

Emission cuts : To be or not to be?

Copenhagen, 10 December (Hira Jhamtani) -- The discussion on emission reduction commitments by developed countries under the Kyoto Protocol almost went into a crisis on Wednesday when two developed countries said the announcement of pledges made by their government was not done in the context of their obligation under the Protocol.

This has angered many developing countries with Gambia (for the Africa group) challenging whether the developed countries will really deliver the numbers for the next commitment period (after 2012), and Brazil saying it is impossible to work in this way.

The debate occurred in one of the Contact Groups under the Ad Hoc Working Group on further commitments from Annex I Parties under the Kyoto Protocol (AWG-KP) known as the numbers group. The group's task is to conclude the work on quantified emission reduction targets for the second and subsequent commitment periods by developed countries (known as Annex I Parties in the UN Framework Convention on Climate Change); the first commitment period is from 2008 to 2012, where Annex I Parties were to reduce green house gas (GHG) emission by 5.2% below 1990 level.

The decision on second and subsequent commitment periods must be made in 2009 in order not to have a gap when the first commitment period expires in 2012. This is thus the last chance to do so, and there has been no agreement as yet on the numbers.

Developed countries have made announcements on the pledges of how much reduction they are willing to undertake by 2020. These announcements have been compiled by the secretariat of the UN Framework Convention on Climate Change (UNFCCC) in several informal notes since August 2009, the latest being 8 December, 2009. Based on calculations by the secretariat, it is expected that the emission reductions in aggregate for Annex I Parties (minus the US who is not a party to the KP) is expected to be between 16 and 23 percent below 1990 levels in 2020 without the use of LULUCF (land use, land use change and forestry) but including emissions from deforestation. If LULUCF is included, the figure would be between 16 and 22 percent.

The contact group on numbers was set to discuss the transparency around the numbers as pledged by developed

countries, including the use of LULUCF and the market mechanisms (called flexible mechanisms in the KP, such as carbon trading and the Clean Development Mechanism). Prior to that the co-chair Gertraud Wollansky from Austria reported on the results of smaller groups that discussed the issue of the length and number of commitment period and the base year. These were some of the issues that have to be resolved in addition the numbers for emission reduction.

Wollansky said the preference was for a single legally binding base year (1990 is the current one from which reductions are measured), but some Parties say it should be possible to pick different base years. A Party can then decide which base year would be most appropriate taking into account national situations. Many Parties want to use 1990 as base year but some Parties felt there should be freedom of choice if Parties want to join Annex B (taking on legally binding reduction commitments) at a later stage. There was an agreement to put a reference year in addition to the base year. There was a consensus that 1990 should be one of the reference years with other possible years such as 2000, 2005, 2006, 2007. The group will meet again to continue the discussion.

It was at this point that **Japan** said it was among the Parties that support flexibility for base year, to reflect national situations. It said Japan made the suggestion in the context of not just a simple amendment to the KP. It is an input for a comprehensive global framework on climate change, not merely an expansion of KP. And Japan's input should be interpreted in that manner.

The **Russian Federation** said it wanted to clarify its position also about possible Quantified emission limitation and reduction objectives (Qelros) for Parties. Russia has been advocating for a single universal outcome of overall negotiations. On the emission reduction figures (10-15% based on 1990 levels in the secretariat paper) such as 20-25% as announced by its president, it is an important political statement by the president. It was made provided we arrive at a universal, comprehensive, substantive agreement.

It said that on the KP, we have to find the solution for the KP and LCA tracks, in view that we are at the important stage of deliberations. We would not be ready to subscribe those figures in terms of the KP. The understanding was that the note by the secretariat is informal. We would not

want to submit the figures (to the secretariat) announced by president, as they are not intended for KP.

South Africa speaking on behalf of G77 and China

asked if Russia's input is related to a set of numbers to which they are committing but is not prepared to put them in Annex B of the KP; that Russia is submitting figures to the international climate change conference but not for Annex B for the second commitment period.

In response the **Russian Federation** said that we do not have a formal subscription under the KP. The secretariat note is an informal note. A formal commitment is possible only when we arrive at that stage of negotiations.

Japan added that it wanted to make very clear that when its government announced the emission reductions pledges, it hopes that the targets would be part of an international framework with broad participation from all developed countries and major developing economies. It was not made in the context of KP, and wanted to make this very clear.

Gambia speaking for the Africa group said that is very concerned about the repetition that the pledges are not part of the KP amendment. The figures (in the secretariat note) are meant for that and it cannot see why Parties are trying to back track. "We should discuss in good faith," Gambia said. Either you give us numbers or not; but do not give numbers and then say these are not for the KP.

Zambia said it is concerned with the withdrawing of pledges that have been discussed for some time. Now Parties are back tracking and informing us that the figures are not for the KP. But we sit in this room to discuss KP issues, with the black flags (Parties are indicated with two kinds of flags. Those who are Parties to the UNFCCC but not Parties to the KP are given white flags; those who are Parties to both the UNFCCC and KP are given black flags).

China said its position is very clear, it expects ambitious emission reduction under Annex B of the KP. It has also submitted a proposal to that effect. It hopes that partners would respect what has been discussed. Since the atmosphere is already poisoned, China needs to clear up the poison by putting forward a legal argument.

It said that legally the commitment of Annex I Parties is under the KP, not dependent on any other Parties. Under the KP, they are to lead in emission reduction, and also in providing financial and technological support. These commitments should be done under no conditions. Now they are saying they want to put conditions. This is a legal commitment and that should be the basis of the discussion. Many non-Annex I Parties have announced their action plans, some of which are more ambitious than those by Annex I Parties. "So you are no longer qualified to make such excuses," China said.

It said that the proposals for conditionalities also have put prospects of the COP at a risk. Please do not do that. We need a success for the Copenhagen meeting (this was met with applause from observers).

Venezuela said this is a legal commitment made many years ago. Parties subscribed to this willingly, they are also free to leave willingly. If that is their intention, they should say so.

We are here to discuss the second commitment period under the KP. It is strange for us to discuss other issues. Please let us get down to business.

Brazil said we are diverting completely from the mandate of the group. It is concerned about what Japan and Russia said. They are two of the largest economies in the world and should take responsibilities. The EU has a large historical emission, and several of the largest economies are in Europe. They are responsible for the success of Copenhagen conference which is held in Europe. We hope they are not suggesting we forget the mandate of KP and principles of the Convention. We think it is impossible to work like this.

Bolivia reminded Parties that we are here based on the mandate of a decision of the first Meeting of the Parties to the Protocol (in 2004), that was taken by all Parties. We are wondering if those Parties who said they want to do a second commitment period, have they changed their mind, and are not willing to do so now? For Bolivia, amendment of Annex B is a very important stepping stone to have a good outcome at the AWG-KP.

Australia said one of the duties of the AWG-KP is have a good understanding and transparency around figures that countries have put forward as pledges. From the Australian perspective, we support the UNFCCC, every aspect of it. To refer to obligations, it said under Article 4.1, all Parties have the commitment to take mitigation actions. We bear that in mind when we make our pledge. Australia's 2020 pledges were made in the context of the KP.

It said there are some possible outcomes for post-2012. First, is a single new treaty taking in the KP and the Bali Action Plan under the UNFCCC. Second is a continuation of the KP plus a balancing new treaty under the Convention. Australia's pledge is for that. It is a concern that our partners say they do not want legally binding targets under the Convention.

Sweden speaking for the EU said the mandate of this group is to achieve the ultimate objective of the UNFCCC. For the EU it is important to achieve environmental effectiveness. We believe the form of agreement contributes to that environmental effectiveness. We say we need something binding. But that needs a larger group, rather than just the KP parties, as KP covers only 30% of global emission.

Other developed countries such as Canada, New Zealand and Norway were silent.

In response **China** said that this working group has been going on for almost 4 years. . We are still debating what is our mandate; this is strange to us. This is very, very ridiculous. The Berlin mandate is clear. The question is why is the process so slow, why we cannot achieve the objective of the mandate. It is because Annex I Parties are blocking the process; they are trying to renegotiate the UNFCCC, and trying to get away from their responsibilities.

South Africa speaking for G77 and China said, in response to Australia, that indeed Article 4.1 stipulates that all Parties shall implement, publish and update programs

concerning mitigation measures. But under the KP, what we talk about is the obligations of developed country Parties. Under Article 2 of the KP, developed countries specifically commit to further mitigation action. We plea to focus the work on the KP.

Algeria said that in the previous session in Barcelona, we have heard that the issue of numbers is a highly political issue for the EU and the developed world. We agreed since COP 11 to start the discussions on the means and ways on how they can achieve these purposes. Now we are hearing the same statement four years ago such as they do not understand, need more clarification, need interpretation. What they need more, we do not know. If they are just not willing to put forward numbers, it would be difficult to reach an agreement in Copenhagen. Algeria asked the co-chair to stick to the mandate and to work on the KP developed Party numbers for emission reduction.

The co-chair then continued the discussion on transparency around the figures of emission reduction pledges. She asked for information and updates to make the numbers more transparent.

Sweden speaking for the EU said that it would like to contribute to this. But first it wanted to reassure Parties that the EU does not want to run away from its commitments. It has done some analysis and it goes into direction of environmental integrity and effectiveness, where the scale of reduction is an important aspect.

It went on to show graphs and slides about the meaning of the pledges made by Annex I Parties

One part was about the assigned amount units (AAUs) that are carried over from the previous commitment period. (AAUs are the carbon dioxide equivalent emissions of GHG allowed for each Party). There is about 10 GT of AAUs that have not been used up from the previous commitment period. If a 30% emission reduction is to be set, it would be 8 GT without the AAUs. By the time the AAUs carried over are consumed, there is still a surplus of about 2-3 GT.

If the current LULUCF rules are used, it would be about 2-3 GT. Thus in a 30% emission reduction scenario, we see emission actually rising.

(Note: the EU had argued that emission reduction figures would depend on the LULUCF rules and the use of mechanisms; now it has added the AAUs factors. Apparently there are a lot of AAUs carried over from the Eastern European countries and Russia due to the economic downturn. This will bring in huge amounts of credits).

In response **China** said it is obvious that what is being proposed is not enough. The question is how we want to increase that. We hope not to hear more excuses, but to roll up our sleeve and work on how to increase emission reductions.

Brazil said the discussion on carrying over the AAUs from a previous commitment period is a different level from the pledge for emission reduction. The rules for AAUs are through a CMP decision. It is easier to separate the two discussions.

Micronesia for AOSIS said that the EU is saying that 30% reduction is not enough. If we look at the pledges they do not even reach 30% in aggregate. We also need to know what offsets would be used and the LULUCF rules. We also need to look at the surplus AAUs. We have found that the pledges on the table have included the AAUs. Our goal is to reduce emissions not to gain credits. Micronesia suggested that perhaps the secretariat can provide transparency around the AAUs.

The secretariat said that the first commitment period is 2008-2012. The data for the first commitment period would only be available next year (2010). After 5 years, we can have solid data on the surplus of AAUs. The secretariat said it does not mean it cannot provide preliminary data about AAUs that can be carried over, but it would be based on many assumptions that would make uncertainties about the estimates. The secretariat questioned whether information surrounded by uncertainties would be helpful or not.

The contact group on numbers will continue its work until the end of this week.