

2008

Submission from the Caribbean Community Climate Change Centre on the Issues to be Addressed in the Second Review of the Kyoto Protocol Pursuant to its Article 9

Introduction

The Caribbean Community Climate Change Centre (CCCC) is pleased to present its views on how the issues contained in Decision 4/CMP.3 should be addressed in the second review of the Kyoto Protocol pursuant to its Article 9.

Background

The CCCC is a regional organization established by the Heads of Government of the Caribbean Community in 2004 to coordinate the region's response to climate change. Since that time it has been involved in the development and execution of several regional projects, the provision of technical advice to governments, represented the region at regional and international fora, and coordinated the region in the climate change negotiation process.

The CCCC is an articulated decentralized Centre that coordinates and utilizes the expertise and facilities in the region to undertake activities on climate change.



Views on How the Issues Contained in 4/CMP.3 Should be Addressed

Decision 4/CMP.3 invites relevant organizations to submit their views on how the five issues contained in paragraph 6 of that decision should be addressed in the second review of the Kyoto Protocol.

- (a) A share of the proceeds from Joint Implementation and Emissions Trading should be used to assist in meeting the costs of adaptation. Projects under the Clean Development Mechanism (CDM) are already charged a 2% levy which is placed in the Adaptation Fund to finance adaptation projects in developing countries. While the size of that fund is expected to grow to hundreds of millions if not billions of dollars, it cannot meet the cost of adaptation which will be required in developing countries and in particular small-island and low-lying States. The levy on CDM projects has not deterred investments and over 3,000 projects have now been registered around the world. These projects must be located in developing countries and are required to contribute to the sustainable development of the host countries. This even includes unilateral CDM projects. No such constraints apply to Joint Implementation or Emissions Trading. A study should be undertaken to review the profit margins of the projects and activities registered under these two other flexibility mechanisms with a view to providing an informed decision on the size of the levy which should be imposed.
- (b) The Fourth Assessment Report (AR4) of the Intergovernmental Panel on Climate Change (IPCC) notes and 13th Conference of the Parties (COP13) of the UNFCCC agreed that climate change is accelerating and urgent action is required to stabilize and then reduce the level of emissions of



greenhouse gases in particular in industrialized countries as quickly as possible. The overall target of a 5% reduction for Parties inscribed in Annex B of the Kyoto Protocol by the period 2008 to 2012 falls woefully short of the measures required to meaningfully address climate change. Therefore, a mechanism is required that would ensure that the level of commitments for Parties in Annex B is substantially higher and that the changes come into force as expeditiously as possible to ensure that there is no gap between the end of the first commitment period and the subsequent period. The procedure should follow the normal procedure used for adopting decisions within the UNFCCC process, ie. consensus followed by ratification.

(c) Privileges and immunities must be conferred on individuals serving on constituted bodies established under the Kyoto Protocol to ensure effective implementation of the Protocol without being impeded by national courts, to ensure that disputes are resolved fairly, impartially and expeditiously, and to provide protection from civil prosecution to individuals serving on bodies established by the Protocol. However, the Executive Secretary must also be provided with the authority to waive such immunities to facilitate the natural course of justice for criminal investigation and prosecution provided that the Executive Secretary is assured that such waiver is necessary and is not being used to interfere with or influence the work of the relevant bodies. Privileges should be provided to facilitate access to the venues of meetings of the relevant bodies, institutions being examined and project sites being reviewed as part of the work of the bodies. Documentation requested for examination should be provided expeditiously and not be withheld under the quise of confidentiality.



(d) Emission reduction targets should be met as far as possible through domestic measures. The three flexibility mechanisms of the Kyoto Protocol should be used to assist Annex I Parties in meeting their commitments. The opportunities provided by these flexibility mechanisms should be advertised and disseminated as widely as possible with the relative advantages of each mechanism with regard to greenhouse gas, sector, activity, and geographical opportunity portrayed accurately, fairly and transparently. The objective should be the creation of an overarching alobal carbon market that includes domestic markets and that ensures a stable international price for carbon. All three flexibility mechanisms should operate within this global market. At present the CDM projects are located primarily in the Americas and Asia. Even within these two areas most of the projects are located in very small sub-regions. Efforts should be undertaken to ensure that projects are more equitably distributed. Where lack of capacity and regulatory mechanisms are impediments for the development and implementation of projects, these should be identified and communicated to the respective authorities and financial and technical resources provided to those countries to overcome these hurdles. While it is recognized that CDM project development and implementation is driven by the private sector, a mechanism defining the maximum and minimum percentages of projects that should be hosted in each sub-region based on greenhouse mitigation potential, sizes of the populations and economies, and the desire of the members of the subregions to participate in project activities should be developed.



(e) Because of the interrelated nature of the global economy, mitigation measures to reduce emissions in Annex I Parties will inevitably trickle down to non-Annex I Parties, in particular small economies which rely on trade with industrialized countries. Annex I Parties should be encouraged to show how their actions are impacting on the economies of non-Annex I Parties and in particular on essential commodities such as food staples. Where applicable, fuel diversification in Annex I Parties should incorporate the relative strengths of non-Annex I producers especially small island and low-lying developing States, sustain the traditional livelihoods of native populations and enhance their standards of living. In particular, while the development and promotion of ethanol use is laudable, these industries should be encouraged and promoted in those countries like the Caribbean where the traditional sugar industries can be converted and retrofitted to produce ethanol more efficiently without affecting food production.

Conclusions

The Centre would be pleased to contribute to the debate on these important issues at the relevant fora including the SBI, informal consultations and workshops.