

Non-Annex I Mitigation Action Workshop

Supporting Information

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Background Info and State of Play

The question of what NA1 countries should do is an equity question. Nevertheless, science tells us that even if A1 countries reduce their emissions to zero, reduction will need to also happen in NA1. The question is who should pay and how much for the reduction that will happen in NA1. Luckily this question has already been answered by countries. In the BAP, it has been agreed that developed countries will pay the 'full incremental cost'. So what actually remains is concerning the process to transfer the support (shape, structure, voluntary/binding, etc.). Already countries have started submitting the views on the process, and the most important ideas have been summarized below:

Czech Republic (EU)

Developing countries submit LCDS that include NAMAs to a register. Developing countries should identify unilateral actions, actions that require support (incremental cost, tech or finance), and market supported. The register should have a coordination mechanism to insure adequacy and conduct matching between finances and LCDS funding. Total deviation should be between 15 to 30% from BAU. LDCs should get support to develop their LCDS.

Brazil

Actions should be voluntary and supported. Both actions and support should be MRVed. Unilateral actions should be recognized, but fall outside 1b(ii). Support a registry as a framework. No hypothetical baseline. Support outside registry should happen for capacity building, and institutional strengthening.

Canada

Having a register, to which countries submit plans.

China

Voluntary action that is self-driven. MRV conducted nationally under guidance of UNFCCC.

Philippine

50% reduction by A1 countries by 2020 compared to 1990 levels. NAMAs are voluntary and supported by tech and finance.

Algeria

If adequate support is provided then developing countries can deviate from BAU. If no adequate support then A1 need to commit to take all the burden to achieve the global goal, without developing countries.

Argentina

Voluntary NAMAs that should be registered, and only supported actions should be MRVed.

Australia

All parties should develop schedule for peaking and reduction. NA1 could also register actions that are not part of the schedule, such as sectoral actions. MRV does not have to happen internationally, but could be done through the schedule that could be legally binding. Review schedule periodically.

LDCs

NAMAs shall be measurable, reportable and verifiable to ensure maximum environmental benefits for investment. NAMAs must be differentiated among developing countries according to reductions per unit of investment costs. Developing countries should establish reference point (business as usual). A mechanism should be established for measurement, reporting and verification of greenhouse gas emission reductions. Voluntary actions taken by developing countries and not enabled may be reported through national communication. Implementation of NAMAs of developing countries is contingent on provision of adequate financing and access to relevant technologies required to execute the activities.

Norway

NAMAs should be in the form of a national low emission development strategy. Develop plans for national appropriate mitigation actions for all sectors. Capacity building support should be provided to enable developing countries to prepare such plans. Eligibility for support depends on submission of NAMA Plans. Actions to be supported should identified in NAMAs. NAMA Plans should be economy-wide plans is to ensure a transparent process where developing countries aim at a holistic approach in implementing measures independent of support. Plans could be submitted through a registry. Plans can be steadily improved. Well-designed policies and good institutional frameworks are key. The establishment of mechanisms for matching support and actions has to be based on ensuring environmental integrity of NAMAs.

New Zealand

The current Annex I list is not an accurate and parties should either join Annex I or take on commitments comparable to those of Annex I Parties. NA1 countries should have national schedules to express the commitments. The NAMAs of developing countries must be MRViable. Support should estimate all incremental costs. Need annual greenhouse gas inventories, but not for LDCs and other similar parties. Require BAU baseline projections.

Qatar

NAMAs need to be in line with special national circumstances and sustainable development needs. NA1 actions are to be voluntary, country driven and contingent on the effective implementation by developed country Parties of their commitments.

Korea

Establish a Registry for NAMAs as a platform for matching actions, if needed, with the support. Implement unilateral actions on a voluntary basis, which can be measured, reported and verified. Carbon credits can be issued to implement NAMAs.

Nicaragua on behalf of Guatemala, Dominican Republic, Honduras and Panama

NA1 countries can voluntarily implement NAMAs in the context of sustainable development.

South Africa

A framework that provides for MRV mitigation actions conditional on the provision of MRV means of implementation; and ensures meeting a specified target. A register for NAMAs. A national coordinating body to address implementation, strengthening the institutional capacity. NAMAs registration voluntary. Level of support to reach \$200 billion annually by 2020. A register that NA1 submit their plans to and identify support required, as well as emissions to be avoided relative to a baseline. NAMAs may comprise individual actions, sets of actions or programs. NAMAs can include a variety of forms of action, including SD PAMS, REDD, CDM, sectoral crediting baselines and others. The Financial and Technology Mechanisms shall be responsible for matching support to actions. Both the action and the support should be MRVed. NA1 can voluntarily register unilateral actions for recognition purposes only. Supported NAMAs should be verified with the support. Unilateral NAMAs maybe be verified.

Guana

NAMAs should be formulated at a national level and on a voluntary basis, and may include low-carbon development plans and national sector-based mitigation actions and standards. REDD not in NAMA's, but as a standalone mechanism.

African Group

MRV is applied to mitigation actions by developing countries, which are relative reductions, or 'substantial deviations from baseline'. NA1 actions voluntarily registered, including sustainable development policies and measures, programmatic CDM and others. NAMAs reportable through national communications (if done with own resources) or in a separate registry for those with MRViable support. For actions with own resources, verification is by national entities working with international guidelines. For supported actions, verification is through the UNFCCC. NA1 action is conditional on MRViable support. Financial support should be set at \$ 200 billion by 2020.

Singapore

Recognize early action. NAMAs by developing countries are voluntary actions. NAMAs include sustainable development policies and measures. Two broad categories: Unilateral non-

supported actions; and supported voluntary action. Registry should also include a listing of projects under the CDM, subject to international verification. Unilateral NAMAs verified nationally according to internationally agreed standards, and open to international auditing. Supported NAMAs should be subject to international verification for action and support.

Costa Rica and Panama

NAMAs by NA1 that result in a substantial deviation from baseline by 2020, in a MRVable manner if enabled and supported.

Bangladesh

NAMA may be a broad statement of policies and measures including national strategy on climate change to improve carbon and energy intensity of any sector or the national economy as a whole. NAMAs reported to a Registry under UNFCCC. Emission reduction shall not be binding on a developing country Party unless necessary MRVable support provided. LDC must be exempted from any future mitigation actions.

Uruguay

NAMAs could be part of national mitigation strategies and sus dev, but dependent on support.

As can be seen by the above input from parties, the NA1 mitigation process is starting to take shape. It appears that there is agreement that each NA1 country needs to develop NAMA plans (LCDS). These plans should be submitted to a new mechanism (register/registry), which should insure adequacy of implementation of supported NAMAs. Action is dependent on financial and technological support provided by developing countries. Issues that there is still no agreement on include if NAMAs are voluntary or binding; what kind of actions should be in NAMA plans; which actions are MRVable and which are not; should there be a quantified target for NA1 countries; and should we insure differentiation of action, and if so how.

Guiding Principles

To be able to engage in a constructive discussion in Copenhagen, we need to start from a set of principles. Below are a suggested set of principles that resulted from another discussion on NA1 countries, which involved more than 40 individuals from the North and South:

1. Urgency: The number one priority is fighting climate change. Our planet is in peril and we have no choice but to act. Climate change threatens the existence of millions of people, especially in the poorest, most vulnerable countries. Development will be largely undermined and/or threatened if climate change is not adequately addressed. Since the priority for developing countries is survival and poverty eradication, sustainable development will need to factor in climate change impacts, and requires strong global action on climate mitigation. Just to give an example: Tuvalu will see no development if climate change is not mitigated.

2. Equity: Although action is priority, there will be no agreement and no thus no action, if it is not based on fairness and equity. Equity has a political existence in the UNFCCC talks as expressed in the divide between A1 and NA1 countries. Equity also exists in the spectrum of vulnerability that different countries have to climate change. Equity principles can also be identified that would position all countries – and individuals within countries – on spectrums of capacity and historic responsibility for climate change. An example to this is the difference between the Maldives and Saudi Arabia.
3. Science: “we can’t change the science, so we have to change the politics”. Recent science says that to avoid catastrophic climate impacts we need to limit global temperature increase to as far below 2C as possible, and to stabilize GHG concentrations at 350ppme. This means global emissions must peak in the next commitment period (2013-2017), and be reduced by more than 80% by 2050. Depending on how much A1 countries will reduce domestically, NA1 countries will have to deviate from BAU in order to achieve the above mentioned global goals.
4. Leadership: Annex I countries must lead. It is clear that there is a clear lack of trust between the different parties, due to lack of action and achieving previous commitments by A1 countries. It is imperative that the most responsible and capable developed countries should lead, else there is a risk we reach a crisis situation. NA1 have shown greater leadership (in comparison to their commitment) during Poznan.
5. Precautionary principle: As we have used the upper and safest limits for A1 countries, we need to be consistent, and use the same approach for NA1. Therefore, the upper limits for deviation from BAU need to be adopted.
6. Early action by NA1 is in the interest of NA1 countries: Early action avoids lock in to carbon intensive growth, making future action much cheaper. NA1 countries that act first will have an advantage of benefiting from early funds and technological support from A1 countries. Early action also delivers co-benefits such as cleaner air and greater energy security. Many NA1 countries have taken several actions already, and many can and should be incentivized to do more.

Potential CAN Position for NA1 Mitigation Action

Highlighted text is taken from A1 position paper and previous submissions, therefore is not for review

Climate change is here, now, and is a matter of survival for humanity and ecology. Since the IPCC's Fourth Assessment Report, new science tells us that the impacts of climate change on the planet, people and nature are far more severe than anticipated.

Climatic change and its impacts such as sea level rise, unpredictable extreme weather events are particularly disruptive for developing countries, especially the most vulnerable – LDCs and SIDS.

Consequently, more ambitious reduction targets are required to limit warming to well below 2°C, which may warrant a return of GHG concentrations to 350 ppm CO₂e.

The new science also shows that with any delay in action the costs of mitigation and adaptation increase significantly. Again, it will be the countries most vulnerable to the adverse effects of climate change that will be affected most. Delaying by 5-10 years any significant actions undermines our ability to stay well below 2°C. The precautionary approach in this situation warrants a decisive, strong response.

A Copenhagen agreement must be guided by the following principles:

- consistency with a climate trajectory which gives us a high probability of keeping warming well below the dangerous level of 2°C. This requires global emissions reductions on the order of 80% below 1990 levels by 2050 in a 350ppm CO₂e scenario;
- responsibility and equity between developed and developing countries. The principle of equity applies most acutely in the present, with per capita emissions ranging from over 20 tons to less than 1 ton, but we recognize both historical and inter-generational responsibilities – to people and nature; and,
- environmental integrity.

Developed countries have a dual quantified obligation to reduce emissions at home and support developing countries in their efforts to substantially deviate from business as usual emissions growth:

- Developed countries must adopt an aggregate reduction target of more than 40% by 2020 below 1990 levels. National targets are to be derived from this aggregate target.
- Developed countries must commit to delivering finance and technology to developing countries covering the agreed costs of their measurable, reportable and verifiable (MRV) nationally appropriate mitigation actions (NAMAs). These developed country commitments must be quantified, measurable, reportable and verifiable.

- The combination of MRV-supported NAMAs and autonomous mitigation actions in developing countries should lead to a substantial deviation from business as usual emissions growth.
- A global peak in emissions shall be achieved within the next commitment period (2013-2017) followed by a sharp decline thereafter.

Developed countries should strive to meet most of their national emissions reduction targets at home, with a limited flexibility to meet them through international action. This may be done by either accepting, up front, a higher (quantified) financing obligation and/or by offsetting. However, this must be additional to existing MRV support obligations to developing countries.

Low-cost and no-regrets mitigation actions achieved autonomously by developing countries or actions supported through MRV must not be available for offsetting developed country obligations.

A robust compliance mechanism must ensure that developed countries meet their emissions reduction commitments and their finance and technology support obligations.

Early action by NA1 is essential but must be supported

NA1 total emissions are overtaking those of A1. To avoid catastrophic climate change and safeguard their own security and prosperity, developing countries cannot follow the same unsustainable development path as A1 countries. Nationally appropriate mitigation actions such as improvements in energy efficiency can provide opportunities for developing countries to accelerate the achievement of their sustainable development goals.

Strong domestic action is not only possible but can also have highly advantageous co-benefits, and the costs of early action are far lower than the costs of inaction. Strong, early action can help lock developing countries into a sustainable growth path and reduce the risks of catastrophic climate change. Such actions include policies and measures to discourage carbon intensive growth and encourage investment in clean, efficient and safe technologies. The global transition to a low carbon economy will create vast new markets for environmentally sustainable goods and services and new industries generating millions of jobs. By putting in place the right policies at home developing countries can position themselves to benefit from this trend as part of wider national innovation and competitiveness strategies. Countries that delay action risk missing the opportunity for technological advancement.

Moving to a low carbon economy brings long-term benefits but involves short-term incremental costs. These costs must be fully financed by developed countries as stated in the Convention.

NA1 NAMAs development

CAN believes that developing countries, as a group, should put plans and actions in place to achieve a substantial deviation of their emissions below the business as usual growth trajectory by 2020. These actions must be driven by positive incentives, according to the principle of

equity and levels of responsibility and capability. These actions will outline NAMAs that are integrated and consistent with their wider sustainable development strategies. The aim is to set a clear long-term vision for national development in a low carbon world and to facilitate the policies and measures needed to implement this vision. This overarching vision, placing NAMAs in the context of sustainable development, could be referred to as a low carbon development strategy. NAMAs should include the top emitting sectors and be informed by technology needs assessments. They should focus not only on energy but also on land use issues including REDD.

NAMAs need to identify actions in the following two categories, linked to support from developed countries:

- “No regrets”, win-win options or those presenting a net benefit which can be implemented unilaterally. Annex I countries cannot use off-set credits generated from those actions;
- Enhanced action options, the incremental cost of which will need to be supported by finance, technology and capacity building from developed countries;

To ensure the environmental integrity of the Copenhagen agreement it is essential to avoid any double or triple counting between different types of actions. The substantial deviation below BAU by developing countries as a group must be additional to the Quantified Emissions Reduction Commitments of Annex I countries. Rules on CDM and other offset mechanisms used by Annex I countries to achieve their QERCs must avoid any double-counting of emissions reduction between developed and developing countries. This also applies to REDD.

Diversity of NA1

NA1 is highly diverse. It contains NA1 countries that are very poor, have scarcely contributed at all to current global warming and yet are most vulnerable to the impacts of climate change. Other countries have higher GDP than some of the current A1 countries, whose per capita emissions are equal to or way above those of certain A1 countries. Some NA1 countries have built their economy from decades of exporting fossil fuels and should share part of the historic responsibility of climate change with the A1 countries.

The Copenhagen agreement needs to reflect this diversity. There must be a mechanism that would insure adequate differentiation between the actions taken to reduce emissions by developing countries. level of mitigation action and support to further mitigation and adaptation internationally should be based on a country’s responsibility and capability. Concrete indicators used to quantitatively capture each country’s national situation could include:

- Responsibility: historical emissions
- Capability: GDP per capita/human development index

NAMAs should be integrated into low carbon development strategies

Developing countries should be supported to develop sustainable development strategies that follow a low-carbon development pathway. These strategies should encompass both unilateral NAMAs they are already undertaking and NAMAs that are dependent on enhanced support. These strategies may highlight key sectors with greatest mitigation potential. The transition to a low carbon pathway should begin immediately.

Developed countries must provide capacity building support for preparation of NAMAs

Some developing countries have already prepared NAMAs and have the capacity to update or prepare them. However they should be entitled to capacity building assistance in some areas. Developed countries should commit funding before Copenhagen for preparation of NAMAs. This will help ensure that the MRV support provided for implementation of NAMAs is made available to a wide range of countries.

UNFCCC Registry to formalise the link between enhanced action and support

A UNFCCC registry should be established to make sure that NA1 NAMAs are coherent with the countries responsibility, capability and potential. A binding “contract” has to be made outlining the quantified deviation to achieve between developed and developing countries through matching additional MRV action for MRV support. The support for additional MRV action has to be made binding along a set of measurable, reportable and verifiable (MRV) criteria subject to the treaty’s compliance mechanism. To give upfront certainty, in Copenhagen, A1 countries should commit to levels of mitigation finance by 2020, as well as quantitatively and qualitatively MRV’d technology and capacity building frameworks. Only with the provision of agreed adequate support will NA1 NAMAs become non-voluntary.

Robust MRV of NAMAs

The NAMAs of developing countries should be reviewed by a Low Carbon Mitigation Support Mechanism to be established under the UNFCCC, and under the authority of the Conference of Parties. The implementation of supported NAMAs should be MRV’d. Countries not implementing MRVd commitments that have been entered into the UNFCCC Registry for actions, or support should be referred to the facilitative branch of the compliance mechanism. The cost of monitoring MRV should be born by A1 countries in the next commitment periods.

Establishment of GHG emissions inventories

All developing countries should deliver nationwide and sectoral monitoring and reporting of greenhouse gas emissions. This requirement should be introduced by 2013. Inventories should be based on IPCC guidelines for emissions reporting and enabled by capacity building support

from developed countries to build the necessary inventories and structures. Developed countries should commit funds for preparation of inventories at Copenhagen as part of their wider capacity building support for preparation of NAMAs.

Review of progress to ensure environmental and social integrity

A strong review mechanism is essential to ensure that all countries provide what is necessary to achieve substantial deviation below BAU in NA1 countries by 2020. The review mechanism must ensure the overall adequacy of both MRV enhanced actions by developing countries and MRV support for those actions by developed countries. The Low Carbon Mitigation Support Mechanism referred to above should review this as part of its ongoing work. In addition there should be a comprehensive, science-based review no later than 2015, informed by IPCC AR5.