



SUBMISSION BY IRELAND AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN UNION AND ITS MEMBER STATES

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Subject: EU views for the Work programme on clarification of quantified economy-wide emissions reduction targets for developed country Parties

A. Introduction and General Messages

1. The EU welcomes the Doha outcome regarding mitigation and strongly feels that in the future discussions in the pledges work programmes for developed and developing countries that it will be **important to; continue to build trust, achieve greater clarity and determine where we stand globally in terms of mitigation outcomes – i.e. considering actions from both developed and developing countries.** This will help discussions on enhancing mitigation ambition under the Durban platform, promote comparability around developed country's pledges and understand the assumptions, barriers and needs when implementing NAMAs.
2. The process of clarification of pledges up to now under the former AWG LCA included workshops and submissions following COP16, COP17 and COP18. This has given valuable insights into a range of actions and targets from countries. However, not all Parties have participated or made contributions. Information provided by Parties and has not been as detailed as needed and, as a result, **there is not a complete overview of the mitigation pledges and a lot of uncertainties remain. A number of Parties** that have put forward mitigation pledges have not provided further information in any form, and not all elements where information is needed, have been covered. In the future biennial reporting and the International Consultation and Analysis (ICA) and International Assessment Report (IAR) processes will be key instruments to provide this information on a regular basis. However, regular reporting will only start in 2014, and ICA and IAR processes can be expected to start in 2015. Before that, there is an important gap in information which coincides with important processes such as the negotiations under the Durban platform.



3. The clarification exercise will provide a **“home” to further clarify current pledges as well as potential new pledges** from Parties that have not yet provided pledges. It will also allow Parties to update information in order to increase our understanding of where we collectively stand towards our common goal, the below 2°C objective. This technical input is particularly important to inform and facilitate enhancing mitigation ambition under ADP as decided in Durban. Also, the information exchange will be critical to share experiences and to promote implementation of national Low Emission Development Strategies in all countries (developed/developing).
4. It's important to recall that the coming years, between 2013 and 2020, will be a transitional period followed by the new 2015 agreement with mitigation commitments from all Parties. Given it's the first time we are following at the international level the co-existence and implementation of quantified emission reductions commitments from developed countries (with QELROs for those Annex I Parties joining a second commitment period under the Kyoto Protocol) as well as NAMAs from developing countries, we must **use this phase to learn as much as possible with regards to the challenges that a diverse set of pledges and rules may represent**. This includes quantification of mitigation outcomes, accounting approaches (baselines, use of mechanisms, coverage of sectors and gases, establishment of base years...) and comparability of efforts. Such technical clarification will be a very important learning ground for the post 2020 - helping to build understandings and options for more structured and ambitious commitments in the new 2015 agreement - where we will have to design a spectrum of commitments and a common accounting framework for all. This is needed in order to reflect different responsibilities and capabilities while being sufficiently ambitious to keep us on track for the below 2°C objective, which is still to be discussed in the ADP. In addition, this systematic and comprehensive technical exercise will also be helpful to feed discussions under the 2013-2015 Review.
5. Given this context, the EU expects that the discussions in both work programmes will **underline the need for a robust framework, with common accounting rules and metrics to ensure the ability to compare efforts and their integrity as well as to strengthen ambition**. The EU hopes to reach the collective understanding that estimating mitigation reductions necessary to achieve a goal, can enable a better acceptance of the challenge in order to design the most appropriate policies and measures to face it.



B. What we have achieved and how to move forward

6. The EU has supported a coherent and cross-cutting approach in the former AWG-LCA mitigation discussions, given the implications between the different aspects - for instance with regards to reporting, and the use of market mechanisms in achieving pledges and the delivery of mitigation outcomes whereby environmental integrity should be safeguarded.
7. In that respect, we welcome the Doha key outcome across these different issues which represent important steps towards a more robust and transparent system, such as the outcomes of the clarification processes and its continuation through these work programmes, the adoption of Common Tabular Formats (CTFs) for developed countries and the process for further elaboration of the modalities and procedures for the New Market Mechanisms and the Framework for Various Approaches. The adoption of the CTFs in Doha, for example, will ensure some transparency in reporting on the contribution of Land Use, Land Use Change and Forestry (LULUCF) and the use of international credits in complying with QERTs. We should use the outcomes of the clarification exercise and the first Biennial Reports to learn about the quality and usefulness of this information in order to keep enhancing the system through the upcoming revision of the biennial report guidelines in 2014. We should ensure that the implementation and further work of all these issues help us to build a more coherent, robust, transparent and comparable system
8. In addition the EU also recognises the **key importance of the continuation of the Kyoto Protocol accounting rules** through the adoption of a second commitment period and the methodological issues that have been resolved in Doha to enable this. We strongly encourage those developed countries that have not joined a second commitment period to apply them in the context of 2020 pledges. We expect those countries to clarify through this work programme their intentions to keep using these rules, and for those who plan to apply different approaches to explain these in detail, particularly regarding the use of international credits and LULUCF.
9. As we move forward in the negotiations and a new implementation phase begins, the EU is in favor of pursuing the same coherent approach in the SB's discussions. We believe that the 2020 clarification process does not confine itself to a sole agenda item in the SB's and that the work programmes should bring in and keep track of the challenges and achievement under other items such as the New Market Mechanism and the Framework for Various Approaches.



10. We will need to keep track of the discussions on New Market Mechanisms and the Framework for Various Approaches. We believe that those discussions may be of service to our technical debate given that issues such as criteria for setting baselines, avoiding double counting, registries and tracking of units have impacts on delivering real, permanent, additional and verified emissions reduction.
11. With regards to LULUCF, clarification of its contribution is required under this work programme. This is needed to inform our discussion on the post-2020 legally binding agreement. It will help in finding common views and in identifying differences, and should take into account the different accounting rules for determining the LULUCF contribution to compliance being applied in 2013-2020 period. This will contribute to the discussions on a common accounting framework for LULUCF that we expect will be operational in the future legally binding instrument. In this context, we could also ensure that there is a space to discuss LULUCF accounting¹ rules, building on progress made as well as lessons learned in KP accounting. This is a key accounting element that should be considered carefully in a post-Doha agenda setting of the international negotiations.
12. Discussions on a more comprehensive accounting framework for anthropogenic emissions and removals in the LULUCF sector have started in SBSTA under the CMP (with non KP parties participating as observers). These discussions will be very relevant and should inform the ADP process on the post 2020 agreement. Participation of all Parties and coordination among work programmes will be essential in order to have a coherent and comprehensive discussion about the accounting rules for the LULUCF sector in the future
13. Finally, in our view one of the most important outputs this technical exercise will be a vital complement to the work of the ADP with regards to raising ambition pre 2020, which should be the forum through which we address the collective ambition of pledges, and identify the challenges to enhancing ambition. In this regard we welcome the initiative by the ADP co-Chairs to invite the Chairs of the SBSTA and the SBI and other appropriate bodies under the Convention to brief the ADP on relevant work being undertaken by them and would welcome this on an ongoing basis, as the work of these work programmes will be very relevant for the work of the ADP and we need to ensure the complementarity of discussions.

1. *(See EU submission from 16th of July 2012 on issues related to a more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from LULUCF, including through a more inclusive activity-based approach or a land-based approach, as referred to in decision 2/CMP.7, paragraph 5.)*



C. Establishing a structure for the Work programme for developed country quantified economy wide emissions reduction targets

14. Paragraph 8 of Decision 1/CP.18 decides to establish a work programme under SBSTA to continue the process of clarifying the QERTs of developed country Parties, particularly in relation to the elements contained in Decision 2/CP.17, with a view to:
 - a. Identifying common elements for measuring the progress made towards the achievement of QERTs
 - b. Ensuring the comparability of efforts among developed country Parties, taking into account differences in their national circumstances.
15. The Work programme will run from 2013 to 2014 and should report to COP 19 on progress made and to COP 20 on the outcome of the work programme. It will include focused expert meetings, technical briefings and submissions from Parties. The outcomes of the process so far during 2011 and 2012 as reflected in Submissions from Parties, the reports on the relevant workshops and the technical Paper by the Secretariat represent a critical input.
16. We believe that the **two elements of discussion around this work programme are very much interlinked as the common elements for measuring the progress made towards the achievement of QERTs and an accounting regime that ensures that everyone is playing by the same rules is the best way to enhance comparability.** Common accounting rules should be the backbone of the new regime post 2020 under the ADP and we should benefit from the 2020 clarification of pledges process to begin to understand the building blocks of this future accounting regime, by exploring the methodological aspects of measuring progress towards the achievement of targets.
17. Regarding identifying common elements for measuring the progress made towards the achievement of QERTs, the EU believes that this is at the core of our work where a deep structured and technical work is needed and suggests the following approach:
 - a. Listing of **common elements** around the information provided by Parties and contained in the Secretariat's Technical paper that allows us, firstly to identify where information gaps and uncertainties remain and secondly to build a transparent system, in which information provided reflects achievement of a mitigation commitment in a clear and factual manner, based on clear documentation and disclosed assumptions.



- b. Promoting **focused technical discussions** (expert meetings/panels/back to back meetings- on the basis of specific questions prepared in advance by the Secretariat) around how different accounting rules impact measurement of progress, (i.e. to determine if a goal has been met or not, while ensuring the integrity of individual and collective goals) to inform the significance of different choices and which are the current elements where Parties are following different approaches. Discussions could evolve around approaches to defining and demonstrating progress towards targets, including harmonisation of coverage of sectors and gases, methodologies use of offsets, etc. The Secretariat could therefore prepare specific questions to guide these technical discussions around the elements where different accounting approaches remain in order to build a deeper understanding of the differences, impacts etc, inter alia,
- Use of offsets and how they should be defined in relation to the target etc. Should that be fixed or flexible for the target period? Ways to prevent double counting?
 - How to consider the contribution of LULUCF sector? Consider possible joint technical sessions with Markets/LULUCF experts?
 - Ex-ante clarity on the expected emissions outcomes? How to track progress in target period? Additional information needed?

Also, technical input from outside relevant institutions (UNEP, WRI, OECD...) could be beneficial in order to highlight main difficulties in assessing GHG reductions with the current pledge and review system.

- c. **A decision in Warsaw should include aspects of the work achieved during the course of 2013 on clustering key features of a common framework** (e.g. metrics, gases and sectors, banking, use of market mechanisms, estimated emission reduction,...) to recommend further action to the COP on lessons learnt including, **how it should be used for the review of biennial reports and during the IAR process**. Throughout the year and benefiting from the debate we would encourage update(s) of the technical paper by the Secretariat in order to assist the discussions under the ADP with regards to the level of uncertainty around expected quantification of mitigation outcomes by 2020.



- d. In order to fulfill the mandate of the Doha Decision and any further political input from Warsaw, by COP 20 Parties should recognise and reflect on the lessons learnt from this exercise of **identifying common elements** for measuring the progress made towards the achievement of QERTs to reiterate and **agree on the need for a common accounting framework in the new regime** that promotes comparability of efforts while, at the same time, advancing the understanding of the elements that could be the pillars of the this post 2020 **common accounting framework**.
18. Regarding the debate on **ensuring the comparability of efforts amongst developed country Parties**, taking into account differences in their national circumstances,. The EU considers that this debate is very much related to the discussion above, that there is no single way to assess comparability, that it needs to be seen in the global context and cannot be assessed to one narrow and reductionist formula, and that the best way to ensure and enhance comparability is to have an accounting regime that ensures that everyone is playing by the same rules.
19. Ex ante understanding of targets, the accounting rules and the corresponding expected emission reductions are key to facilitate a discussion on comparability of efforts and therefore to understand the aggregation of the emission reduction pledges that have been proposed by Parties. The purpose of this work programme is to help us assess how far our collective efforts are going toward closing the gap. The work programme should feed into the ADP discussions to help keep overall track of where we are in relation to the common below 2C degree objective, and the ADP will be the setting for encouraging new or increased pledges.
20. Comparability of efforts is also an important element of a fair agreement and should also be seen in a dynamic way. It is not a static concept and should also be considered in light of evolving realities, past efforts and circumstances, to guarantee that the current and future efforts are sufficient to achieve the below 2°C objective, in light of Parties capacities and responsibilities that have changed and will continue to change over time.



21. The choice of parameters such as starting level/year for reductions, coverage of gases and sectors, pathway for reductions and duration of commitment period affects environmental integrity and has implications on comparability of efforts – as the technical paper from the Secretariat has shown. We need to be very clear on what these assumptions are, and their implications for the level of ambition. For comparability of mitigation efforts in attaining the targets across Parties to be discussed in a more systematic way we need further clarity on the contribution of domestic mitigation action, international transactions of carbon credits from market-based mechanisms and the LULUCF sector for each Party, and associated efforts in the context of the overall mitigation efforts by Parties.