

# Non-Annex I Mitigation Action Workshop

## Discussion Paper

*Prepared by Wael Hmaidan – IndyACT / Arab Climate Alliance*

*whmaidan@indyact.org*

*May 3, 2009*

### **Compelling Argument**

NA1 mitigation action is one of the most controversial issue being actively discussed in the current climate negotiations, and in Bonn1, the most advancement happened in this area. Nevertheless, it was very obvious that Parties were more advanced on this than observers, especially NGOs. To be able to influence this discussion, NGOs need to have a detailed position on the issue (and any other issue). NGOs must not trail behind. We need to be ahead of Parties in order to be able to influence the process. We should not go to Bonn2 unprepared. Historically, NGOs' strength was being more advanced on issues than Parties, and being able to present new and detailed ideas to parties to adopt. The workshop should develop such ideas and identify possible ways forward for the NGO-community, and as far as possible take into account the different views of the broader NGO community.

NA1 mitigation action is strongly linked to several other key issues being discussed, such as CDM (and other flex mechs), REDD/LULUCF, finance and tech transfer, legal form, etc. The consideration of NA1 mitigation action should include consideration of these links, and ways in which consistent and coherent policies can be developed.

### **Overarching Framework Discussion**

In the NA1 mitigation action topic there are disagreements on a number of issues, but most of them are related to one central overarching divergence. By tackling this framework problem, and starting from a common understanding on how much (if any) obligations should NA1 countries take on.

There are two general schools of thought, and the answer could be between these two positions. The first position, says that so far A1 countries have failed to fulfill their commitments, and therefore NA1 mitigation action should not be even discussed until A1 countries fulfill these obligations. The second position, says that climate change is threatening the survival of all, and it requires global action, where everyone needs to do what they can. So it is time for NA1 countries differentiation.

There are, both, moral arguments and political arguments for both positions. For the first position, the moral argument is that A1 countries have failed to take the lead. The North owes the South, and so far this debt has not been paid, which has caused a loss of trust between the two groups. The North is trying to push their responsibility on to the South, because they do not want to be less competitive. Already, year after year, the South are becoming economically stronger (like China), and the North does not want to lose its economical lead by spending its resources on fighting climate change alone.

The moral argument for the second position is that the divide between A1 and NA1 is political. In reality, the World has all countries have common but differentiated responsibilities. Some countries are more responsible than others, but all at the end are responsible. Grouping all countries into two major groups is not fair and not equitable. To demonstrate this point, it is enough to examine the difference between Saudi Arabia and Tuvalu. Is it moral to have those two countries treated the same?

The political argument is related to what position should NGOs take in order to achieve the strongest agreement possible. For the first position, the political argument is that A1 countries are exerting a lot of pressure on NA1 countries to take as much obligations as possible, while themselves are not committing enough. This has led to a loss of trust in A1 countries, which can lead to a collapse in the negotiations. There is a need for A1 countries to commit first to adequate obligations for the negotiations to move forward. NGOs need to focus and push A1 countries on committing to stronger targets before lobbying for NA1 mitigation action. Our position should be, 'No NA1 obligation until A1 commit to adequate obligations.

The political argument for the second position is actually related to the first. A1 countries need to take stronger commitments, but they will only do so if NA1 countries also take on mitigation action. The two issues need to progress parallel to each others. Actually the commitments from both A1 and NA1 countries are interlinked. A1 countries will only provide financial and technological support to help NA1 countries in achieving their obligations. Therefore, it is even in the interest of NA1 to follow a low-carbon development path. In any case, global action on climate change will help avoid climate impacts more, which is also in the best interest of NA1 countries that will be hit most.

### **Key Questions**

No matter which one of the two options is better, there is still a need to understand the NA1 mitigation action proposals present in the negotiations. Countries are discussing it, and civil society needs to have a full discussion of the different options.

Therefore, after discussing the previous two options, the working group needs tackle the following main four points:

- 1- Should NA1 mitigation be quantified, and if so how much?
- 2- What type of actions can NA1 countries take, and should they be MRVed?
- 3- Should the development of NAMAs be voluntary or obligatory?
- 4- How can we insure the adequacy of NAMA plans, based on responsibility and capability?  
Or should we not even tackle this issue in the second commitment period?

It is important to answer these questions even if we agree not to pressure NA1 countries. Currently country delegates are having their discussion on NA1 mitigation action, and the above four points are key in the negotiations. Therefore, it is important for NGO community to establish a position on these key points for future consideration.

#### Quantification of NA1 Mitigation

This is a very tricky question, because by quantifying any number for NA1 countries, means we are quantifying a specific number for A1 countries. Let us start from the global long-term goal. In a 350ppm CO<sub>2</sub> equivalent pathway, there should be a reduction of at least 80% by 2050 compared to 1990 levels. So if we say that NA1 will be responsible for 50% global reduction, then NA1 will be responsible for at least 30% of the global reduction. A1 countries need to be responsible for the majority of the reductions. They need, first, to conduct as much reduction domestically as possible (and practically reach as close to zero emissions as possible); and then they need to assist developing countries in reducing their emissions by providing financial and technological support. Others even argue that A1 countries should take emission reductions in NA1 countries as part of their domestic obligations. Therefore A1 countries can take obligations of reducing 130% of their domestic emissions, ie going to zero and off-setting the rest in some NA1 countries. The only number proposed for NA1 action is by the EU, which said that NA1 countries need to deviate from BAU by 15 to 30%, based on IPCC recommendations in order to limit global temperature increase below 2C. Nevertheless, new science suggests that A1 countries should take mitigation obligation beyond the range specified by the IPCC (25 to 40% reduction compared to 1990 levels). Therefore, the reduction by 2020 for A1 countries would be 45% (as LDCs and AOSIS proposed), or even 50% (Philippines), and why not 60%. Nevertheless, the majority of NA1 countries are calling for a 40% target by A1 countries. By looking at the current number proposed by A1 countries, committing to more than 40% emission reduction compared to 2020 would be almost politically impossible. From a justice perspective, anything less than the 40% mentioned above would be unacceptable, and should be recognized as a failure to lead. Knowing that we are still far from getting A1 countries to accept such a problem, some argue that we should not even propose a number for NA1. All lobbying effort should be put on making sure that A1 countries commit to more than 40%

reduction by 2020 and to provide the necessary financial and technological support to NA1 countries to achieve substantial deviation from business as usual. Finally, it is important to note that there is no ceiling for a preferred mitigation effort, and the more the world reduces emission, the more money and lives are saved.

### Type of Action

Actions in NA1 countries as part of their obligations could only be in two categories:

1. Unilateral action done without any support
2. Assisted actions done with financial and technological support

Some people include market mechanism as part of the NA1 mitigation action, but market mechanisms are actually part of off-setting of the A1 obligations. The two questions that remain to be answered are:

- Should unilateral actions be monitored, reported or verified?
- What is the amount and of support (financial and technological) that A1 countries should provide?

Most developing countries are against international verification of unilateral actions, as they consider it is against their sovereignty. Capacity building support can help address any lack of ability to provide relevant information. There would be advantages to having all actions (unilateral or supported) verified in terms of transparency, avoiding double counting of actions etc. Few developing countries state that unilateral actions should not even be reported, while the majority state that it can be nationally monitored and verified, then reported internationally. Nevertheless, including unilateral actions part of the NAMA plans can help lock the easy 'no regret' actions out of MRVed support and off-setting, which is very desirable.

Concerning the amount of support, 'Full incremental cost' is what is stated in the BAP and the UNFCCC for the financial support A1 need to provide. NGOs should not challenge previously agreed principles without a very powerful and convincing reason. Particularly the one that is as central to the negotiations and as politically loaded as this one. The challenge is in insuring the adequacy of technological support. So far no specific measure of adequacy has been proposed, but only mechanisms for conducting this support.

### NAMA Development

If NA1 countries would like to receive financial and technological support, then they need to submit their NAMA plans. Therefore, some may argue that even if NAMA plans development is voluntary, it is in the best interest of NA1 countries to produce them in order to receive support. Nevertheless, many countries do not realize the opportunity that NAMAs provide, as was proven with the CDM, where the distribution of projects was not even. By making NAMAs mandatory could make NA1 countries realize the potential support that they can receive. Therefore, some may argue that this might be in the best interest of the NA1 countries. If that

was the case, then NA1 countries will need finance, capacity building and support to develop their NAMA plans. This can be done through the idea of registry/register, which helps NA1 countries produce NAMA plans in a way that insures it fits international criteria and the make it eligible for finance and tech support.

#### Differentiation of Action

To be fully equitable there are some NA1 countries that need to do more than others. For example, countries like Saudi Arabia should not have same obligations as Tuvalu. However differentiation beyond the A1/NA1 split is hugely politically loaded. There will however be an intrinsic differentiation of action as different countries will want to receive as much financial and technological support as possible. Therefore, they will try to build their NAMA plans as ambitious as possible according to their different potentials and capabilities in order to receive the most support possible. The only weakness of this argument is that it does not account to responsibility. Alternatively, the NAMA process, such as a registry/register, can help insure adequacy of NAMA plans based on a specific differentiation formula that takes into consideration historic responsibility, capability and potential. The other question is on what bases should this differentiation happen (capability, responsibility, GDR, etc.).