



Side Event at COP 14 & COP/MOP 4

Putting equity into practice for climate finance and enhanced mitigation efforts

Monday, December 8, 2008, 15.30 – 17.30 Room “Aesculapian Snake”

The Bali Action Plan requires both mitigation actions as well as technology transfers and financing to be measurable, reportable and verifiable. Thus, for the first time in climate policy, it demands explicit reciprocity of actions by developing and developed countries. In order to operationalize this, a new set of innovative institutions is needed. These institutions would make technology cooperation quantifiable and define fair shares for funding, so as to link them to mitigation actions.

With the Multilateral Climate Change Fund (MCCF), Mexico suggested a tool that would require transparent criteria for both payments to the fund as well as for the financing of activities by the fund. The Greenhouse Development Rights framework, for its part, is an effort-sharing approach based on differentiated responsibility and respective capacity, in a manner that explicitly safeguards a right to development, which could serve as a yardstick to define each country's fair share of funding into the MCCF (www.GreenhouseDevelopmentRights.org). Finally, Norway promotes a system for extensive auctioning of Assigned Amount Units (AAU), which seems most appropriate to generate the vast financial flows needed to sponsor such a fund, as well as other climate related activities.

This side event will assess the mutual supportiveness of these suggestions, as well as potential divergences. What are shared equity benchmarks and principles on effort sharing, mitigation trajectories and expected financial needs? What are institutional requirements when using these instruments to operationalize the Bali Action Plan? What are potential blind spots requesting additional institutions for MRV activities?

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