TWN 3
Bonn News Update
www.twn.my
Published by Third World Network
12 March 2014

Durban Platform: Lively exchange on 'national contributions'

Bonn, 12 March (Alejandro Rafa) – At a workshop on "domestic preparations for intended nationally determined contributions (NDCs)" countries engaged in a lively exchange on what constitutes the contributions.

The workshop, held on March 11 in Bonn, revealed that while developed countries viewed the NDCs as being about their mitigation contributions, several developing countries saw contributions as encompassing all elements of the 2015 agreement (for the post-2020 time frame). The elements cover not only mitigation but also adaptation, finance, technology transfer, capacity building as well as transparency of actions and support.

There was also an intense exchange between the United States and Brazil over the connection of historical responsibility to determining contributions to a future agreement under the UNFCCC (see below for details).

The workshop, held under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) was Co-chaired by Kishan Kumarsingh (Trinidad and Tobago) and Artur Runge-Metzger (the European Union) and saw the presentation by several Parties on their work and thinking in relation to the NDCs.

The workshop was held following a decision from Warsaw last year under the ADP which saw much wrangling and resulted in Parties agreeing to "initiate or intensify domestic preparations for their intended nationally determined contributions, without prejudice to the legal nature of the contributions, in the context of adopting a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties towards achieving the objective of the Convention as set out in its Article 2 and to communicate them well in advance of the twenty-first session of the Conference of the Parties (by the first quarter of 2015 by those Parties ready to do so) in a manner that facilitates the clarity, transparency and understanding of the intended contributions, without prejudice to the legal nature of the contributions" [Paragraph 2(b) of the ADP Warsaw decision].

The current Bonn session of the ADP (10 – 14 March) is the first opportunity for Parties to reflect their understanding of what is meant by NDCs.

China gave an extensive presentation, apologizing at the end for going over time but noting, 'it's a big country', which drew applause. It began by clarifying that the contributions were to enhance action on the elements of the Durban Platform, following 'the principles, provision and structure of the Convention.' The principle, political and legal basis of the contributions was the Convention, it said, and so they were to be guided by common but differentiated responsibilities (CBDR), which it saw as 'an incentive for participation in the system.' It said that this meant it saw contributions as being differentiated between commitments (for developed countries) and actions (for developing countries). It said that this framing was to help Parties to understand how to develop the concept of contributions. It emphasized that as the contributions were to the elements of the Durban Platform they needed to cover all of the pillars (mitigation, adaptation, finance, technology, capacity building, transparency of action and support), not only mitigation, or Parties would be 'lost.'

It then said the next question was what Parties should do on each element, by when and how. On these questions it emphasized CBDR. In determining trajectories and targets it said consideration of the energy mix and the types of technologies available were important, as they drive emissions. It also said consideration of sectoral structures and the position in the global supply chains would also give different

Parties different advantages and disadvantages in their approaches to changing emission trajectories. It said that sources of income, whether it comes from investment, consumption or exports would affect different types of intensity targets.

China noted that another important issue was population, especially in developing countries, and said consideration was needed of shares across urban and rural areas, which has strong implications for energy use, infrastructure and consumption levels, all of which will influence future trajectory. It concluded that Parties needed to also grapple with a socioeconomic assessment of response measures. It said that climate action meant 'shifting from one technology system to another, from the conventional development path to another.' It said that this would have significant impacts and Parties needed to see what actions and responses would be necessary at all levels.

On adaptation it said that risk and vulnerability assessment and management were important but that 'the core central point' was the finance and technology transfers In making these transfers it called for consideration of 'beneficiary magnitudes' or for the 'final judgment' to be made by 'how many people benefit from the plan.'

On the technologies needed to address climate change China said that it considered them to be 'global public goods' and so the question was how to develop, and speed up their diffusion to major economies and their sectors. It emphasized that Parties 'could not wait decades' to address this because they were 'missing critical opportunities.' It said action was necessary and that transferring technology was 'very urgent, otherwise developing countries will be locked in, via their investment in high carbon infrastructure.' It said the speed up of technology transfer needed to include assessment of the technologies, information sharing, joint program development, demonstration, diffusion and reform of the intellectual property (IP) system.

On finance it reiterated that it needed to be 'a commitment' from developed countries and was 'very crucial to enhancing action.' It said that 'without public funds' Parties could 'not ensure private finance will flow' particularly 'where it may or may not be profitable.' It said that this meant that 'public finance will play a central role' and would act as the 'nerve' to the 'muscle' of private finance. It said in order to achieve this there would need to be a clear roadmap to 2020 on how the $100 billion promised in the Cancun agreement would be delivered. It called for a specific target for each year to 2020 and for post-2020 to build on that.

It said that finance and technology should be used to enhance capacity in all areas in developing countries.

On the transparency of both action and support it advocated for the rules to be based on existing arrangements and institutions that exist under the Convention, the Kyoto Protocol and the Bali Action Plan.

In further elaborating the types of contributions China expected to see it said that CBDR and equity would be 'core' to understanding and developing contributions. It said that it saw differentiation between developed and developing countries, given their different historical responsibility and different stages of development, as being relevant in applying the principles of the Convention. It emphasized that different stages of development meant different capability and was not just an 'abstract elaboration of principles' but actually reflected 'the reality of the world.' It said that without understanding this Parties 'could not make an agreement to fit reality and so the agreement would not be effective and successful.' It said reflecting differentiation was 'key to the agreement being successful and effective.'

It then proposed that developed countries should have the following as apart of their contributions:

- Mitigation – economy wide, quantified emission reduction commitments. It said that the life style of the North was transferred to places like China, where its population wanted to become new consumers and producers and that developed countries have a 'strong demonstrative effect' and so they needed to make a 'demonstration' with their mitigation commitments.
- Adaptation would include primarily the provision of finance, technology and capacity building.
- Finance, technology and capacity building would include specific commitments going beyond current levels and the $100 billion in aggregate.
- Transparency would apply to all of the above areas.

For developing countries it proposed that their contributions include:

- Mitigation – including enhanced and diversified mitigation actions including carbon intensity targets, deviation from business-as-usual targets (BAU), plans, projects or other actions.

- Adaptation – proposals to enhance endogenous systematic and institutional capacity and engage local stakeholders.
- Finance and technology – assessments of barriers and of needs.
- Capacity building – the sharing of best practice with all stakeholders.
- Transparency – enhanced institutional and technical capacity

All of these elements would be in the context of sustainable development and would depend on support.

It then moved to a discussion of China specifically and outlined that it had decided on a national strategy including of an 'ecological civilization' and 'low carbon development.' It reiterated its current targets of a 40-45% reduction of CO2 intensity below 2005 levels by 2020; a share of non-fossil fuel energy of 15% by 2020; and the enlargement of forest carbon sinks.

It said that in elaborating its targets and goals there were many policies and measures, including carbon market schemes, forty-two low carbon city pilots and the enforcing intensity targets. It said it was also implementing a national program for climate change adaptation.

It presented 'challenges' it faced including the need to create 10 million new jobs annually in cities and that it had 200 million people without full employment in the countryside. It also said it expected the urbanization of over 300-400 million in the coming decade and so faced high demand for construction and materials for access to city infrastructure and it needed to grapple with 'path dependency and lock-in effects.'

It concluded by saying it was studying a strategy to 'change its development path.' It had set up direct targets in its 13th Five Year Plan to ensure the 2020 target was met and served as a basis for moving forward. It said it was also implementing measures on energy efficiency and planning for population shifts, especially in the infrastructure and form of cities.

Thailand said that its pre-2020 action would form the basis for post-2020 action and that it currently had a nationally appropriate mitigation action (NAMA) for the energy and transport sectors, which would result in up to a 20% deviation from its 2005-projected BAU. It added that including this as a 'pledge' at the UNFCCC was still subject to approval that had been delayed by political challenges. It said the Warsaw decision had 'accelerated' internal process on long-term plans 'covering all the elements.' It said its mitigation actions required 'engagement with stakeholders' as well as an 'analysis' to consider what they would mean in 'GHG reduction terms.' It said on adaptation that through enhanced support it hoped to indentify gaps, link to the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN) and to share experiences from cities.

Mexico outlined its 2012 general climate change law that provided for a 'competitive low carbon economy' and a 'resilient Mexico' for people, ecosystems and infrastructure. It includes a 30% reduction in 2020 from BAU and clean energy target of 35% by 2024. It also includes a 2050 target of 50% reductions on 2000 emissions by 2050. It also outlined its inter-ministerial and inter-agency approach and multi-level governmental engagement. It said that its criteria for adaptation was to prioritise in the short term the most vulnerable areas and human systems and design of public policy especially with respect to human health. In the midterm it said it would focus on risk management and mapping, territorial management, as well as the payment for environmental services and reducing emissions from deforestation and forest degradation (REDD-plus). In the long-term it said its focus was sustainable management, resilient ecosystems, high resilient cities and high resilient infrastructure.

Saudi Arabia said its arid climate made it 'highly vulnerable to climate change' and that it faced the 'challenge of a growing demand for energy and water desalination.' It noted that this was coupled with an 'economy dependent on hydro-carbons' which was 'recognized as vulnerable under the Convention in Article 4.8.' It said that this meant that 'adaptation is the first priority' but that 'there would be co-benefits.' Therefore it called for 'research and development' to find 'suitable technology.'

It said that 'adaptation to climate change and to response measures' required the concept of 'economic diversification', which it had initiated with institutions and legislation. It said it was also working on the development of technological solutions to carbon management. With respect to adaptation it said it was also managing water resources and combating desertification, advancing its national strategy for biodiversity and controlling urbanization. One initiative included supplying nomads with support to prevent over-grazing. In its costal zone management it was also looking at incorporating blue carbon. It said its mitigation actions were a part of sustainable development including social, economic and environmental impacts and outlined ways to reduce carbon consumption through carbon capture and utilization. It said it was also promoting research and development on carbon capture for stationary and mobile sources, for industrial applications, in geographic sequestration and in CO2 enhanced oil recovery. It said it also had a national energy efficiency program. It described the use of 'complementary sources' of energy, or renewable energy to complement fossil fuel based sources, including solar and wind projects, but noted problems in gaining access to appropriate technology.

On addressing response measures to climate change it said that many of the Parties' contributions would have an impact, and not merely on Saudi Arabia but on all countries that had economies based on limited sectors, such as agriculture or tourism. It said that unilateral measures would have negative spillover effects and hurt food security and called for 'a mechanism to support economic diversification in developing countries.' It concluded that its contribution would be 'project based reductions' that would be 'more significant as the means of implementation was made available.' It also hoped to enhance the registry program on adaptation to share best practices.

Ghana said its mitigation actions would amount to a 'paramount shift in the policy of the country' and saw an 'ambitious climate agreement as a part of a strategy to build strategic global partnerships.' It said it was taking steps through 2014 to begin inter-ministerial and national consultations. It said it faced challenges in public awareness and technical capacity.

Costa Rica in a multimedia presentation including its public education videos said it had an internalized voluntary goal of CO2 neutrality by 2021. It said it had a long running tax on fossil fuels that it had used to fund 'payment for environmental services.' This had driven forest coverage from 29% to 52.4% at the cost of USD 400 million. It said it wanted to get renewable energy to 97% (from 92% currently) and to get forest coverage to 48%. It said its strategy included protocols, standards and certification for CO2 neutrality for businesses including for small and micro enterprises. It said it hoped to have 30% of companies in the program by 2021. It indentified 'barriers' of not being a 'priority' in national budgets and of 'not being well recgonised internationally' being a 'disincentive to do more in some sectors.' It concluded that its actions were to reduce vulnerability, poverty reduction, green jobs, to increase the quality of life, to be a part of the solution and for eco-competiveness.

Nepal on behalf of the Least Developed Countries (LDCs) reminded Parties that they represented '12% of the population and less than 5% of emissions' yet they were 'disproportionally exposed to impacts.' It said their special circumstances have been noted by the Convention and required 'special circumstances for funding and transfer of technology.' It said the group was committed to a rules based regime and called for 'urgent action and in particular support from developed country Parties.' It said that 'enhanced mitigation and adaptation would require adequate means of implementation.' It said that is was 'also necessary to assess the aggregated effect of the contributions' to see how they 'limit warming.' It said it was 'keen to listen to relevant organizations on the kind of support available to developing countries' to develop their contributions.

The **United Arab Emirates** and **Trinidad and Tobago** also presented their current proposals and actions and emphasized the need for enhanced support for capacity building, research and development and technology transfer from developed countries.

The **European Union (EU)** said its context was that it had 'gone beyond climate' and considered new growth, jobs, energy security, competitive energy prices and cost-effectiveness. It said the European Commission had made a proposal for debate in 2014 of 40% reductions on 1990 levels by 2030. It said if the negotiations 'warranted a more ambitious target' it would 'balance' up to 50% reductions depending on 'access to international credits.' It said it would be an economy wide target, including land use and agriculture and was part of a long-term strategy to reduce emissions between 80-95% by 2050. It said it was providing 'technical assistance' to partners to help developing countries prepare their contributions. It did not mention its contribution to other elements of the Durban Platform besides mitigation.

The **United States** said it was focused on providing a contribution to an overall level that would put the world on a 'trajectory to reduce emissions in the coming decades.' It said the same was needed from 'all who contribute significantly to global emissions' if Paris was to be a 'success.' It said it would 'take leadership in fighting climate change' and 'would come forward with upfront transparency standards to show the level of ambition in our commitment.' It said this would show the 'implications for individual and collective effort.' It hoped all Parties would come forward with this information and 'with their best contributions' well before Paris.

In terms of specific elements it would include: time period, base year, gases, national emissions covered, overall reduction, land activities, and pools. It said although they may seem 'self-evident' that 'everyone who develops a contribution will consider these issues' and so 'it's a matter of putting them forward.' It did not consider this 'a burden' but a 'part of the process' it 'expected from all Parties.'

On the issue of support for the preparation of contributions it discussed 'avenues to provide support' and wanted to 'learn from other processes.' It outlined various 'plurilateral initiatives' it was engaged in. It said that 75 countries have Global Environment Facility (GEF) allocation' with 60 of them amounting to over USD 1.5 million' and that preparation of contributions would 'eligible.' It also welcomed news that the United Nations Development Programme and United Nations Environment Programme were also 'exploring how they can help.' It did not mention its contribution to other elements of the Durban Platform besides mitigation.

After the conclusion of presentations, Parties proposed questions from the floor, although this time was limited as there had been too many presentations for the time allotted (a common criticism by observers of Secretariat and co-chair preparation for this session of the ADP).

Tanzania asked the EU and US whether they intend to make their contributions 'legally binding'?

China reminded the EU that many developing countries are calling for developed countries to raise their targets by 40%, and that this was supported by the Intergovernmental Panel on Climate Change (IPCC), suggesting that 40% by 2030 was 'ten years too late' and asked how this would connect with the Kyoto Protocol review of commitments. It also asked if there would be a specific target for finance as a part of its contribution.

The **EU** said it was 'aware of the KP requirement' and was 'determined to implement that in addition to the ratification process' and that it would 'make a submission under the mechanism in line with the decision and that will show we are contributing to closing that gap.' In terms of whether it 'intended to do more than 40%' it repeated that 'should the outcome of the negotiations warrant more ambitious targets then this ambition could be balanced by access to credits.' In terms of finance it referred 'to the submission we made before Doha.' It also claimed it had 'analysis' that shows that '40% is in line with the 2C target' and 'represents the EU's fair share.' It replied to Tanzania that it expected that 'all commitments' would be 'in a legally binding manner in the new agreement.'

It said it agreed with China that all Annex 1 Parties should have economy wide emission reduction commitments but asked if 'nine out of ten of the highest per capita emitters' and 'most of the top ten per capita GDP countries' are Non-Annex 1 was there need a for a 'spectrum of commitments'?

(According to the IMF it is actually only three of the top ten per capita GDP countries that are non-Annex 1.]

The EU also asked Saudi Arabia why it did not see its 'responsibility to mitigate as a primary responsibility' given its GDP per head is four times that of the 'poorest Annex I country' and it has 'similar per capita emissions.'

Saudi Arabia responded to the EU by pointing out it had started developing thirty years ago whilst the EU started in 1750 or 1850 or 1900 which was a significant 'gap.' It added that it had started developing whilst 'dealing with the mess that others have created.' This, it said, was why Parties returned to the issue of historical responsibility as developing countries as they were dealing with a 'storm brought on us that we had no hand in.' It said so 'you look at mitigation because you started emitting 200 years ago and effective adaptation will be our priority that will allow us to mitigate in the future.' It called for developed countries to 'show leadership so we have an example to follow.'

The representative for **China** said 'my dream for China would be to set up a target and cap' but said there was 'hesitation' as to whether they were 'ready.' He said 'we are ready to explore the road to this target.' He said China recognized 'the role total amount targets play, but there are conditions for these targets.' It said that seeing commitments 'in practice' for developed countries under the Kyoto Protocol and that they were 'enhanced' was such a condition. It said this would be influential, as it would 'show the world the leadership of developed countries.'

It said that in developing countries 'studies have been done to help us model scenarios' but there were 'high levels of uncertainty with very different assumptions and parameters.' It continued that the 'dynamics of developing countries are different', there are more uncertainties; whereas developed countries are more stable, have more capacity for statistics, and this led to differences of fundamental consequence. It was for this reason that developed countries could have economy wide legally binding commitments as in the Kyoto Protocol.

It said that with respect to commitments it had its 'own philosophy', 'that the means to implement the targets and how to achieve them are just as important' and for this reason it had 'emphasized drivers.' It said that 'although China has a long way to go and we believe in caps' it was not sure a single target would 'be enough for China, given the diverse drivers and indicators.'

It concluded that Parties did need to distinguish between developed and developing countries, with a spectrum to allow Parties to be more flexible.

The **US** said there was diversity 'not just within Non-Annex I countries but also within Annex I.' It said Parties should 'distinguish between LDCs' and those who 'have per capita incomes that are twenty times or more than the lowest Annex I country'. It said there was 'a lack of logic' which 'becomes more of a problem as emissions profiles and contributors change.' So it said it was 'very important that everyone understand we need to overcome that.' It said 'the status quo won't work in Paris as we can't justify it at home.' It said it didn't want 'to step on countries fundamental interests' but that it wanted to 'find an approach that is flexible and reflects the range of circumstances in the world.'

In terms of the question from Tanzania it said that 'the agreement that we negotiate will be applicable to all, all of its provisions to all,' not 'some provisions applicable to all and some that are applicable to some – all have to be applicable to all.' It said this meant it would have to be 'formulated to accommodate the very diverse nature of Parties.'

It said that the US was 'in a very different situation than we were 8 years ago' which it described as 'good news for this process' and said it was 'now prepared to contribute to the agreement with leadership' but that it couldn't do that ' in status quo mode.'

Brazil intervened to remind Parties that historical responsibility required a focus beyond current emissions. It said a Party's contribution to climate change was 'not from current emissions but form the history of emissions.' It said it was not just talking about the past but of a 'dynamic process' where 'what you do now commits to the future.' It said that 'developed countries grew rich without restriction on their emissions.' It said in the context of 'equity' it would be unfair to constrain developing countries without considering historical responsibility or contributions. It said the historical contribution of the United States, the United Kingdom, Germany and Russia was probably hundred times greater than the few developing countries identified by the US. It said this was because the development of those countries was 'recent in contrast to 1750.'

The **US** said it did 'not want to impede the development of any country.' It said that 'on arithmetic – the science from the Convention says that half of all historical emissions come from sources in developing countries.' It said that this meant 'it's not developed versus developing countries.' It said that 'sources are global, responsibility is global.' It admitted that 'we have more capability so that means we have to take leadership.' It warned against 'an approach that validates or allows a country to do less than they are capable of.' It asked that historical responsibility not allow countries to say 'we don't have to do something even though we could.' It said that 'we can't solve the problem if we just look to the past.' It concluded that the language of the Convention does not say historical responsibility and that responsibility is broader than that.