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UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**AD HOC WORKING GROUP ON FURTHER COMMITMENTS  
FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL**

**Second session**

**Nairobi, 6–14 November 2006**

**Item 3 of the provisional agenda**

**Further commitments for Annex I Parties and the duration thereof**

## **Topics for the in-session workshop**

### **Submissions from Parties**

1. The Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG), at its first session, invited Parties to submit to the secretariat, by 1 September 2006, information on topics that they would wish to present at the in-session workshop to be held in Nairobi during the second session of the AWG (FCCC/KP/AWG/2006/2, para. 25).
2. The secretariat has received five such submissions. In addition, New Zealand informed the secretariat that it wishes to make a presentation at the workshop on the issue of mitigation potential in the agricultural sector.
3. In accordance with the procedure for miscellaneous documents, the submissions are reproduced\* in the language in which they were received and without formal editing.

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\* This submission is supported by Bulgaria, Romania, Croatia, The former Yugoslav Republic of Macedonia, Serbia, and Bosnia and Herzegovina.

PAPER NO. 1: FINLAND ON BEHALF OF THE EUROPEAN COMMUNITY AND ITS  
MEMBER STATES

**SUBMISSION BY FINLAND ON BEHALF OF THE EUROPEAN COMMUNITY AND ITS  
MEMBER STATES**

**This submission is supported by Bulgaria, Romania, Croatia, the former Yugoslav Republic of Macedonia, Serbia, and Bosnia and Herzegovina**

**Subject: Information on topics the European Union wishes to present at the In-Session Workshop to be held during the Second Session of the Ad hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol**

Finland, on behalf of the European Community and its Member States, is looking forward to the second session of the Ad hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol on the basis of the constructive negotiations and outcome of the first session in Bonn. The European Union welcomes the decision to hold an in-session workshop as an introductory step to the discussion of topics related to the consideration of further commitments for Annex I Parties under the Kyoto Protocol.

The topics outlined for the Workshop in the decision of the AWG in Bonn (contained in document FCCC/KP/AWG/2006/L.2/Rev.1 "Planning of Future Work") are central to the work of the AWG. The European Union is looking forward to learning more about the ongoing work of IPCC, other international organisations and about views of other Annex I and non-Annex I Parties. In its own presentation at the workshop, the European Union intends to *inter alia* touch upon or elaborate further on the following broad topics:

*Science:* The European Union has argued since the mid 1990s, based on the scientific information available at the time, that the impacts of climate change associated with a temperature increase of 2°C or greater compared to pre-industrial levels would be severe enough to be classified as dangerous and that therefore, with a view to meeting the ultimate objective of the UNFCCC, this temperature increase should not be exceeded.

*Global pathways:* Recent scientific evidence indicates that, to keep temperatures from rising beyond 2°C above pre-industrial levels, requires global greenhouse gas emissions to peak within the next two decades, followed by substantial global reductions relative to 1990 in the order of at least 15% and perhaps by as much as 50% by 2050. This orientation may need to be adjusted as further scientific evidence becomes available, for example in the IPCC Fourth Assessment Report.

*Global context for action and indicative pathways for Annex I:* The European Union at the level of Heads of State and Government (European Council) has drawn the following conclusions in March 2005:

“In view of the global emission reductions required, global joint efforts are needed in the coming decades, in line with the common but differentiated responsibilities and respective capabilities, including significantly enhanced aggregate reduction efforts by all economically more advanced countries. Without prejudging new approaches for differentiation between parties in a future fair and flexible framework, the EU looks forward to exploring with other parties strategies for achieving necessary emission reductions and believes that, in this context, reduction pathways for the group of developed countries in the order of 15-30% by 2020, compared to the baseline envisaged in the Kyoto Protocol, and beyond, in the spirit of the conclusions of the Environment Council, should be considered. These reduction ranges will have to be viewed in the light of future work on how the objective can be achieved, including the cost-benefit aspect. Consideration should also be given to ways of effectively involving major energy-consuming countries, including those among the emerging and developing countries.”

It is important to understand these pathways in their specific context. They are part of our thinking on the extent of the global mitigation challenge that the international community faces, intended to inform the discussions on future action and we are looking forward to hearing views from other Parties.

A global carbon price in a stable long-term international framework should remain at the heart of creating the incentives needed to meet the global mitigation challenge. Further quantified emission limitation or reduction commitments by Annex I Parties will be needed to secure a global carbon price. In this context, there are a number of technical and other issues in order to identify technically viable and cost efficient options that need to be considered for achieving the necessary global emission reductions. Most promising will be options that will generate significant benefits with respects to our common energy security, foster global innovation and improve human health, particularly in urban areas. Commitments by Annex I Parties are an important part of the global efforts needed to reach the ultimate objective of the Convention, keeping in mind that the developed countries that presently have commitments inscribed in Annex B and have ratified the Protocol will not be able to combat climate change effectively on their own.

The European Union suggests that the Workshop should assist in further identifying and clarifying issues that are relevant for the task of determining further commitments for Annex I Parties as well as gaps in information or analysis that need to be addressed before the AWG can complete its work. Inputs from other bodies and processes under the Convention and the Protocol as well as from the IPCC and other intergovernmental organizations such as IEA will be needed to provide information and analysis.

PAPER NO. 2: JAPAN

**SUBMISSION BY JAPAN**

**IN-SESSION WORKSHOP OF THE AD HOC WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX-I PARTIES UNDER THE KYOTO PROTOCOL: INFORMATION ON TOPICS THAT PARTIES WISH TO PRESENT AT THE IN-SESSION WORKSHOP TO BE HELD DURING THE SECOND SESSION OF THE AWG**

Consideration of further commitments of Annex-I countries should be conducted in a scientific and analytical manner, taking into account changing realities after 2013, so that a wide and common understanding can be fostered among countries. The purpose of discussions on Article 3, paragraph 9 of the Kyoto Protocol should be the realization of the ultimate objective of the Convention stipulated in Article 2, and such discussions should be conducted in an integrated manner, covering not only amendments to annex B to the Protocol but also other elements, including the length of the future commitment period and other issues, such as the Kyoto mechanisms. Therefore, discussions on Article 3, paragraph 9 should be coordinated with the long-term dialogue under the Convention as well as the review of the Protocol as stipulated in Article 9. In these discussions, it is essential to construct an effective framework that brings about maximum reduction efforts by all major emitting countries, while enabling all countries to take effective mitigation measures in accordance with their respective capabilities. To achieve the ultimate objective of the Convention, commitments by Annex-I countries alone is inadequate.

As being described in the revised report on the Planning of Future Work (FCCC/KP/AWG/2006/L.2/Rev.1) adopted at SB24, it is also necessary to collect and analyze diverse information on scientific, technical and socio-economic matters, and share the results with all Parties in order to enhance common understanding on the level of ambition of the further commitments in contributing to the ultimate objective of the Convention, and of the potential for achieving these commitments. At the in-session workshop, we should examine issues contained in the Annex of the Planning of Future Work that will help us assemble and analyze such information. In this process, the latest information and analyses from institutions, such as the IEA and IPCC, particularly the Fourth Assessment Report of IPCC expected in 2007, should be properly input and reflected in the discussions on the commitments in the next commitment period under Article 3, paragraph 9 of the Protocol.

Therefore, taking into consideration the issues to be addressed in the AWG, the review under Article 9 of the Protocol and the prospective input of new information after the year 2007, we should continue to hold an in-session workshop at the third and the fourth AWG for the information sharing among all Parties to the Protocol, in addition to the one held at the second AWG in November 2006.

Sustained efforts with a long-term perspective should be strengthened for the realization of the ultimate objective of the Convention. It is appropriate to construct a framework which combines a longer commitment period than the five years of the Kyoto Protocol and regular reviews of the progress on the implementation of the commitments.

As for the subsequent commitments of Annex-I countries, the role that other diversified commitments, such as sectoral energy efficiency indicator and CO<sub>2</sub> intensity indicator, can play should also be considered in addition to the numerical commitments in order to realize the ultimate objective of the Convention. In doing so, consistency between the existing numerical commitments and other commitments also needs to be examined.

For the realization of the ultimate objective in Article 2 of the Convention, it is necessary to make the level of emissions equal to that of absorptions and to balance the global carbon circulation. To this end, global emissions need to be reduced to a level less than half of the current emissions at an early stage. From this viewpoint, we need to continue discussions in order to reach an agreement on long-term goals and pathways to achieve the goals, based on latest scientific information such as the information to be provided in the IPCC Fourth Assessment Report.

To achieve significant reduction mentioned above, an evaluation of emission reduction potentials and capabilities is also needed. For the evaluation of emission reduction potentials, we should accumulate realistic global reduction potentials, taking into consideration the assessment to be provided by the IEA on sectoral energy efficiency. In this connection, presentation from the IEA on such assessment at the in-session workshop in Nairobi will be beneficial.

In addition to the discussion on subsequent commitments of Annex-I countries, transfer and diffusion of the existing technology in the short-term as well as the development, transfer and diffusion of innovative technology in the mid to long-term, are key to advancing GHG emissions reduction. For this purpose, it is important to set detailed benchmarks on sectoral energy efficiency and CO<sub>2</sub> intensity as well as to identify best practices. A wide variety of policy measures tailored to respective countries to promote technology development should be allowed, and be realized accordingly.

PAPER NO. 3: MALAYSIA

**SUBMISSION BY MALAYSIA**

**IN-SESSION WORKSHOP OF THE AD HOC WORKING GROUP ON FURTHER  
COMMITMENTS FOR ANNEX 1 PARTIES UNDER THE KYOTO PROTOCOL**

No presentation proposed from Malaysia. The requests for presentations are focused from the Annex 1 Parties. Malaysia supports this workshop because it will provide information, progress and achievements by the Annex 1 Parties, *inter alia*, comply to the Article 3 paragraph 1 of Kyoto Protocol.

PAPER NO. 4: MEXICO

**SUBMISSION BY MEXICO**

**AD HOC WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX I PARTIES  
UNDER THE KYOTO PROTOCOL**

Mexico welcomes the efforts of the Ad Hoc Working Group (AWG) on Further Commitments for Annex I Parties under the Kyoto Protocol and wishes to put forward the following suggestions:

- 1.- The process may benefit from the adoption of even a non-binding, aspirational long term goal that might further define the contents of UNFCCC's Art.2, such as establishing a desirable level of atmospheric concentration of greenhouse gases (e.g. 450 ppm of CO<sub>2</sub>).
- 2.- As other Parties have already indicated, every effort should be made to ensure that there is no gap between any two subsequent commitment periods.
- 3.- Reducing uncertainties, stabilizing markets and fostering technological innovation may also require the adoption of a longer second commitment period, such as 8/10 years, instead of the current 5 year timeframe. Although desirable, an even longer period might run counter the need to accommodate in a timely fashion emerging socio-economic or technological factors.
- 4.- The negotiation process might benefit from a differentiation between **allocation** and **scale** of Annex I efforts under the Kyoto Protocol.

The **allocation** is the *structure* of a burden sharing arrangement, based upon equity criteria. An allocation scheme, which proved to be elusive in Kyoto, may now be facilitated by subsequent experiences, such as the European distribution of emission reductions and other exercises carried out by experts in recent years.

The **scale** is the total dimension of the reductions achieved, and it might be negotiated irrespective of the allocation or the relationships between the relative quotas.

- 5.- The scale of Annex I efforts under the Kyoto Protocol should be oriented by the aspirational long term goal. Additionally, the AWG may contrive ways of **increasing this scale** through negotiations involving decisions that may transcend the scope of Art. 3.9 of the Kyoto Protocol, such as the possibility of enhanced commitments from some advanced developing countries, or the discussion of new flexibility mechanisms that would complement the existing ones without jeopardizing their environmental integrity.



PAPER NO. 5: NORWAY

**SUBMISSION BY NORWAY ON TOPICS IT WISHES TO PRESENT AT THE IN-SESSION WORKSHOP TO BE HELD AT THE SECOND SESSION OF THE AD HOC WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL (AWG)**

This submission is made in response to the invitation in paragraph 25 of the report of the first session of the AWG (FCCC/KP/AWG/2006/2).

Norway is looking forward to the in-session workshop which will provide an important opportunity to learn more about relevant results from the work of the IPCC and about views and analytical work of Parties to the Protocol and relevant international organizations.

Norway would like to give a presentation at the workshop which would inter alia focus on the following topics:

- Quantifying the ultimate objective of the Convention
- Global emission pathways on the basis of environmental goals
- Technical opportunities for achieving significant emission reductions in Norway

We hope that the in-session workshop will contribute constructively in addressing and clarifying issues of relevance for determining further emission reduction commitments.

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