

Ad Hoc Working Group on Long-term Cooperative Action
Agenda item 3.2.1
Discussion of matters relating to paragraphs 36-38 of the Cancun Decisions

Comments of the United States

Note: The U.S. proposed striking all section headings, which is preferred. If headings retained, we would like our proposed alterations on the headings to be reflected.

[General]

1. Parties had a constructive discussion on the matters relating to paragraphs 36-38 of the Cancun Agreements, including the quantified economy-wide emission reduction targets put forward by developed country Parties which are currently compiled in document FCCC/SB/2011/INF.1/Rev.1, and also the level of ambition of efforts by developed country Parties.
2. Many Parties recognize the existence of an “ambition gap” in global emissions, and reiterated the importance of the level of ambition of efforts. Views on the context of consideration of this issue differed among Parties. {Some Parties preferred to frame the consideration of this issue in a broader context and on the basis of the best available scientific knowledge as referred to in paragraph 4 of decision 1/CP.16, encompassing all Parties with a significant share of emissions, whereas} others preferred to contain this consideration for the developed country Parties alone. Some Parties noted that the overall level of ambition and accounting is central to any outcome in Durban. Some Parties noted that ambition and accounting had been addressed in specific ways in the Cancun decisions. A number of Parties noted that matters associated with ambition and accounting cannot be successfully addressed in two separate tracks, and that further consideration would be appropriate in a setting common to Annex 1 and non-Annex 1 Parties.
3. A few Some Parties noted that the discussion on the level of ambition is linked to the discussion on the review process which is being considered separately under the AWGLCA, and that one option for dealing with ambition is at the conclusion of the review.

[Enhanced Information on Quantified economy-wide emission reduction targets]

4. Many Parties welcomed the workshops organized by the secretariat to clarify the assumptions and the conditions related to the attainment of quantified economy-wide emission reduction targets of developed country Parties. Parties also welcomed the reports by the Co-Chairs of the workshops.
5. There were a number of proposals on how to take forward the quantified economy-wide emission reduction targets currently referred to in document UNFCCC/SB/2011/INF.1/Rev.1. The list below is not an attempt to identify areas of

convergence or divergence as there was no convergence of views by Parties on this matter, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (a) Understanding better the targets already put forward, ~~including nonconditional domestic targets by developed country Parties~~; this could be accomplished by establishing a process which could include a call for submission of information, including on underlying assumptions in Parties' accounting of emissions with respect to their targets, in a structured format/common template that could feed into updating the technical paper on developed country targets be included in an INF document, with periodic updates as appropriate. Such information could include, inter alia:
 - the reference value of the target or action (such as the base year, reference year, and/or business-as-usual and GDP trajectory);
 - the gases covered by the target or action;
 - the sectors covered by the target or action;
 - the global warming potential values used (if different from AR4); and relevant assumptions, including the role of land-use, land-use change and forestry, and market mechanisms;
- (b) [Understanding the aggregate effects of actions of both developed country Parties and developing country Parties;] *[NOTE: This is more appropriate under the section on "level of ambition"]*
- (c) Establishing a common template based approach for recording the pledges and assumptions as well as accounting elements;
- dbis Enhanced reporting of information on targets and actions through national communications and biennial update reports, as well as the process of international assessment and review (IAR); *(NOTE: parallel to 48-51)*
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- (d) [Transforming, for developed country Parties [that are Parties to the Kyoto Protocol,} the pledges into quantified economy wide emission reduction targets (QELROS) for the second commitment under the Kyoto Protocol; and establishing a strong comparability framework and compliance system for those mitigation commitments presented outside of the Kyoto Protocol;] *[NOTE: The Convention does not address KP issues].*
- (e) [Transforming pledges into assigned amount/carbon budget under the Convention for developed country Parties only][both developed and developing country Parties];
- (f) Setting "non conditional" domestic targets.

[Level of ambition/deviation from business as usual]

6. Views and proposals made by Parties on how to increase the level of ambition are listed below. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussion. Some Parties noted that, to the extent that specific elements of this list are addressed, they would need to be considered together with elements under paragraphs 48-51.

[NOTE: The US indicated in Panama that this list should either be eliminated or have an option for an identical list in documents covering paragraphs 36-38 and 49-51. We provide the option of a single, inclusive list in the second instance; please bracket all items if any items are bracketed.]

- (a) [Enhancing domestic efforts by developed country and developing country Parties;]
(a.bis) [Continuing workshops under paragraph 38 and 51 to better understand targets and actions of developing and developed country parties.]
- (b) [Removing conditionalities around the pledges targets and actions and moving to the upper more ambitious range of the pledges targets and actions;]
- (c) [Establishing a common accounting framework for developed and developing countries;]
- (d) [Establishing a compliance and international assessment and review (IAR) process;]
(dbis) [Considering issues pertaining to graduation of Parties into Annex I and Annex II]
- (e) [Developing a framework and criteria for the formulation of low emissions development strategy for developed and developing countries;]
- (f) [Further developing the global [carbon] market but ensuring the environmental integrity];
- (g) [Addressing the surplus AAUs in the context of the Kyoto Protocol and establishing stricter LULUCF rules;]
(h) [Removing fossil fuel subsidies and/or reporting thereof for developed and developing countries;]
(i) [Pursuing green growth, domestically and enhancing investment in green sectors by developed and developing country Parties;]
(j) [Setting renewable targets for developed and developing country Parties;]
(k) [Demonstrating that enhancing the level of ambition is economically feasible;]
(l) [Development and implementation of low carbon development strategies;]
(m) [Supporting implementation of NAMAs by developing countries;]
(n) [Addressing global emissions of hydrofluorocarbons, and emissions from international aviation and maritime transport[, and asking related international organizations to implement this];]
(o) [Updating the technical papers.]

From the co-facilitator's paper on paragraphs 49-51:

- (p) [Understand the current nationally appropriate mitigation action, their underlying assumptions, diversity and effects;]
- (q) ([Understand the support needed for implementation and enhanced action;]
- (r) [Agree on a format to capture the necessary information;]
- (s) [Develop global options to raise collective ambition through enhanced cooperation;]
- (t) [Development and implementation of low carbon development strategies;]
- (u) [Supporting implementation of nationally appropriate mitigation actions by developing countries;]
- (v) [Developing a common accounting framework that can maximize global mitigation efforts;]
- (w) [Holding technical workshops in 2012 to deepen the understanding of methodologies and assumptions underlying the NAMAs mitigation actions;]

[Accounting framework]

- 7. Many Parties highlighted the importance of a common accounting framework, the need to ensure comprehensive coverage of all sources and all sinks across all sectors addressing metrics, coverage and rules, and how such an accounting framework could relate to transparency and the understanding of targets.
- 8. Other Parties noted that the Convention reflects an approach with respect to matters relating to accounting, and emphasized that the accounting framework could depend on the national circumstances so long as there is a transparent and rigorous reporting framework. Many Parties noted the importance of any approach pertaining to accounting as covering both developed and developing country Parties. Overall there was no convergence of views on the common accounting rules and framework.

[Way forward]

- 9. A number of views and proposals were made by Parties on how to take forward the discussions on matters relating to paragraphs 36-38 in the lead up to Durban. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (a) Establishing a Continuing a process, in the form of organizing workshops and updating technical papers in a structured manner, to understand better the overall effects of mitigation commitments or actions by developed country Parties and national appropriate mitigation actions by developing country Parties;
- (abis) Elaborating a process for Parties to provide enhanced information on targets and actions contained in INF.1 documents.
- (b) Understanding the scale of the “ambition gap” and identifying options to address it; this could be achieved through process/workprogramme including preparing technical papers by the secretariat and organizing workshops involving both developed and developing countries;
- (c) Establishing a process to develop a common global accounting rules and framework in Durban;
- (d) Creating a common space to discussion the level of ambition covering both developed and developing country Parties;
- (e) Converting the summary by co-facilitators on paragraphs 36-38 of decision 1/CP.16 into Developing and considering decision text as soon as possible in the context of Party discussions in Durban.