

EU presentation on sectoral approaches in Accra

- Discuss and agree common principles to guide exploration of sectoral approaches (slide 1)
- Develop common understanding on what sectoral approaches could be and what role different sectoral approaches could play under the UNFCCC and its Kyoto Protocol (slide 2)
- Discuss technology and policy cooperation as sectoral approaches and incentives (slide 3)
- Discuss approaches using the carbon market and incentives (slide 4)
- Conclusion: Accra has to lay foundation for further fruitful discussion of sectoral approaches (slide 5)

Common principles to guide discussion on sectoral approaches

- Respect the principle of “common but differentiated responsibilities and respective capabilities
- Should not replace economy-wide reduction targets for developed countries
- Compatible with the global carbon market and existing/emerging regional emissions trading schemes.
- Promote robust governance schemes for monitoring, reporting and verification to ensure environmental integrity and compliance

A framework for exploring sectoral approaches: what are they? what role?

Approaches could take different forms depending on:

- Scope: international/regional and/or national and/or sub-national
- Nature: voluntary and/or mandatory, binding and/or optional
- Which sectors are to be addressed

The EU considers two main types of sectoral approaches:

- Sectoral technology and policy cooperation
- Sectoral approaches using the carbon market

Sectoral technology and policy cooperation

Sectoral technology and policy cooperation:

- Domestic sectoral mitigation policies
- Technology oriented agreements
- Technology Cooperation

Advantages of sectoral cooperation:

- Support can be focused on capabilities of developing countries
- Involvement of business and private investments
- Increase technology deployment, diffusion and cooperative technology RD&D

Approaches using the carbon market

Approaches using the carbon market:

- national or international emissions trading on a sectoral basis,
- sectoral no-lose mechanisms and sectoral crediting mechanisms

Advantages of sectoral carbon market approaches:

- Providing carbon market incentives for developing countries
- Differentiated instruments and crediting according to countries varying capabilities

Conclusions

Accra has to lay foundation for further fruitful discussion of sectoral approaches –

- by agreeing common principles
- by identifying various approaches

Next steps:

- Take discussion further in Poznan, among others by making use of different processes under UNFCCC and Kyoto Protocol