

Article 3.14 - Challenges in Reporting

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General

- Reporting on Article 3.14 seen to include components of the climate change policy and the development policy
- Reporting in the 4th NC of Finland: Article 3.14 addressed only indirectly, e.g. in chapters 2 (section on taxes and subsidies), 4 (Policies and Measures) and 7 (Financial resources and transfer of technology)

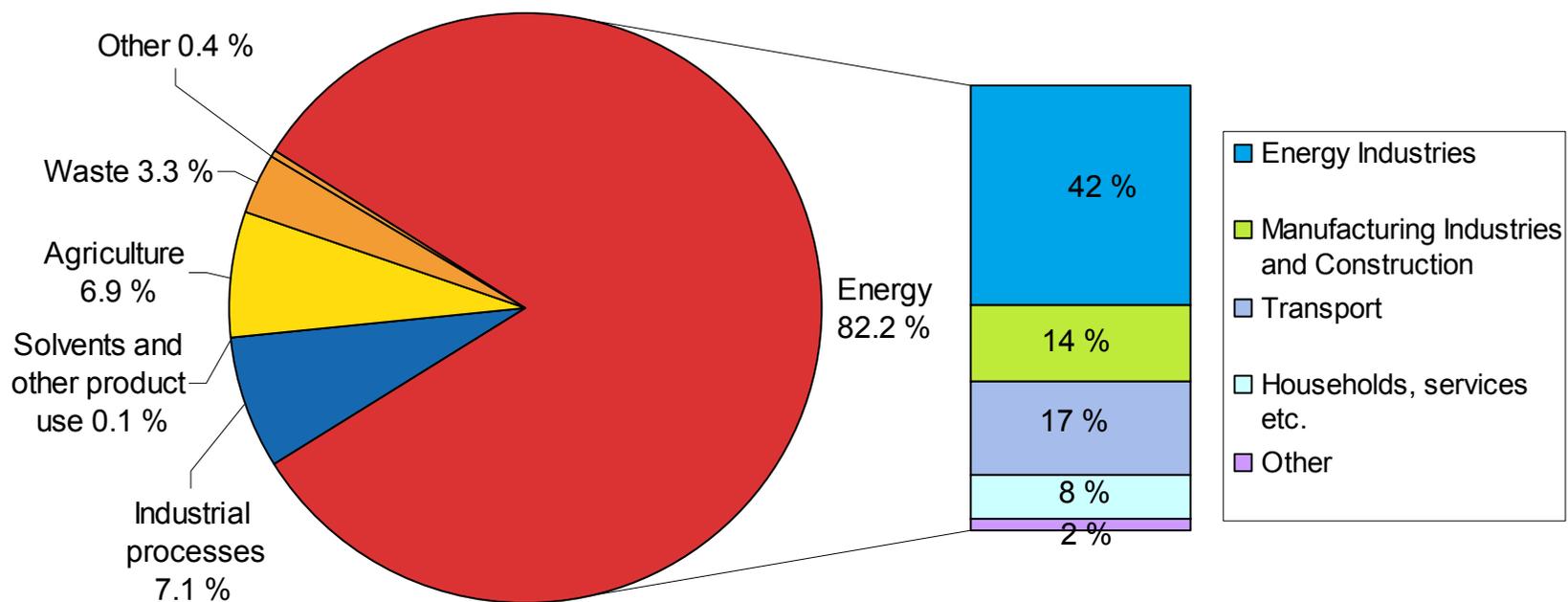


Finland's climate change and development policy

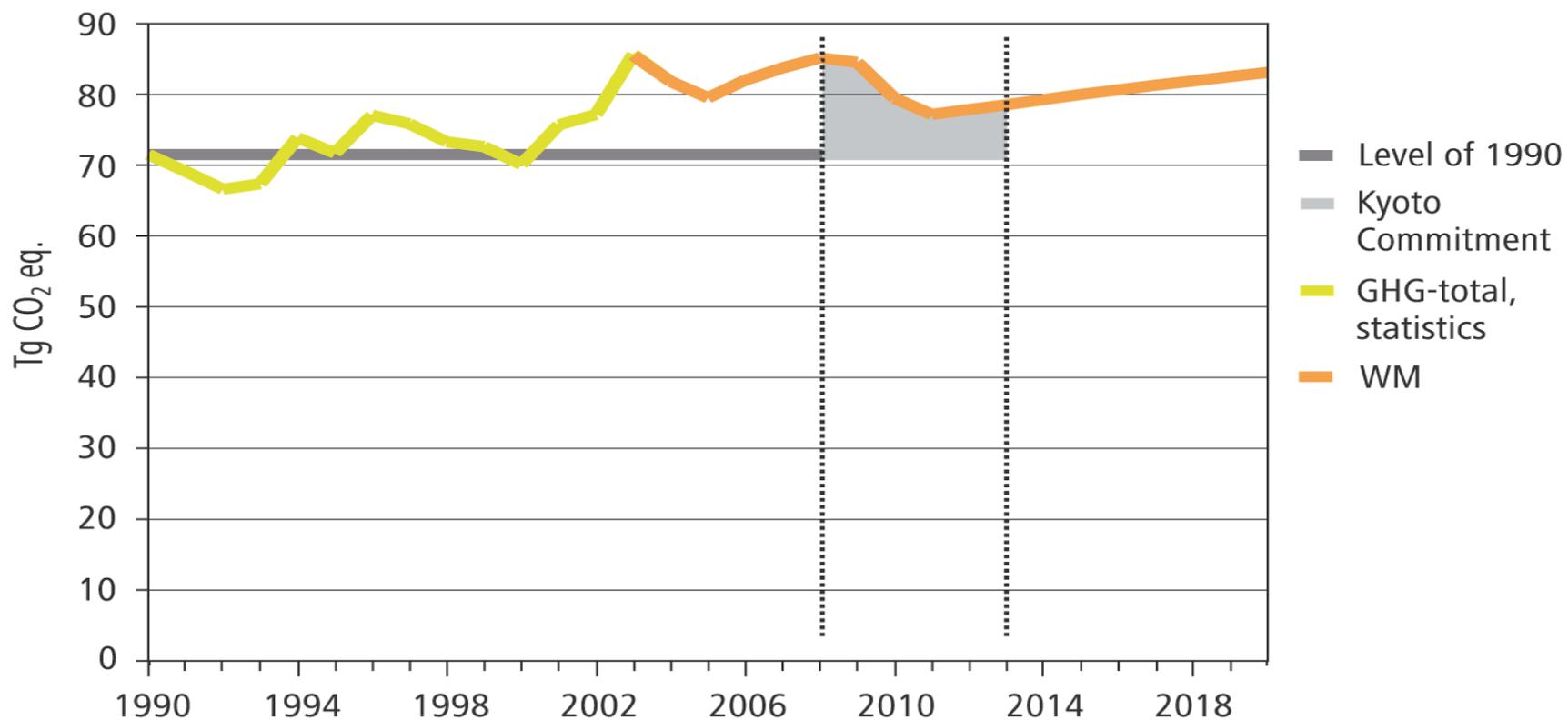
- Finland's National Energy and Climate strategy (2006) - Finland is committed to meeting the commitments under the Kyoto Protocol
 - emission reduction target to reduce the emissions back to 1990 level - domestic measures and use of the mechanisms



Emissions in 2004



WM-scenario - projected emissions



Finland's climate change and development policy

- Government Resolution on Development Policy (2004)
 - main target poverty reduction and emphasis on the least developing countries
 - long-term partner countries (Tanzania, Ethiopia, Mozambique, Kenya, Zambia, Nepal, Vietnam and Nicaragua)



Finland's climate change and development policy

- Mitigation of environmental threats also one of the main goals
 - Promoting the implementation of multilateral environmental agreements: UNFCCC, UNCCD, UNCBD, UNFF
 - Collaborative Programmes with UNDP and UNIDO and development banks
 - Projects and programmes to fulfil the goals (multilateral, bilateral, support to NGOs)
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Reporting on Article 3.14 - para 23 in 15/CMP.1

*Each party included in Annex I shall provide information **how it is striving**, under Article 3, paragraph 14, of the Kyoto Protocol, to implement its commitments mentioned in Article 3, paragraph 1, of the Kyoto Protocol, in such a way as to **minimize adverse social, environmental and economic impacts in developing country Parties**, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention*

■ **Countries listed in Article 4.8**

- (a) small island countries
- (b) countries with low-lying coastal areas
- (c) countries with arid and semi-arid areas, forested areas and areas liable to forest decay
- (d) countries with areas prone to natural disasters
- (e) countries with areas liable to drought and desertification
- (f) countries with areas of high urban atmospheric pollution
- (g) countries with areas with fragile ecosystems, including mountainous ecosystems
- (i) countries whose economies are highly dependent on income generated from the production, processing and export, and/or consumption of fossil fuels and associated energy-intensive products;
- (j) land-locked and transit countries

■ **Article 4.9**

- least developed countries

Reporting on Article 3.14 - general challenges

- Article 4.8 & 4.9 developing countries include developing countries most vulnerable to climate change
- the specific needs and concerns of these countries are linked funding issues and TT which are reported in the NCs
- impacts of mitigation are positive for all these countries — benefits from slowing down and combating climate change

Reporting on Article 3.14 - general challenges

- “minimisation of adverse impacts in developing countries”
impacts of PAMs often parallel => integrated reporting makes sense (but will not be relevant for all measures)
- national circumstances are very different - the impact of mitigation measures will be different in different developing countries, e.g. many developing countries, especially the least developing countries, are vulnerable to increasing fuel prices whereas countries depending on fuel export will benefit from the high prices => finding the balance
- reporting on Art. 3.14 under para 23 - the overall framework on “how we are striving...”, focus on identified and essential issues

Specific reporting challenges - para 24

- paras (a) and (b) progressive reduction of market imperfections, subsidies, tax and duty exemptions, etc.
 - The challenge assessing the role of the impact of mitigation measures vs. other policies, e.g. WTO agreements, security in energy supply, etc.
 - unsound or unsafe technologies - not subsidised in Finland
 - complement current descriptions in NCs (chp 2, National circumstances, chp 4 Policies and measures)

Specific reporting challenges - para 24

- *Paras (c) to (e) collaboration and technology development on less-emitting fossil fuel technologies or non-energy use of fossil fuels*
 - energy efficiency measures - key area in Finnish energy technology R&D in addition to R&D on renewable energy; in the objectives of the CDM programme Finland; many international collaboration R&D projects; etc.
 - CO₂ and storage - R&D projects and international collaboration; industry involvement
 - challenges: emerging technologies - not there yet; confidentiality issues
 - Support to developing countries: e.g., institutional collaboration with developing countries

Specific reporting challenges - para 24

Paras (c) to (e) continue:

- reporting could encompass examples that could enhance SD also in other countries
- concessional credits - support to district heating projects in China to improve energy efficiency and reduce air pollution
- reporting - linked to reporting on TT and support to least developed countries, addressed in the NC in chp 7 Financial Resources and Technology Transfer and reporting on R&D in chp Research and Systematic information to be complemented and focused

Specific reporting challenges - para 24

- para (f) Assisting developing country Parties which are highly dependent on the export and consumption of fossil fuels in diversifying their economies
- ongoing programmes (e.g. UNCTAD) on other foras outside the UNFCCC - important regardless of climate change
- Finnpartnership - support for feasible and commercially viable partnerships between companies in Finland and in developing countries to enhance economic growth, diversify economy and exports, reduce poverty in the latter
- NAI NCs and NAPAs - important for assessing needs
- long-term process - wider issue than climate change and should be considered in the context of SD
- reporting - to encompass the support and actions done

Preliminary conclusions on reporting on Article 3.14)

- Many of the elements can be extracted from the information given in current NC - but need to be complemented and focused on Art. 3.4
- mitigation policies are not the only policies affecting the actions listed in the Article 7 GLs
- requires expertise on a wide area of activities relating to climate change mitigation and development policy, incl. the policy making process
- GLs for Article 7 - gives the needed flexibility for reporting (national circumstances differ both in Annex I and NAI countries)
- sharing experiences with other countries useful