regional experts to coordinate the activities of the Partnership, in cooperation with the regional collaboration centres. The secretariat also assisted the NDC Partnership with advancing engagement in six countries.

Nairobi Framework Partnership

The **Nairobi Framework Partnership** of development banks and United Nations agencies was established to increase participation in the clean development mechanism, especially by countries in sub-Saharan Africa. Since 2016, the scope of the Partnership has expanded to support developing countries in preparing and implementing their nationally determined contributions. In 2017, the Partnership delivered annual carbon forums as the centrepiece of climate weeks held in Benin, Mexico and Thailand. The Asia-Pacific Climate Week **culminated in a Regional Climate Action Agenda** that will strengthen regional cooperation to promote enhanced ambition prior to 2020 in key economic sectors, promote the take-up of carbon pricing instruments and policies, and improve access to finance.

Regional collaboration centres

Regional collaboration centres – initially set up to increase participation in the clean development mechanism – now also facilitate the planning and implementation of nationally determined contributions. This function has been strengthened by the placement of NDC Coordinators in regional collaboration centres in Bangkok (Thailand), Kampala (Uganda), Lomé (Togo), Panama City (Panama) and St George's (Grenada).

In 2017, regional collaboration centres implemented the Green Investment Catalyst round tables (see the section "Securing new finance" in this report). They also co-organized 19 events related to capacity-building, including regional climate weeks, which together were attended by 1,400 people.

"The sessions [of the 9th Africa Carbon Forum held in Cotonou, Benin, in 2017] were useful for my country, particularly the ones related to linking carbon markets and climate finance and linking the clean development mechanism and the Green Climate Fund to the Paris Agreement mechanism," said Astere Nindamutsa, CDM Designated National Authorities Coordinator for Burundi.

In 2017 the regional collaboration centre for Latin America moved from Bogotá, Colombia, to **Panama City**, a major hub for the United Nations and other development agencies. The secretariat operates this centre with the CAF – Development Bank of Latin America. Collaboration with United Nations agencies working on sustainable development increased across the board. Host partners of regional collaboration centres provided 19 staff members, about two-thirds of the total staff of the centres, in line with the initiative's goal to develop local capacity on the clean development mechanism and climate change.

> "The [regional collaboration] centres...are a fundamental part of the international effort to tackle climate change, because they help catalyse local, national and regional action for effective implementation of the Paris Agreement."
>
> *Mirei Endara, Minister of Environment of Panama*

Action for Climate Empowerment

Action for Climate Empowerment is an initiative devoted to education, training, public awareness, public participation, public access to information, and international cooperation. It engages especially with youth, through efforts such as the Global Youth Video Competition on Climate Change, which the UN Climate Change secretariat runs with the UN Development Programme GEF-Small Grants Programme and Television for the Environment. Young people from 94 countries submitted 247 films to the competition in 2017.

At COP 23, the Presidency, with the secretariat, the United Nations Educational, Scientific and Cultural Organization, and the United Nations Alliance on Climate Change Education, Training and Public Awareness, hosted an event on climate education attended by HRH Princess Lalla Hasnaa of Morocco and other high-level participants.

Entrants to the Global Youth Video Competition on Climate Change 2017 (pictured at the award ceremony) used their creativity to convey powerful messages on climate change. UN Climate Change.

Outlook for 2018 and beyond

The Paris Agreement is an historic achievement that builds on more than two decades of progress in negotiations on climate change. It shows the firm commitment of countries to work together to limit global temperature rise, foster climate resilience, and align global financial flows towards low-emission, climate-resilient development.

After a three-year effort since adoption of the Paris Agreement, Parties are expected, at COP 24 in December 2018, to adopt the outcomes of the Paris Agreement work programme, detailing the modalities, procedures and guidelines needed to give full effect to the Agreement.

Subnational authorities and other non-Party stakeholders are meanwhile taking decisive action, transforming the global economy, and national governments are putting in place policies and measures to deliver on their nationally determined contributions under the Paris Agreement.

Parties are also committed to increasing the level of ambition described in their nationally determined contributions. This is crucial if we are to reach the Paris goal of limiting temperature rise to well below 2 °C and as close as possible to the safer 1.5 °C target.

The nationally determined contributions will be informed and inspired throughout 2018 by the Talanoa Dialogue, a global conversation that is inclusive, participatory and transparent. Following the spirit of the

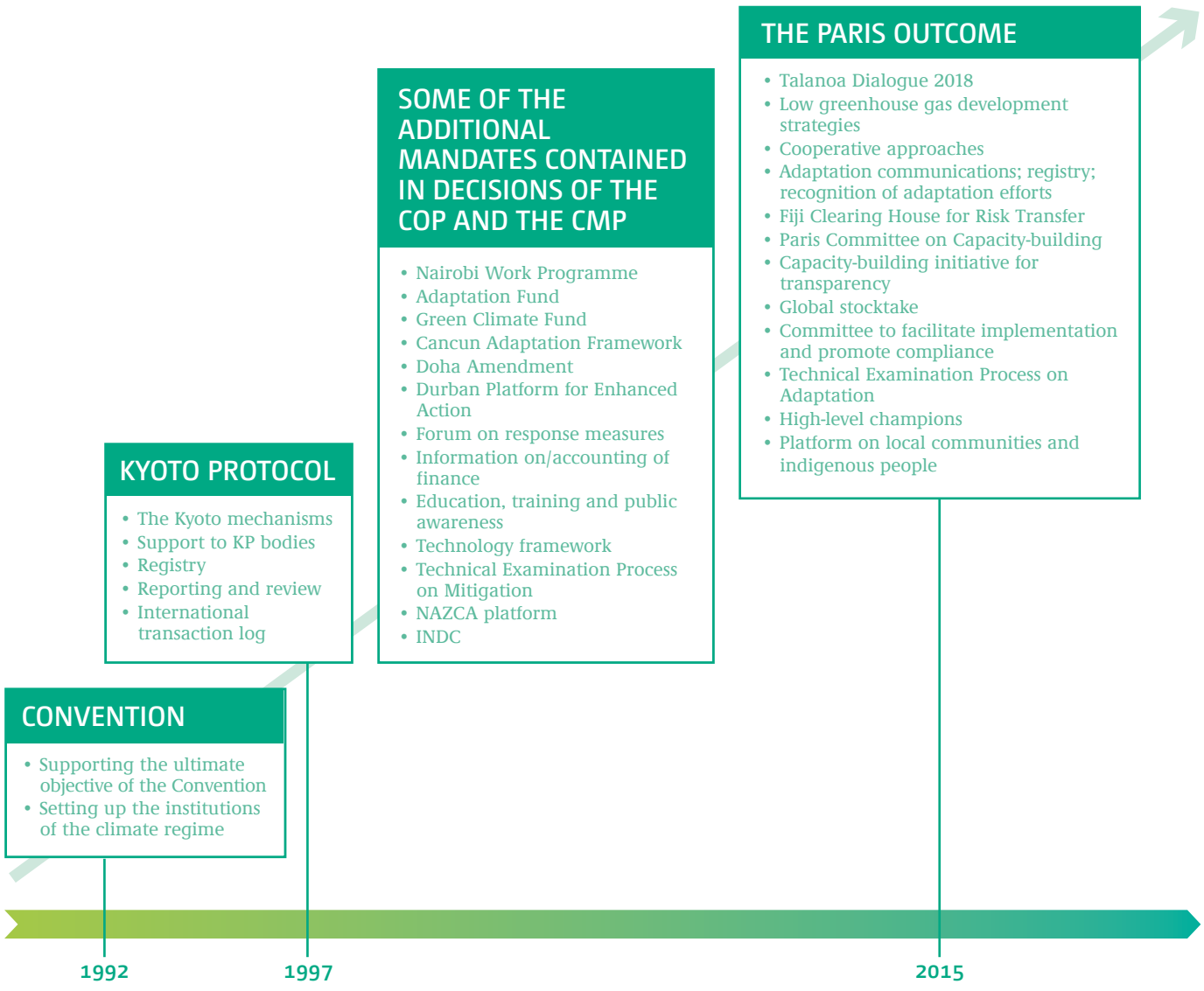
Children splash in floodwater in Fiji. Fijian Government, one of the winners of the COP 23 Pacific photo contest.

Pacific island tradition of talanoa, the Dialogue is aimed at building empathy and trust and promoting cooperation, and through this, enhancing ambition.

The Talanoa Dialogue will be in turn informed by a special report by the Intergovernmental Panel on Climate Change, requested by COP 21, on the impacts of global warming of 1.5 °C above preindustrial levels, and will be structured around three questions: Where are we? Where do we want to go? How do we get there? This crucial global conversation will set the direction of the global response to climate change until the first global stocktake under the Paris Agreement in 2023.

Three years to the end of 2020, a milestone year for the Paris Agreement, action and support will be critical on all fronts of the global response to climate change. Non-Party stakeholders, meaning almost all entities and individuals that do not negotiate directly in the Convention process, comprise a vast collective with great significance in the response to climate change. The action and investment decisions of

The growing scope of UN Climate Change



these stakeholders will, alongside government policies and measures, determine the future trajectory of global emissions.

Parties recognized the crucial role of non-Party stakeholders in Paris. They built this recognition firmly into the Paris Agreement. In 2016, the Marrakech Partnership for Global Climate Action was launched to scale up pre-2020 effort and investment by nations and all climate stakeholders.

The high-level champions of the Marrakech Partnership will in 2018 rally non-Party stakeholders, encouraging still greater efforts and soliciting views in a systematic way through the Talanoa Dialogue and at events in 2018 such as the Global Climate Action Summit and regional climate weeks.

Parties will take stock of progress on pre-2020 implementation and ambition at COP 24 in December. They will do so on the basis of a synthesis of information they provide on progress they have made. They will also consider mitigation efforts by governments, the provision of support to developing countries, and progress made by the Marrakech Partnership. The Standing Committee on Finance will present its biennial assessment and overview of climate finance flows before the COP, which will also inform Parties as they take stock of progress.

In 2018, countries can also bring into effect the second commitment period of the Kyoto Protocol. In 2017, 33 Parties accepted the Doha Amendment to the Kyoto Protocol, which establishes its second commitment period (2013–2020), 33 short of the required 144 Parties needed for its entry into force. That important milestone is within reach. The Kyoto Protocol was the first breakthrough in global action on climate change. It can transfer a practical legacy to the Paris Agreement, as well as a legacy of cooperation and trust.

Policymakers at all levels, state and non-state actors, should systematically pursue coherence, collaboration and coordination in national and international climate and development policy. Such concerted effort across sectors, frameworks and levels of governance could multiply benefits to produce fundamental and transformative change.

To this end, policies need to be set in place now, technologies developed, matured, commercialized and deployed at scale, and practices and behaviors of economic actors need to move ever faster towards low-emission and sustainable business and investment.

The UN Climate Change secretariat, working with Parties and non-Party stakeholders can help facilitate all of this. Indeed, Parties' expectations of the secretariat have grown and evolved year by year. The UN Climate Change secretariat, and each of its staff members, remains fully committed to adding value to the global response to climate change.

Building on decades of success under the Convention and driven by necessity, the UN Climate Change secretariat will, with sufficient levels of support, enhance its ability to deliver on behalf of Parties, and now non-Party stakeholders, as countries and the UN system strive for broad-based, global action sufficient to safeguard present and future generations from the worst effects of climate change.

Who we are

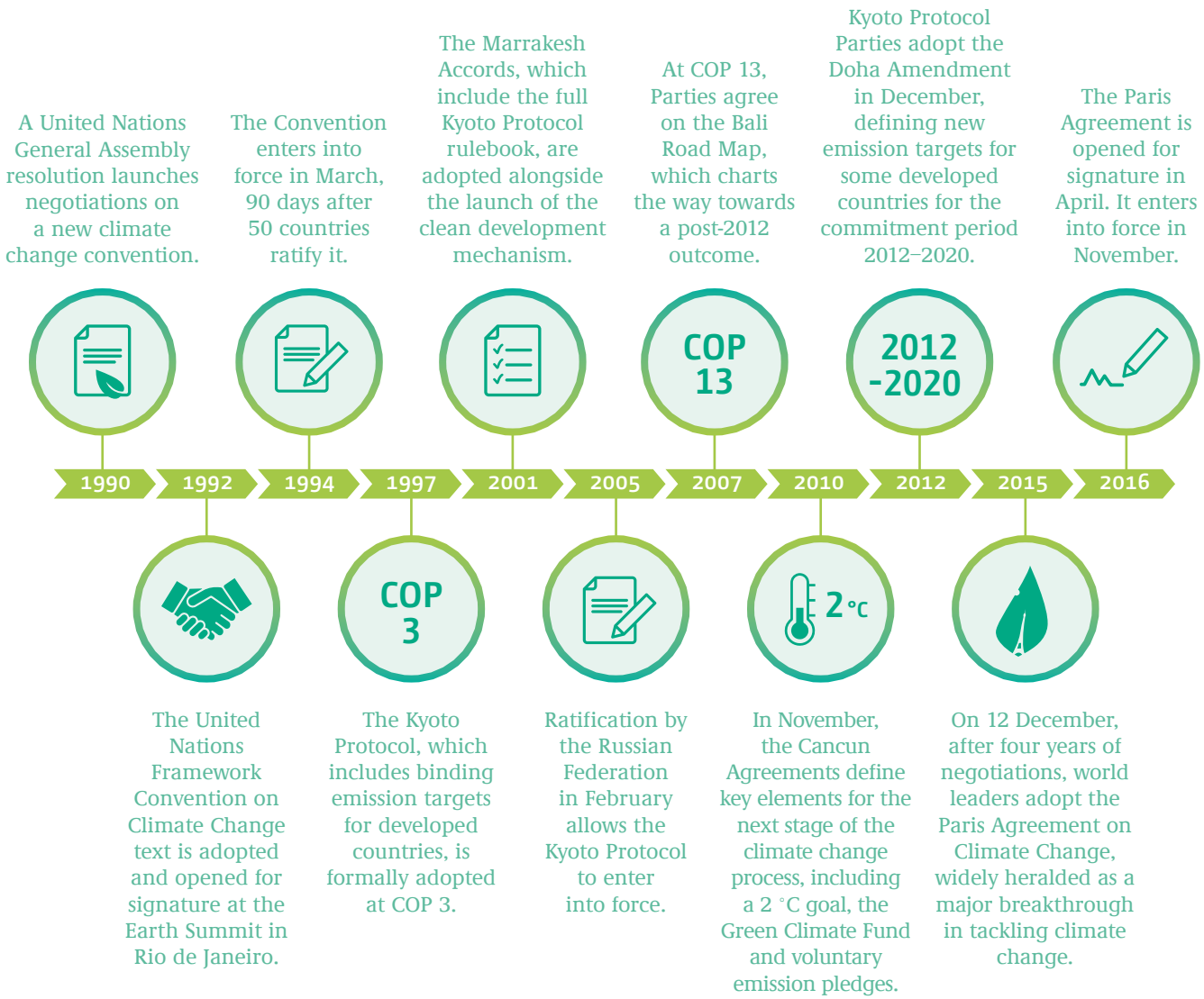
The UN Climate Change secretariat's approximately 400 staff are a dynamic mix of people from over 100 countries. Their blend of gender, diverse cultures and professional backgrounds enhance our work.
UN Climate Change.

In April 2017, a permanent exhibition was opened at the secretariat's headquarters, telling the story of the intergovernmental process to combat climate change. "The Richard Kinley Gallery" was opened by Patricia Espinosa and Deputy Executive Secretary, Richard Kinley, along with three former Executive Secretaries: Michael Zammit Cutajar; Yvo de Boer and Christiana Figueres. The city of Bonn was represented by Deputy Mayor Reinhard Limbach, and the German Foreign Office by its Special Ambassador to the UN in Bonn, Ingrid Jung.
UN Climate Change.

Climate neutral since 2012

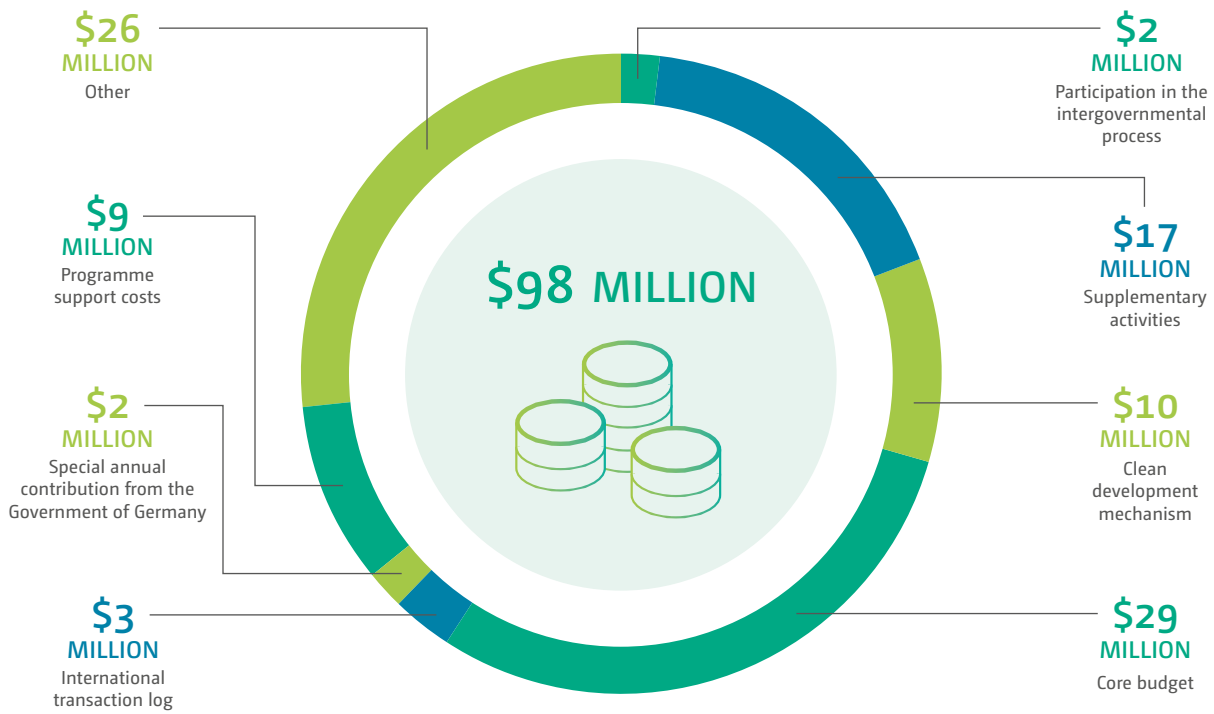
The UN Climate Change secretariat reduces its emissions and compensates for unavoidable emissions through certified emission reductions.

A brief history of UN Climate Change



Finances

Total funding 2017 in USD



Note: *Other funding includes: conferences and other recoverable costs; and cost recovery.*

The COP approves the Core and ITL budgets whereas it takes note of other funds and accounts, including in particular for supplementary activities. The tables below provide details on the Core and ITL budgets and actual expenditures for the biennium 2016-17 in Euro.

Budget vs Actual Core for the biennium 2016-2017 in EUR

	Total	
	Budget (EUR)	Actual (EUR)
Executive Direction and Management	4,558,724	4,619,770
Mitigation, Data and Analysis	14,962,466	14,595,734
Finance, Technology and Capacity-Building	5,408,821	4,829,886
Adaptation	4,682,211	4,667,225
Sustainable Development Mechanisms	786,035	786,493
Legal Affairs	2,553,807	2,143,907
Conference Affairs Services	3,460,697	3,233,479
Communication and Outreach	3,254,786	3,479,778
Information Technology Services	5,499,282	5,245,475
Administrative Services	3,231,716	3,334,143
Total	**48,398,545**	**46,935,890**

Budget vs Actual International Transaction Log for the biennium 2016-2017 in EUR

	Total	
	Budget (EUR)	Actual (EUR)
Staff costs	1,557,420	1,470,830
Temporary assistance and overtime	10,000	0
Consultants	124,250	50,959
Contractors	1,347,023	919,538
Travel of staff	40,000	29,252
Experts and expert groups	20,000	5,790
Training	20,000	11,469
General operating expenses	1,453,023	1,564,351
Contributions to common services	167,000	238,709
Total	**4,738,716**	**4,290,898**

The amounts reflected in this report are provisional, pending the final audit for 2017, and subject to change.

UN Climate Change.

Concern about sustainable and predictable funding for the UN Climate Change secretariat

Sustainable and predictable funding is critical for the planning and execution of the work entrusted by the Parties to the UN Climate Change secretariat.

The activities of the secretariat are predominantly funded from two sources: (a) Core funds and (b) Supplementary funds. There is no particular hierarchical or programmatic relationship between activities funded by either of the two funds. Supplementary funds that are sourced from voluntary contributions from a range of donors complement the core funding of the secretariat.

Core funds are sourced from indicative assessed contributions of the Parties. Given the reluctance for any increase in this part of the budget, the level of core budget remains relatively unchanged, which was zero nominal growth for the biennium 2016-2017. The level of unpaid contributions by the Parties for this part of the budget remains high and is a serious problem for the secretariat. The cumulative amount of outstanding contributions was **EUR 5.7 million** as of 31 December 2017.

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