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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**

Eighth session

Bonn, 1–12 June 2009

Agenda item 3 (a) and (b)

Consideration of further commitments for Annex I Parties under the Kyoto Protocol

Proposal for amendments to the Kyoto Protocol pursuant to its Article 3, paragraph 9

Proposals by Parties on issues outlined in the work programme of the Ad Hoc Working Group on

Further Commitments for Annex I Parties under the Kyoto Protocol

**Information on possible quantified emission limitation and reduction
objectives from Annex I Parties**

Submissions from Parties

Addendum

1. In addition to the submission contained in document FCCC/KP/AWG/2009/MISC.13, four 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.

* 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 texts as submitted.

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PAPER NO. 1: AUSTRALIA, BELARUS, CANADA, EUROPEAN COMMUNITY AND ITS MEMBER STATES, ICELAND, JAPAN, LIECHTENSTEIN, NEW ZEALAND, NORWAY, RUSSIAN FEDERATION, SWITZERLAND AND UKRAINE

Joint submission by Australia, Belarus, Canada, the European Community and its Member States, Iceland, Japan, Liechtenstein, New Zealand, Norway, Russia, Switzerland, Ukraine

Information relating to possible quantified emissions limitation and reduction objectives as submitted by Parties

Submission to the AWG-LCA and AWG-KP

This paper contains updated information provided by Annex I Parties relating to their possible quantified emission limitation and reduction objectives (QELROs). It contains values or ranges of these pledges, the base year to which they refer, and information on their status.

This submission serves information purposes only and does not entail any collective political endorsement or acceptance by the submitting Parties of the information provided in the table below.

Party	Information relating to possible QELROs		Inclusion of LULUCF	Status
	Range or single value by 2020, percentage	Reference year		
Australia	-5% up to -15% or -25%	2000	Y	Officially announced
Belarus	-5% to -10% ¹	1990	TBD	Under consideration
Canada	-20%	2006	TBD	Officially announced
European Union	-20 to -30%	1990	N for -20% Y for -30%	Adopted by legislation
Iceland	-15%	1990	Y	Officially announced
Japan	-15% ²	2005	N	Officially announced
Liechtenstein	-20 to -30%	1990	N	Officially announced
Norway	-30%	1990	Y ³	Officially announced
Switzerland	-20 to -30%	1990	Y	Consultations in progress
Ukraine	-20%	1990	TBD	Under consideration

*Abbreviations: N = no; TBD = to be determined; Y = yes

¹ Conditional to access to flexible mechanisms.

² This target is based on pure domestic reduction efforts. How to treat credit offsets and sinks will be considered during the course of the negotiations.

³ LULUCF is included in light of the present rules. If the rules are changed Norway's national goal will be changed accordingly.

Some Annex I Parties clarified the following matters in the context of possible QELROs and pledges:

Australia

On 4 May, Prime Minister Kevin Rudd committed the Australian Government to reduce Australia's emissions by 25 per cent on 2000 levels by 2020 if the world agrees to an ambitious global deal capable of stabilising levels of greenhouse gases in the atmosphere at 450 ppm CO₂-eq or lower. The Australian Government retains its previous policy commitment to unconditionally reduce Australia's emissions by 5 per cent on 2000 levels by 2020, and to reduce emissions by up to 15 per cent by 2020 if there is a global agreement which falls short of securing atmospheric stabilisation at 450 ppm CO₂-eq, and under which major developing economies commit to substantially restrain emissions and advanced economies take on commitments comparable to Australia's.

Belarus

Belarus informs that if the amendment adopted via decision 10/CMP.2 comes into effect before the end of the first commitment period, for the period after 2012 the Republic of Belarus will consider an option of assuming the commitment to meet the target of 90-95 per cent of 1990 emission level; and if the aforementioned amendment does not take effect, the Republic of Belarus will refrain from voluntary commitments for the post-Kyoto period that would establish the target lower than 100 per cent of 1990 emission level (FCCC/KP/AWG/2008/ MISC.4, page11).

Canada

In the medium-term, the Government of Canada is committed to reducing Canada's total GHG emissions by 20 per cent by 2020 relative to 2006 levels. This equals a reduction in annual emissions of approximately 145 Mt by 2020. This commitment has been developed as a domestic goal on Canada's long-term emission reduction pathway. It does not assume or provide for significant use of the Kyoto mechanisms, in particular emission trading under Article 17. In the long-term, the government is committed to reducing Canada's GHG emissions by 60-70 per cent below 2006 levels by 2050 (FCCC/KP/AWG/2007/MISC.4/Add.1, page 5 and further elaboration by Canada).

The European Community and its Member States

The European Union agreed in 2008 its "Energy and climate package". The package includes a unilateral commitment to reduce EU-27 GHG emissions by at least 20 per cent by 2020 compared to 1990 levels and by 30 per cent provided that other developed countries commit themselves to comparable emission reductions and that economically more advanced developing countries contribute adequately according to their responsibilities and respective capabilities consistent with staying below 2°C (FCCCC/KP/AWG/2009/MISC.1, page 20).

Iceland

The Government of Iceland decided on May 29 2009 to reduce net GHG emissions by 15 per cent by 2020, compared to 1990 levels. In real terms this ambition entails 25 per cent reduction compared to the target ascribed to Iceland in the Kyoto Protocol. This

target is dependent upon the continuation of the decisions included in the Marrakech Accords, in particular the continuation of LULUCF and of Decision 14/CP.7. Iceland has previously adopted the long-term goal of reducing emissions by 50-75 per cent until 2050.

Japan

On 10 June, the Japanese Prime Minister Taro Aso announced the target of a 15 per cent reduction from the 2005 level by 2020. This target is based on pure domestic reduction efforts. How to treat credit offsets and sinks will be considered during the course of the negotiations. This mid-term target will pave the way to attaining Japan's long-term target of 60-80 per cent reduction in 2050.

New Zealand

New Zealand is developing a range of possible medium-term targets consistent with a global goal of stabilisation at 450 ppm CO₂-eq and with New Zealand's long-term target of a 50 per cent reduction in net emissions from 1990 levels by 2050.

Norway

In the context of an ambitious global agreement, Norway intends to cut global emissions equivalent to 100 per cent of its own greenhouse gas emissions, becoming a carbon neutral nation within 2030. Norway will undertake to reduce total greenhouse gas emissions by 30 per cent by 2020 relative to 1990 levels. The aim is to reduce two thirds of emissions domestically bringing Norway on the path to become a low carbon society (FCCC/KP/AWG/2009/MISC.1, page 39).

Russia

Russia is currently considering establishing a national mid-term target.

Ukraine

Ukraine is ready to commit to the greenhouse gas emissions reduction by 20 per cent by 2020 and by 50 per cent by 2050. Imposing stricter obligations on Ukraine will not only render impossible the economy growth, but will also prevent social and economic recovery of the country (FCCC/KP/AWG/2009/MISC.1, page 48 and further elaboration by Ukraine).

Canada's Mid-term Quantified Emissions Reduction Commitment June 2009

In April 2007, the Government of Canada announced an economy-wide mid-term commitment to reduce GHG emissions by 20 percent, relative to 2006 levels, by 2020. This commitment has been developed as a domestic goal on Canada's long-term emissions reduction pathway. It does not assume or provide for significant use of the Kyoto mechanisms, in particular emissions trading under Article 17.

Canada's mid-term commitment would reduce its GHG emissions to 575 Mt by 2020, a reduction of 143 Mt below 2006 levels. In the longer term, Canada has committed to reduce its emissions by 60-70% by 2050, relative to 2006 levels, or to 215 – 287 Mt.

Canada's 2006 GHG emissions from all sources, excluding LULUCF, were 718 Mt of CO₂ eq, a 21 percent increase from 1990 levels of 592 Mt. This growth in emissions can be attributed to a number of factors, including economic and population growth.

The Canadian economy grew by over 56% in the 1990 to 2006 period. However, the GHG intensity of Canada's economy has progressively decreased, particularly since 1996. In 2006, the GHG intensity of Canada's economy was 22% lower than in 1990.

Canada's national population also grew by 18% between 1990 and 2006, largely through immigration. Canada's population is projected to increase by a further 10% to reach 36.4 million by 2020. Canada's mid-term emissions target therefore implies a reduction of per-capita emissions of 26% from 1990 levels by 2020.

Canada's forests, of which 230 million hectares are managed forest, are expected to be a net source of emissions in the near term due to natural forest fires and insect infestations. Since 1999, the mountain pine beetle has destroyed trees in about 14.5 million hectares of managed forest in British Columbia.

Canada's mitigation potential and its abatement costs have been the subject of extensive domestic and international analysis. These analyses have informed the development of Canada's national GHG emissions reductions policies.

In order to achieve a 20% reduction in its emissions by 2020, Canada is developing and implementing a comprehensive suite of national policies and measures to address all sources of GHG emissions, including:

Cap and Trade System: Since 2006, Canada has been developing a comprehensive market-based regulatory regime for GHG emissions from major industrial sources, to be implemented under the *Canadian Environmental Protection Act*. In 2009 Canada indicated it would review this proposed regime to align with the emerging cap and trade program in the United States. Final details of Canada's cap and trade system will be released later this year.

Clean Electricity: Canada has set a national goal of producing 90% of its electricity needs without emitting GHGs by 2020. Achieving this goal will require increased energy efficiency, fuel-switching away from coal, and expanded use of nuclear and renewable power such as hydro and wind. Governments in Canada are providing significant incentives to increase Canada's supply of clean electricity from renewable sources.

Energy Efficiency: Achieving Canada's mid-term emissions reduction commitment will require an improvement in energy efficiency of approximately 20% by 2020. Canada is amending energy efficiency regulations under the *Energy Efficiency Act* to introduce new performance standards on products accounting for 80% of the energy used in homes and businesses in Canada. Governments in Canada are also implementing a wide range of energy efficiency programs for consumers and businesses, and exploring the potential of smart grids.

Carbon Capture and Storage: Canada will implement emission standards for coal-fired power plants and oil sands facilities under the *Canadian Environmental Protection Act* that will promote implementation of carbon capture and storage. In addition, Governments in Canada are investing over \$3 billion to support the development, demonstration and deployment of commercial-scale CCS between now and 2015.

Vehicle Emissions: Canada will implement new national regulatory tailpipe GHG emission standards under the *Canadian Environmental Protection Act* for new cars and light trucks that will reduce average fuel consumption and CO₂ emissions from new vehicles of the 2016 model year by 20%. These standards will be phased-in beginning with the 2011 model year and will be aligned with U.S. national standards.

Renewable Fuels: Canada is implementing a new national renewable fuels standard under the *Canadian Environmental Protection Act* that will require an average annual renewable fuel content of at least 5%, effective in 2010. In addition, an average 2% renewable fuel content in diesel fuel and heating oil will be required by 2012. Canada is also investing \$500 million to support the establishment of commercial scale demonstration facilities for the production of next-generation renewable fuels.

PAPER NO. 3: ICELAND

AWG-LCA / AWG-KP, Bonn June 1, 2009
Statement by Iceland on 2020 Target

The Government of Iceland has decided to reduce net GHG emissions by 15% by 2020, compared to 1990 levels. This goal is comparable to targets so far presented by other Annex I countries, as in real terms it entails 25% reduction compared to the target ascribed to Iceland in the Kyoto Protocol. This target is dependent upon the continuation of the decisions included in the Marrakech Accords, in particular the continuation of LULUCF and of Decision 14/CP.7.

Two things should be noted in connection with this decision. Firstly, the options of Iceland to reduce GHG emissions are more limited than of many other Parties, as Iceland had already in 1990 decarbonised energy production for electricity and house heating. That fact was one of the reasons for why Iceland was granted +10% target in Kyoto. Today, the share of renewable energy in Iceland's total energy consumption has increased still further and stands now at more than 80%. Therefore Iceland considers that aiming for a target of 25 percentage points below the Kyoto target for 2020 signals a strong commitment to decarbonise other sectors in addition to the energy sector, and move towards a low-carbon economy. Iceland has previously adopted a long-term target of reducing emissions by 50-75% until 2050.

Secondly, Iceland has signalled its intention to use the provisions of Decision 14/CP.7 on the impact of single projects on emissions of small economies, meaning that emissions that fall under this Decision are reported separately. This Decision pertains to a specific problem for small economies, where the establishment or decommissioning of individual factories can have a big proportional impact on emission levels. The decision of the Government of Iceland to reduce emissions by 15% between 1990 and 2020 is made with the understanding that the provisions of Decision 14/CP.7 are extended to 2020.

The problem addressed by Decision 14/CP.7, which can be described as a lack of flexibility for small Parties in a cap-and-trade system, could be solved through other means. Iceland is currently consulting on the possibility of engaging in a joint commitment with other Parties in the next Commitment Period. This might result in a different formulation of Iceland's target in a new commitment period.

Iceland makes this statement in the two working groups -- AWG-LCA and AWG-KP -- to underline the link between the two tracks.

PAPER NO. 4: LIECHTENSTEIN

**AWG-KP Submission by the
PRINCIPALITY OF LIECHTENSTEIN**

In the context of an ambitious global agreement Liechtenstein intends to achieve a 20 % reduction of greenhouse gas emissions by 2020 compared to 1990.

If other developed countries commit themselves to comparable emissions reduction efforts and if economically more advanced developing countries take appropriate mitigation actions, Liechtenstein is prepared to consider a reduction target up to 30 % within the framework of a comprehensive global agreement.

The emission reduction goals mentioned above do not take into account activities from land use, land-use change and forestry.

With respect to the establishment of a long term emission goal, Liechtenstein aims at a reduction of greenhouse gas emissions of 50% by 2050 compared to 1990.

Furthermore Liechtenstein acknowledges the contributions of the flexible Mechanisms of the Kyoto Protocol to reduce greenhouse gas emissions and supports the international efforts to further improve these mechanisms with respect to administrative efficiency and environmental integrity.
