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#### UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION UNDER THE CONVENTION First session Bangkok, 31 March to 4 April 2008

Item 3 of the provisional agenda Development of a work programme

# Views regarding the work programme of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention

#### **Submissions from Parties**

#### Addendum

- 1. In addition to the 26 submissions contained in document FCCC/AWGLCA/2008/MISC.1, three further submissions have been received.
- 2. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced\* in the language in which they were received and without formal editing.

<sup>\*</sup> These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

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 $<sup>^{*}</sup>$  Pakistan has submitted further information to its submission received on 22 February 2008 (contained in document FCCC/AWGLCA/2008/MISC.1).

#### PAPER NO. 1: JAPAN

# VIEWS REGARDING THE WORK PROGRAMME OF THE AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION UNDER THE CONVENTION

#### 1. Work Objectives

- Discussions should mainly focus on the areas of work as considered in the Bali Action Plan (Decision 1/CP13: Paragraphs 1(a) to (e)). However, introduction of new arguments as necessary in the process of discussions should not be denied.
  - (a) A shared vision for long-term cooperative action
  - (b) National/international action on mitigation (hereinafter referred to as "mitigation")
  - (c) Adaptation
  - (d) Technology development and transfer (hereinafter referred to as "technology")
  - (e) Provision of financial resources and investment (hereinafter referred to as "finance")
- In addition to the areas of work above, it is necessary to consider legal aspects concerning the new framework.
  - (f) Legal aspects concerning the framework after the first commitment period (hereinafter referred to as "legal framework")
- Attached annex shows Japan's view on the areas of work objectives above.

#### 2. Making Progress

- A task force with participants from external experts should be established for each of the areas of work, namely (b) mitigation, (c) adaptation, (d) technology and (e) finance. Work under the task forces should be conducted in cooperation with international organizations such as IPCC and IEA with the technical inputs including analysis of impacts and costs.
- The work processes of (a) through (e) should take place in parallel with each other. In particular, the actions by developed country Parties and the actions by developing country Parties should be discussed in tandem. (c)Technology and (d) finance should be discussed in combination with actions by developing country Parties.
- For the work (f) on the legal framework, Japan requests the UNFCCC secretariat to make available a document organizing issues which might relate to the new framework that can be envisioned from a legal point of view, and to report to the Conference of the Parties at its 14<sup>th</sup> session (COP14). Based on this report, Parties should decide at COP14, the necessity and time of establishing a task force on this item.

#### 3. Work Schedule

- In 2008, discussions on the items (a) through (e) should be conducted in parallel to each other, and an interim report should be submitted to COP14. At the first session of this Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWGLCA), in addition to establishing a Contact Group on the work programme, the establishment of Contact Groups for the items (b) mitigation, (c) adaptation, (d) technology and (e) finance should be considered, making sure that no item precedes another.
- The task forces should be intended to report the results of considerations to COP14 (through AWGLCA).
- The work programme of the following year should be decided at COP14, considering the progress made on work in each item.
- How to proceed with the work of item (f) and the timing of its work should be decided at COP14, taking into consideration the document produced by the UNFCCC secretariat organizing legal aspects.
- From the perspective of efficient use of budget, the length of each session should be appropriate to discuss each matter, and should not be extended for an unnecessarily length of time.

# [Annex]

#### Proposal 1: Long-Term Target → (a)

#### 1. Basic Concept

- The achievement of the ultimate objective of the Convention of stabilizing GHG concentrations in the atmosphere requires the world to share a long-term path of emissions reduction, and also a longterm vision in its presupposition.
- Based on a shared long-term vision, and in order to realize effective reductions of global emissions, mid-term measures for peaking out emissions and long-term measures for halving them by 2050 should be considered, in a manner enabling global cooperation.

#### 2. Setting a Long-Term Target

- The purpose of setting a long-term target is for Parties to share a common recognition on the future issues. Therefore, such a target should be considered as a non-legally binding shared vision.
- The target should aim at striking a balance between global emissions and absorptions of greenhouse gases, thus looking into peaking out of global emissions in the next 10 to 20 years and reducing them by half from the current level in the long term.
- The year 2050 should be the agreed timing for the halving emissions, allowing sufficient time to develop innovative technologies that can significantly reduce emissions and to change our social systems and infrastructures into a low-carbon society.
- The base year should be reviewed from the perspective of equity.

#### Proposal 2: Development of Innovative Technologies (a), (d)

#### 1. Basic Concept

- To achieve the long-term goal of halving the global emissions by 2050, it will be absolutely necessary to develop the innovative technologies that can significantly reduce the emission.
- Therefore, it will be necessary not only to identify the technologies which are expected to significantly reduce the global emission and may be commercialized, but also to promote and strengthen the development of these technologies under the international cooperation.

#### 2. Concrete Approach

• Interested Parties should consider the innovative technologies to be developed and share a road map for the development and diffusion of these technologies, cooperating with experts. Because of uncertainties involved in the development of innovative technologies, it will be necessary to review these technologies in a certain period of time.

#### Proposal 3: Low-Carbon Society → (a), (b)

#### 1. Basic Concept

- Achieving the long-term goal of halving global emissions by 2050 requires the realization of a lowcarbon society by thoroughly changing social systems including lifestyles, city planning and transportation, in addition to development of innovative technologies.
- Bearing in mind that the concept of a low-carbon society differs among countries depending on their national circumstances, the visions for establishing low-carbon societies should be created through international cooperation, taking into consideration the features of various countries and regions.

### 2. Concrete Approach

- Policy dialogue including international joint research activities on policies and measures for building a low-carbon society should be promoted to share the vision.
- A center that collects, analyzes and provides updated information (e.g. technology, systems) for building a low-carbon society should be established through international cooperation.

## Proposal 4: Setting Mid-Term Targets (measurable, reportable, verifiable way) → (b)

#### 1. Basic Concept

- Each major emitting country considers a sectoral reduction potential with indicators given to each sector, based on the technology to be in use in the future. Then, each country calculates the sectoral reduction volumes, based on the emission potential and prospects of productive activities which are examined through the review among countries. Sectoral reduction amounts are aggregated in the bottom up approach to set a quantified national GHG emissions reduction target.
- The types of technologies to be introduced, the timing of their introduction and the introduction rates should be identified based on the economic situation, geographic characteristics and development stage of each country.
- In case that some data(e.g. the diffusion rate) are not available, a certain percentage of improvement of efficiency from the current level would be a possible option to calculate the reduction potential, taking into account regional characteristics including geographic conditions.
- Other ways should be also kept open to be considered as methodologies for calculation of reduction potentials and setting quantified national GHG emissions reduction targets as long as they allow setting equitable burden sharing which is measurable, reportable and verifiable.
- This approach enables countries to set equitable quantified national reduction targets.
- The base year should be reviewed from the perspective of equity.

#### 2. Possible Sectors

- Power generation sector (Coal-, petroleum- and natural gas-fueled power plants will be individually explored.)
- Energy intensive industries (iron & steel, chemical, cement, paper & pulp and aluminum industries)
- Other industries
- Commercial and household sectors
- Transportation sector (for freight and passengers)
- Agriculture
- LULUCF (Land Use, Land Use Change and Forestry)
- Wastes

#### 3. Possible Sectoral Efficiency Indicators

See next page.

# 4. Considerations

- Details of this approach, such as the method of classifying sectors and the indicators to be adopted, will be confirmed through the technical discussion and negotiation, and the IEA's works on developing energy efficiency indicators will provide important basis for the discussion. A certain degree of flexibility will be considered when applying this approach, in order to deal with data constraints and the differentiated national circumstances among countries.
- Existing technologies and the diffusion rate of technologies which are to be introduced in the future should be considered in setting the reduction potentials and establishing quantified national reduction targets. Improvement of efficiency will be achieved as a result of technology introduction. It remains to be solved how to collect the data including the diffusion rate and the stock or vintage of existing facilities, and how to estimate the realistic possibility of the introduction in each country.

Concept of sectoral intensity

| Sector                             |  | Indicator   |   |  |
|------------------------------------|--|---|---|--|
|                                    |  | Efficiency <sup>1</sup>   | Activity                                  |  |
| Power                              | All power sources <sup>2</sup>                     | Average emission coefficient per unit of generated output (weighted average emission factor of all power sources) | Power supply (GWh)                        |  |
| generation                         | Coal Oil Natural gas                               | Average emission coefficient per unit of generated output <sup>3</sup>  |   |  |
| Energy-<br>intensive<br>industries | Iron & steel Chemical Cement Paper & pulp Aluminum | CO2 emission / energy consumption intensity per unit of production <sup>456</sup>                                 | Production of each product (t)            |  |
| Other industries                   |  | CO2 emission / energy consumption intensity per unit of production <sup>5</sup>                                   | Production of each product (t)            |  |
| Commercial /                       | Commercial   | CO2 emission / energy consumption intensity per office floor area <sup>57</sup>                                   | Floor area (m <sup>2</sup> ) <sup>8</sup> |  |
| Household                          | Household  | CO2 emission / energy consumption per capita <sup>59</sup>  | Population                                |  |
| Transportation                     | Freight  | CO2 emission / energy consumption per unit of freight transported <sup>5</sup>                                    | Freight transported                       |  |
| Transportation -                   | Passengers   | CO2 emission / energy consumption intensity per unit of passengers transported <sup>5</sup>                       | Passengers transported                    |  |
| Agriculture                        |  | _10   | -   |  |
| LULUCF                             |  | _ 11  |   |  |
| Wastes                             |  | Methane emission per unit of waste buried CO2 emission per unit of waste incinerated                              | Waste buried (t) Waste incinerated (t)    |  |

<sup>&</sup>lt;sup>1</sup> On setting energy efficiency as the target, it is necessary to separately calculate how much effect the improved energy efficiency has on the reduction of CO2 emissions.

<sup>&</sup>lt;sup>2</sup> "All power sources" include non-fossil fuel power sources such as nuclear power and renewables.

<sup>&</sup>lt;sup>3</sup> It should be considered by using the indicators developed by the IEA and existing reports.

<sup>&</sup>lt;sup>4</sup> It should be considered by using the industrial indicators developed by the IEA.

<sup>&</sup>lt;sup>5</sup> Careful consideration for handling the efficiency is necessary as there is a possibility of large differences by product group, type of business, region and mode of transport.

<sup>&</sup>lt;sup>6</sup> When the efficiency indicator in each sector is considered, attention should be given to the scope of processes used and the differences between the technologies used.

<sup>&</sup>lt;sup>7</sup> The appropriate value will be set, considering the conditions (such as the diffusion of OA equipment and the temperature of atmospheric air).

<sup>&</sup>lt;sup>8</sup> In some business category of commercial sector, [floor area × business hours] can be more appropriate to use for the "activity" indicator.

<sup>&</sup>lt;sup>9</sup> It should be set, considering the BATs (best available technologies) for lightings and the main consumer electronics.

<sup>&</sup>lt;sup>10</sup> In the agricultural sector, it is necessary to set appropriate indicators considering the difference of production system, type of products, GHG emissions calculation method and emission coefficients by nation or regions, due to climate and land conditions. It is also, needed to resolve the uncertainty of GHG emissions.

At the same time, careful consideration should be given to how "Activity" indicator of agriculture sector be handled, because agricultural activity fluctuates based on the state of farming activity and its trend, and emissions reduction associated with extreme contraction of the activity is likely to give substantial impact on the farming activity and the life of the people.

Approaches based on the efficiency or BAT, which might be applicable to other emission sectors, are not necessarily applicable to Land use, land use change and forestry (LULUCF) sector, because of the following reasons; mitigation potential in this sector may vary by accounting options and definition of human-induced activities; this sector could have both aspects of source of emissions, and sink; and this sector is significantly influenced by natural, biological, and land conditions. There is a need to consider the analytical method that takes account of these characteristics and constraints of this sector.

# Flow chart of setting Mid-term Quantified National reduction targets through bottom up approach on sectoral basis

#### **Identify Sector**



#### Decide scope of calculation



Identify reduction technology (facility: hardware) / practice (process: software)

(cover from state of the art technology to standard technology)

Asses status quo of reduction technologies, practice introduction of major economies (census / sample research)



# Forecast production and consider reduction potential

Concrete items to consider: forecast production / timing of capital investment/ technology price and economic power / policy assistance. etc



Calculate the sectoral reduction amount



# **Example in the case of the Steel Sector**

Energy consumption on steel production process (or CO2 emission) e.g. Deduct amount of saved energy by waste heat recovery, etc.



Identify highly efficient energy saving technology

e.g.) electricity and steam recovery technology (64 technologies are identified in APP)



Research status of introduction and diffusion rates of energy saving technology (collect relevant data)

(At APP, data was collected by research questionnaire and 127 Mt CO2 was evaluated as a possible reduction amount based on the introduction and diffusion rates as a theoretical figure)



**▼** Activities under APP

Countries set "crude steel production forecast" and "introduction rate of identified technology to be achieved", taking into consideration the specific circumstances in each country.

Evaluate reduction potential



Review the "crude steel production forecast" and the "technology introduction rate" among major economies.



Set reduction amounts of steel sector based on the result of the review

# Set national reduction targets



Set global reduction target

#### Proposal 5: Cooperative Sectoral Approach → (b), (d)

#### 1. Basic Concept

- The cooperative sectoral approach is effective not only to decide the measurable, reportable and verifiable mitigation actions by developing country Parties, but also to decide the measurable, reportable and verifiable mitigation commitments or action by developed country Parties.
- This approach is aiming to identify the best practices by sector in terms of technologies, policies and measures, etc., and to enhance the public-private cooperation in transferring the best practices based on the actual conditions of each country such as current level of energy efficiency and status of technology diffusion.
- This approach enables to establish a system which allows developing countries, especially the major emitting countries, to make efforts in reducing emissions effectively with ambitious targets, and which may promote technology transfers to developing countries on the business bases, considering protection of intellectual property rights.
- This approach also makes it possible to globally improve the sectoral GHG emission intensity and energy efficiency by performing the best practices without causing carbon leakages.

#### 2. Concrete Approach

Identification of sectors: Power generation sector (including coal-, petroleum- and natural gasfueled power plants), energy intensity industries (iron & steel, chemical, cement, paper & pulp and aluminum industries), commercial and household sector, and transportation sector (freight and passengers). The calculation of efficiency in each sector will be based on the method of setting the mid-term target.

Review of the best practices: Review the best practices (in terms of technologies, policies and measures, etc.) for each sector, based on the IEA's works on collecting best practices and developing energy indicators, and existing technical cooperation demonstrated through APP and other works.

Assessment on the status of technology introduction in developing countries: Experts will visit facilities in developing countries and identify their situations of technology introduction, available technologies for them, and possible policies and measures to be taken.

Analysis of reduction potential: Analyze the reduction potential when the facilities in developing countries introduce the applicable best practices.

Set reduction amount and implementation of technical cooperation: set the reduction amount, sectoral intensity rates etc., which are effective for reduction without distorting international competitiveness, based on the reduction potential. At the same time, implement necessary and appropriate technical cooperation to encourage each country's action to realize reduction potential.

Implementation of reviews: Conduct reviews on the activities in 5. Collect information of best practices and review them.

• As a global estimate, set a target to improve energy efficiency by 30% by 2020.

# Proposal 6: Adaptation → (c)

#### 1. Basic Concept

- According to the scientific findings of the IPCC, all countries will suffer from adverse impacts of climate change. Developing countries, especially LDCs and SIDS, however, are extremely vulnerable to the impacts of climate change and face the lack of capacity to respond.
- All countries should take adaptation measures against climate change. Especially, it is necessary to mainstream adaptation into development planning of developing countries, bearing in mind that adaptation is related to a wide range of issues.
- Appropriate national adaptation programmes should be formulated based on scientific information (e.g. observational data, predictive data).

#### 2. Concrete Approach

- Estimated costs for adaptation vary from 4 billion U.S. dollars per year to 166 billion U.S. dollars per year<sup>12</sup> because the definition of adaptation is yet to be established. Therefore, such figures should be used as a reference for perceiving the scale of challenge. In order to enhance adaptation to climate change, it is necessary to consider concrete measures as described below.
- Promote measures for mainstreaming adaptation into development planning by cooperation with donors (OECD DAC member countries) and recipient countries.
- Assist the formulation of appropriate national adaptation programmes through technical cooperation for scientific information.
- Consider the effectiveness of risk diversification mechanisms including insurance.

## Proposal 7: Finance → (e)

#### 1. Basic Concept

- In order to enhance short- and mid-term global emission reduction and promote technology transfer, it is necessary to establish efficient financial mechanisms. In particular, energy efficiency improvement which has the biggest potential in short- and mid-term emission reduction should be supported. In AWGLCA, discussion should aim at streamlining targets and functions of many coexisting financial mechanisms including the World Bank and bilateral assistance, and should not aim to discuss the size of financial support.
- As climate change impacts intensify, it is an important issue to enhance assistance to adaptation of
  the developing countries and regions, especially LDCs and SIDS, which are vulnerable to climate
  change. Financial mechanism should be strengthened with a function to enhance adaptation
  measures.

#### 2. Concrete Approach

2. Concrete Approac

- Assistance for adaptation (finance, technology transfer and capacity building) should be focused on the vulnerable areas and regions of those countries with high and urgent needs for adaptation (e.g. LDCs, SIDS).
- Developing countries, including African countries, which cannot enjoy modern energy services, should be given assistance in achieving economic growth utilizing clean energy.

<sup>&</sup>lt;sup>12</sup> Investment Framework for Clean Energy and Development, World Bank (2006); Stern Review (2006); Oxfam (2007); UNDP (2007); Analysis of Existing and Planned Investment and Financial Flows Relevant to the Development of Effective and Appropriate International Response to Climate Change, UNFCCC (2007)

- Assistance for mitigation should be focused on the countries which are trying to achieve effective emission reduction with ambitious goal including significant improvement of energy efficiency on major sectors.
- Assistance for developing countries should be implemented in an appropriate manner, utilizing not only public funds but also private funds.

# **Proposal 8: Consideration of legal framework** → (f) COP14 will consider the establishment of a task force.

In order to ensure the participation and action of each Party towards the achievement of the ultimate objective of the Convention, it is necessary to review and consider legal aspects as below.

#### 1. Review of Annex-1

- It is necessary to clarify the definition of "developed country Parties" and "developing country Parties". It is also necessary to identify the scope and criteria of those "developing country Parties" intended to take actions as well as the scope of vulnerable countries which require support for urgent implementation.
- Regarding the participation of each Party, it is necessary to classify each country to a tier according to objective standards. When a country meets the standard, the country should be moved to the next tier. Examples of the standard could include 1) to be an OECD member country and 2) to have GDP per capita above a certain level.

#### 2. Base year

• The base year should be reviewed from the perspective of equity.

#### 3. Requirement for entry

• The requirement for entry into force of a new framework needs to be set to ensure the participation of major emitting countries.

#### 4. Bubble

• The bubble could make the responsibility of each Party unclear. For this reason, its review should be considered from the perspective of equity and effectiveness.

#### PAPER NO. 2: PAKISTAN

#### CONTENTS OF BALI ACTION PLAN

- 1. Decides to launch a comprehensive process to enable the full, effective and sustained implementation of the Convention through long-term cooperative action, now, up to and beyond 2012, in order to reach an agreed outcome and adopt a decision at its fifteenth session, by addressing, inter alia:
- (a) A shared vision for long-term cooperative action, including a long-term global goal for emission reductions, to achieve the ultimate objective of the Convention, in accordance with the provisions and principles of the Convention, in particular the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors

#### **COMMENTS OF GOP**

Pakistan supports all provisions of the Bali Action Plan and urges UNFCCC to aim for a comprehensive and equitable long term cooperative action to achieve the ultimate objectives of the Convention contained in its Article 21 and include elements addressing mitigation, adaptation, technology and finance. The UNFCCC should ensure an equitable and effective participation of all stakeholders in the future negotiating process, main streaming gender equality and equity, poverty alleviation, and respective national priorities.

Pakistan is among the group of countries which are likely to be most adversely affected by climate change and accordingly it strives to seek global agreement on aiming to contain further global temperature rise to the lowest level possible by setting global GHG emission reduction goals in line with the suggestions in IPCC AR4.

**P**akistan adheres to the key principles of the Earth Summit at Rio and the UNFCCC and its Kyoto Protocol, especially (i) common but differentiated responsibilities and respective capabilities, (ii) the polluter pays principle, (iii) protection of the vulnerable, and (iv) equal treatment of mitigation and adaptation, including legally binding instruments for adaptation and technology transfer. Pakistan emphasizes that (i) the bulk of the emission reduction effort must come from the developed countries through binding commitments, and (ii) those countries must also cover a large part of the cost of mitigation and adaptation effort by the developing countries, particularly the low and medium income countries

- (b) Enhanced national/international action on mitigation of climate change, including, inter alia, consideration of:
- (i) Measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including

Pakistan agrees to undertake, to the extent economically and practically feasible, such measurable, reportable and verifiable actions as:

Energy conservation measures; Efficiency

quantified emission limitation and reduction objectives, by all developed country Parties, while ensuring the comparability of efforts among them, taking into account differences in their national circumstances:

- (ii) Nationally appropriate mitigation actions by developing country Parties in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner;
- (iii) Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries;
- (iv) Cooperative sectoral approaches and sector-specific actions, in order to enhance implementation of Article 4, paragraph 1(c), of the Convention;
- (v) Various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries;
- (vi) Economic and social consequences of response measures;
- (vii) Ways to strengthen the catalytic role of the Convention in encouraging multilateral bodies, the public and private sectors and civil society, building on synergies among activities and processes, as a means to support mitigation in a coherent and integrated manner;

improvements in fuel use and energy transformations; Fuel switching from High-Carbon to Low-Carbon fuels; Increased use of non-Carbon energy sources (renewables, nuclear power) etc., which would lead to reduction in energy intensity and/ or carbon intensity of the economy. Pakistan urges UNFCCC to strengthen the synergies with other relevant multilateral agreements that can support Parties Actions mitigate and adapt to the impacts of Climate Change.

Pakistan emphasizes that, in view of its limited petroleum resources and much larger resources of coal, Pakistan will have to make increasingly large use of indigenous coal to meet its future energy needs while trying to contain its energy imports within acceptable limits. As such, we need easy access to the Carbon Capture and Storage (CCS) technology for Carbon sequestration and strive for getting CCS approved as a CDM technology.

Pakistan seeks easy access to Nuclear Power, which is a Carbon-free technology, and support its inclusion as an admissible CDM technology.

- (c) Enhanced action on adaptation, including, inter alia, consideration of:
- (i) International cooperation to support urgent implementation of adaptation actions, including through vulnerability assessments, prioritization of actions, financial needs assessments, capacity-building and response strategies, integration of adaptation actions into sectoral and national planning, specific projects and programmes, means to incentivize the implementation of adaptation actions, and other ways to enable climateresilient development and reduce vulnerability of all

While even the most intensive mitigation effort by the low- and medium-income, small and medium sized developing countries is likely to make only a minor contribution to the global effort on GHG reductions, these countries are most vulnerable to the adverse impacts of climate change. As such, Pakistan requests UNFCCC to recognise that the focus of the effort in the lowand medium-income, small and medium sized developing countries should be on adaptation rather than on mitigation activities and that they Parties, taking into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change, especially the least developed countries and small island developing States, and further taking into account the needs of countries in Africa affected by drought, desertification and floods;

- (ii) Risk management and risk reduction strategies, including risk sharing and transfer mechanisms such as insurance;
- (iii) Disaster reduction strategies and means to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change;
- (iv) Economic diversification to build resilience;
- (v) Ways to strengthen the catalytic role of the Convention in encouraging multilateral bodies, the public and private sectors and civil society, building on synergies among activities and processes, as a means to support adaptation in a coherent and integrated manner;

should be provided maximum possible technical and financial support for capacity building in the areas of assessing their vulnerabilities, identifying appropriate adaptive measures and implementing these measures as fast as practicable

Climate Change is causing irrevocable damages to Pakistan with tremendous social, economic, strategic and environmental impacts. Pakistan has to ensure food, water, energy and health securities to its people on sustainable basis. Pakistan has to maintain economic development, trade and agriculture sector.

Pakistan intends to secure full, effective and sustained implementation of the Convention by building on and integrated approach within the four building blocks i.e. mitigation, adaptation technology transfer and financing. These decisions would significantly influence growth, technological capabilities, energy consumption, production pattern, trade competitiveness, quality of life etc. in both the developed and specially developing countries. Pakistan urgently needs implementation of adaptation plans and actions and requires financial support to face the adaptation challenges.

- (d) Enhanced action on technology development and transfer to support action on mitigation and adaptation, including, inter alia, consideration of:
- (i) Effective mechanisms and enhanced means for the removal of obstacles to, and provision of financial and other incentives for, scaling up of the development and transfer of technology to developing country Parties in order to promote access to affordable environmentally sound technologies;
- (ii) Ways to accelerate deployment, diffusion and transfer of affordable environmentally sound technologies;
- (iii) Cooperation on research and development of current, new and innovative technology, including win-win solutions;
- (iv) The effectiveness of mechanisms and tools for technology cooperation in specific sectors;

Pakistan appreciates and endorses the efforts of UNFCCC and the SBI on the issue of development and transfer of technologies.

Pakistan believes that a massive effort will be needed in order to strengthen scientific and technological capacity in all regions of the world and particularly in developing countries like Pakistan, Special attention should be given to the areas of energy, climate change, air pollution and industrial development. A critical mass of scientific, technical skills and infrastructure (e.g. laboratories, equipments and supporting institutions) is required for all developing countries to develop, adapt and identify the technologies specific to their needs and to introduce these technologies effectively into the market to provide the needed maintenance on sustainable basis. Pakistan has to make use of traditional and non-traditional sources of energy including renewable, alternate, hydel and nuclear

- (e) Enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation, including, inter alia, consideration of:
- (i) Improved access to adequate, predictable and sustainable financial resources and financial and technical support, and the provision of new and additional resources, including official and concessional funding for developing country Parties;
- (ii) Positive incentives for developing country Parties for the enhanced implementation of national mitigation strategies and adaptation action;
- (iii) Innovative means of funding to assist developing country Parties that are particularly vulnerable to the adverse impacts of climate change in meeting the cost of adaptation;
- (iv) Means to incentivize the implementation of adaptation actions on the basis of sustainable development policies;
- (v) Mobilization of public- and private-sector funding and investment, including facilitation of carbon-friendly investment choices;
- (vi) Financial and technical support for capacity-building in the assessment of the costs of adaptation in developing countries, in particular the most vulnerable ones, to aid in determining their financial needs;
- 2. *Decides* that the process shall be conducted under a subsidiary body under the Convention, hereby established and known as the Ad Hoc Working Group on Long-term Cooperative Action under the Convention, that shall complete its work in 2009 and present the outcome of its work to the Conference of the Parties for adoption at its fifteenth session:

energy to ensure its sustainability.

Pakistan is fully committed and willing to cooperate with all International bodies and agencies in the field of development and transfer of technologies to the developing countries in transparent and participatory manners. Pakistan has to ensure sustainable development, poverty alleviation, food, water, energy and health securities for the people.

Pakistan emphasizes that much enhanced financial resources are needed by the developing countries in order to adequately support their adaptation effort. In this connection, Pakistan seeks an increase in the financing of the Kyoto Protocol's Adaptation Fund out of CDM proceeds from the current level of 2% share in the proceeds to a level of 3-5% share. The committed availability and easy flow of financial resources are the prerequisite for achieving emission reduction goals. The Capacity Building has to be comprehensive covering all the aspects of Climate Change and mitigation and adaptation measures

The IPCC has unequivocally affirmed the warming of climate system and linked it directly to human activity. In the Bali Road Map, the aspect of stabilizing the population in accordance with the available resources is missing which is required to be addressed. Furthermore there is need to review the land use system and include it in the Road Map.

#### PAPER NO. 3: SOUTH AFRICA

# AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION UNDER THE CONVENTION

South Africa welcomes the opportunity to submit its initial views regarding the work programme of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) taking into account elements to be addressed by the group. We note that the COP in the Bali Action Plan instructed the AWG-LCA to develop its work programme at its first session in a coherent and integrated manner.

South Africa takes the view that coherence is best provided by the structure agreed in Bali, namely the four building blocks. All four building blocks are essential to enable the full, effective and sustained implementation of the Convention through long-term cooperative action, now, up to and beyond 2012. They also provide major structuring elements for the work programme, with due attention to the sub-elements of each. Each building block should receive serious and equal attention. Adequate attention to the means of implementation, which include the enabling building blocks of finance and technology transfer, is indispensable to finding an overall balance. Balance between adaptation and mitigation is of the highest importance to South Africa. While no building block can be lifted above others, effective work will require some prioritisation and effective division of labour.

South Africa suggests that the work of the AWG-LCA should be conducted as a committee of the whole. As needed, sub-groups to deal with technical matters under the building blocks may be established to enable work in parallel. The committee of the whole and any sub-groups it might establish will need to have more flexibility than traditional contact groups, including mechanisms for informal consultations. The sub-groups should be able to conduct their work on issues not covered elsewhere, but also to take into account work being conducted in other groups under the AWG-LCA, but also subsidiary bodies. It is suggested that the building block on mitigation be conducted in two distinct sub-groups, to maintain a firewall between the consideration of mitigation in very different contexts. The committee of the whole should be able to hear reports from processes, dialogues and forums, outside of the Convention and its Protocol.

The work of the AWG-LCA should be guided by a shared vision for long-term cooperative action. South Africa believes that Article 2 of the Convention outlines the shared vision, that negotiating effort in the first year of the work of the AWG-LCA should emphasise aspects other than quantifying and/or developing qualitative content for the different possible dimensions of a shared vision, to which is might be better to return in 2009 to seek political agreement. During 2008, the work of the AWG-LCA might be focused most productively on the means of implementation, including technology, finance, capacity and risk management. We believe that starting with the means of implementation will be a fruitful way of exploring important new elements in the implementation of adaptation and mitigation.

The work outlined in the Bali Action Plan requires work in inter-sessional meetings. South Africa would suggest that in-session workshops and where needed intra-sessionally as needed. It would be useful to follow up in-session workshops, and workshops between sessions which may be needed, with formal exchanges of views to synthesise such submissions, and to request preparation of technical papers on issues requiring expert input, including experts from the IPCC, from governments, business and civil society.

The Bali Action Plan already provides further breakdown of key elements under each building block. Integration will require that work under the AWG-LCA takes into account work conducted elsewhere. Processes, dialogues and forums outside the Convention and its Protocol may of course make useful inputs to the negotiations, on the clear understanding that they feed into, and are supportive of, the multi-

lateral process. In particular, we look forward to hearing reports in Poznan on progress made in such outside processes, dialogues and forums with regard to the contribution to the Bali Action Plan with respect to technology, finance and investment.

As a developing country, South Africa again wishes to make clear our willingness to do more. In particular, under the Bali Action Plan, we said voluntarily that we are willing to commit ourselves to measurable, reportable and verifiable mitigation actions, something that had never happened before. But then actions need to be supported by technology and enabled by finance. And we need to see greater commitments from all developed countries, which need to be measured, reported and verified using the mechanisms established under the Kyoto Protocol.

In order to make real progress in advancing long-term cooperative action under the Convention, the AWG-LCA needs to be based on sound scientific information to support more urgent action by both developed and developing countries, in order to contribute to the stabilisation of GHG emissions, while allowing development to proceed in a sustainable manner. As agreed in the Bali Action Plan, the process of the AWG-LCA shall be informed by, inter alia, the best available scientific information, experience in implementation of the Convention and its Kyoto Protocol, and processes thereunder, outputs from other relevant intergovernmental processes and contributions from the business and research communities and civil society. South Africa consequently suggests that the work plan of the AWG-LCA include information from the IPCC's Fourth Assessment Report, which provides an authoritative assessment of the scientific information. Provision should be made in the work plan for in-session workshops, including presentations from the IPCC, as well as experts from business and research communities and civil society.

We believe that the discussions on the work programme will allow a wide-ranging discussion on the scope of issues and substantive content to be negotiated in the work programme. This broader discussion should not re-open the negotiations that culminated in the Bali Action Plan, but be focused on the elaboration of the work programme.

South Africa looks forward to listening to the views of other Parties on this matter and working constructively towards an effective organisation of our work, to develop an integrated work programme that provides a coherent way forward in the context of the overall work under the Convention and its Protocol.

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