

We'll never accept 2nd Kyoto period, says Japan, sparking doubts on KP's survival

Cancún, November 30 (Lim Li Lin) – At the opening of the Kyoto Protocol Working Group, Japan shocked participants of the Cancun climate talks by stressing that it would never accept a second commitment period of the Kyoto Protocol and that it would never agree to place its greenhouse gas emission reduction target under the Kyoto Protocol.

Some delegates and observers felt this was a significant moment equivalent to the sounding of a death knell of the Protocol named after a city in Japan in which the Protocol's negotiations had been concluded.

The working group has been negotiating the further commitments of the Annex I members of the Kyoto Protocol (KP) in a second commitment period which was scheduled to begin in 2013 after the present first period expires at the end of 2012. Developing countries consider progress in this group to be a litmus test of developed countries' mitigation commitment, and a condition for success in the Cancun talks.

The Ad hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) opened its fifteenth session on Monday, at the UN climate change conference which is being held in Cancun, Mexico from 29 November to 10 December. The Working Group's legal mandate is to determine the emission reduction commitments of Annex I (developed countries) Parties for a second commitment period after 2012, when the first commitment period expires.

Japan said that climate change is a global issue that needs global solutions. It acknowledged the historical role of the Kyoto Protocol, but said that

the situation is changing rapidly, and that setting emission caps on a small part of global emissions can never be effective. The pledges under the Copenhagen Accord cover 85% of global emissions, and as such is the point of departure, it said.

It called for a new, single legally binding instrument with all major emitters based on the Copenhagen Accord. In Cancun, it said there should be a balanced package of COP [Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC)] decisions, respecting the balance in the Copenhagen Accord, and marking a milestone of progress in the AWG-LCA (Ad hoc Working Group on Long-term Cooperative Action under the Convention). It said that emission reduction numbers can only be addressed in the AWG-LCA (where negotiations for enhanced implementation of the UNFCCC are taking place).

(The controversial Copenhagen Accord was "taken note" of by the COP in 2009 after being rejected by a number of developing countries.)

Japan said that its 2020 target is under the Copenhagen Accord, and that it will not inscribe its target in the Kyoto Protocol under any circumstance, or under any condition. It said that it will never accept any CMP (Meeting of the Parties to the Kyoto Protocol) decision implying a second commitment period or provisional extension of the first commitment period as this would pre-judge the legal outcome.

It said that it supported the establishment of the "Copenhagen green fund", provided that there is progress in the discussions on MRV (measuring,

reporting and verification) and mitigation by developing countries.

In stark contrast to Japan's statement, the developing countries unanimously called for the second commitment period for Annex I Parties' emission reductions under the Kyoto Protocol, insisting that this is a legally binding obligation, and had to be adopted in Cancun.

Among other developed countries, Norway expressed support for the second commitment period of the Kyoto Protocol, and the European Union said that it was willing to consider having a second period.

The Chair of the AWG-KP, Ambassador John Ashe from Antigua and Barbuda, had issued a scenario note prior to the start of the session that indicated that he would make a proposal "on all aspects of the work of the AWG-KP in the form a draft decision, aimed at substantially advancing the work of the group". He also proposed to establish a single contact group covering all aspects of work of the AWG-KP.

Yemen, speaking for the G77 and China, said that it looks to the AWG-KP to fulfill its mandate, and adopt conclusions on the aggregate and individual emission reduction targets for Annex I Parties for the second commitment period of the Kyoto Protocol. It said that Annex I Parties must fulfill their legal obligations, and show the necessary will and leadership. The second commitment period must have truly ambitious quantified emission reduction commitments for developed countries.

It stressed the importance of the continuity of Kyoto Protocol and the need to avoid a gap between the commitment periods, as any gap would have serious implications for markets, the climate system and Mother Earth. Yemen said that new quantified reductions are a cornerstone of the Cancun outcome, which the Group insists upon and will not compromise on. Failure to adopt a second commitment period would send a negative signal from Annex I Parties, and the AWG-KP must deliver results for adoption by the CMP at this session, it said.

Democratic Republic of Congo, speaking for the Africa Group, said that agreement on the second commitment period of the Kyoto Protocol is absolutely essential to facilitating agreement in the AWG-LCA for non Kyoto Parties which are

comparable in terms of ambition, accounting and compliance rules. (The US is the only Annex I Party of the Convention that is not a Party to the KP).

It said that the Group's expectations for Cancun are the adoption of the amendment to the Kyoto Protocol for the second commitment period, and the strengthening of emission reduction commitments in accordance with science. It stressed the importance of the two-track approach, and that reaching agreement on the second commitment period is essential to agreement in the AWG-LCA.

Grenada, speaking for the Alliance of Small Island States (AOSIS), said that we must agree on ambitious, transparent and comparable emission reductions for Annex I Parties through amending Annex B of the Kyoto Protocol. It supported the two-track approach, and a legally binding ratifiable instrument under the AWG-LCA. It said that there should be no gap between the commitment periods, and that the outcome of the AWG-KP should be adopted here in Cancun to leave time for ratification of the amendment.

It said that any further delay would cast doubts on the sincerity of Annex I Parties, who have the moral responsibility to reduce their emissions. Cancun must adopt the amendment for the second commitment period from 2013-2017 with a single legally binding base year of 1990.

It stressed closing loopholes in LULUCF (Land-use, Land-use Change and Forestry) accounting, addressing surplus AAUs (Assigned Amount Units), including new gases and improving the mechanisms. It referred to the recently released report by the UN Environment Programme that showed that emission reduction pledges so far fall far short for a 2 degree C pathway, much less a 1.5 C degree pathway, but that it is feasible to bridge this gap through more ambitious domestic actions, and closing the loopholes related to LULUCF and surplus AAUs.

Lesotho, speaking for the least developed countries (LDCs), said that the entry into force of the Kyoto Protocol amendment for the second commitment period should be given the utmost attention so that there is no gap between the commitment periods. It said that Cancun should be the stepping-stone towards the legally binding agreement in 2011, and that Annex I Parties must

meet their commitments under the Kyoto Protocol. It referred to a 2010 UNCTAD (UN Conference on Trade and Development) report on LDCs that said that for every degree of temperature increase, annual average growth in poor countries will drop by 2-3%. It stressed on improved access to clean development mechanism projects for LDCs.

Bolivia, speaking for the Bolivarian Alliance for the Peoples of our America (ALBA), said that the cornerstone of Cancun is the adoption of the second commitment period with ambitious and domestic reductions for Annex I countries. It said that laws must be complied with, not negotiated. Article 3.9 of the Kyoto Protocol requires an amendment to Annex B for the second commitment period, and there is no doubt about the legal mandate. It said that it is unacceptable that Annex I countries continue to try to shirk their obligations, and have increased their emissions by 12.8 % while seeking to impose new conditions and greater flexibility for themselves. There should be an aggregate target for domestic emission reductions.

It expressed concern with the Chair's scenario note which proposes dealing with all matters as if they have the same legal standing. The work on Annex I emission reductions in the second commitment period cannot be diluted with the other technical issues. As such, it said that it could not agree to work within a single contact group.

Papua New Guinea said that as we approach 2012, there is increasing uncertainty around a possible gap between the two commitment periods, which is leading to a decrease in participation in the Kyoto Protocol's mechanisms. It said that it would present a proposal that would be a political resolution that would give continuity to the Kyoto Protocol's flexible mechanisms, and encourage the private sector.

Belgium, speaking for the European Union (EU), said that it was committed to making progress in both negotiating tracks as a constructive step toward a global, binding and comprehensive framework. Its position is that developed countries' aggregate emission reductions should be 30% below 1990 levels by 2020, in an international agreement where other developed countries make comparable emission reductions, and advanced developing countries contribute adequately according to their

responsibilities and respective capabilities. The Cancun outcome in the AWG-KP should clarify proposed emission reduction objectives, and inscribe them in the AWG-KP process.

It said that the EU's heads of state and governments prefer a single legally binding instrument, but are willing to consider a second commitment period of the Kyoto Protocol as part of a global outcome including all major economies. It stressed the importance of LULUCF accounting rules, the continued use of the flexible mechanisms and their improvement, new market mechanisms, addressing surplus AAUs, new gases and confirming the Kyoto Protocol's institutions.

Belgium said that it looked forward to the Chair's proposal for one decision that addresses all the issues under the AWG-KP in a balanced manner. The package in Cancun should preserve the institutional architecture of the Kyoto Protocol, stepping up ambition for Annex I Parties. Annex I emission reductions in the Kyoto Protocol alone are not enough, and there should be progress towards a legally binding outcome and balance in both negotiating tracks (the other being the AWG-LCA) with broad participation, it said.

Australia, speaking for the Umbrella Group (which also includes the US, Japan and Canada among others) said that it was committed to a balanced, fair and effective and comprehensive global deal, and that discussions under the Kyoto Protocol take place in this context. Progress made on these discussions including the markets, and also mitigation by all major emitters is necessary. It said that we need to ensure that discussions under the AWG-KP take into account the AWG-LCA, as they are directly relevant. All Umbrella Group countries intend to take on emission reduction commitments under a "comprehensive climate change framework beyond the expiry of the first commitment period". These pledges are reflected under the Copenhagen Accord, which are the most substantial emission reductions ever put forward, it said.

Liechtenstein, speaking for the Environmental Integrity Group (which also includes Switzerland and Korea among others) said that there should be clarification and agreement on transformation of pledges into QELROs (quantified emission limitation and reduction objectives), LULUCF accounting rules,

agreement on the flexible mechanisms, the basket of gases and the length of the second commitment period, as part of the balanced outcome in Cancun. It also stressed addressing the carry over of surplus AAUs. It supported the Chair's scenario note, and a comprehensive and balanced package of decisions in Cancun, "containing elements of a future comprehensive climate regime having in mind the importance of the contribution of the second commitment period under the Kyoto Protocol". It stressed the need for interrelation between the AWG-KP and the AWG-LCA.

Norway said that it is prepared to move into the second commitment period of the Kyoto Protocol as part of a balanced outcome, that includes major emitters. It said that there should be balance between the two negotiating tracks, and that there should be outcomes from both tracks. It supported a single contact group, and finalising rules for LULUCF and other issues. It said that it would reduce its emissions by 40% by 2020 on 1990 levels as part of global and comprehensive agreement.

Saudi Arabia stressed the legal mandate of the AWG-KP in Article 3.9, and said that the second commitment period must be adopted in Cancun to avoid a gap between the two commitment periods. It also stressed the importance of potential consequences, including spillover effects of response measures, and urged for a decision on this with an effective programme of work.

Mexico restated its explicit support for the Kyoto Protocol, and supported the Chair's proposed text. It said it is important to send a clear signal that the Kyoto Protocol regime and its mechanisms will continue. There should be agreement on the numbers and rules, and this should be approached in a comprehensive manner, as they go hand in hand.

Tuvalu stressed the need to eliminate the LULUCF accounting loophole, and said that it would present a proposal that would allow issues that lacked maturity to be passed on to the second commitment period. It said that we cannot afford to have a process decision that leads us down endless discussions, creating more loopholes.

The Chair of the AWG-KP informed the Group that he had prepared a proposal based on his previous proposal to facilitate preparations for negotiations (document 17), that covers all aspects of work in order to reach a balanced outcome. He said that the work of the AWG-KP should be focused on the scale of emission reductions, and that the Mexican Presidency will assist in achieving outcomes in both negotiating tracks by undertaking consultations on emission reduction numbers. The AWG-KP will also meet to discuss LULUCF, emissions trading and the project based mechanisms, methodological issues and response measure, he said.

The Chair proposed that the AWG-KP meet in a single contact group, and said that he will present his proposal at its first meeting. His intention is to ensure that the text will serve as the basis for discussions at this session.

Bolivia, Saudi Arabia and Cuba objected to a single contact group. Bolivia said that this would not respect the mandate of the AWG-KP, and would reduce the legally binding obligation for the second commitment period for Annex I Parties' emission reductions. It suggested working in the same way as in previous session, in two contact groups.

This issue was resolved after consultations between these countries and the Chair, with agreement on having a single contact group.

The contact group then began its meeting immediately after the closing of the working group's meeting. The Chair's proposal was distributed. According to the Chair, the document is identical to document 17, with the exception of Chapter I on the amendment to the Kyoto Protocol for the second commitment period where a list of outstanding crunch issues have been proposed for focused discussions, and Chapter II on LULUCF where proposals which are virtually identical have been streamlined.

The Chair proposed that work would be done on each chapter in informal consultations, and there would be a stocktaking meeting on Friday. He said that the exact date of the closing meeting has not been defined, and that work should reach conclusions and present draft decisions for a balanced outcome to the CMP.