Targets by developed country Parties under the Convention: assumptions, conditions, commonalities and differences in approaches and comparison of the level of emission reduction efforts

Technical paper Bonn, 17 May 2012



Katia Simeonova, Deputy Coordinator UNFCCC secretariat, Mitigation Data and Analysis Decision 2/CP.17 requests the secretariat

- To prepare a technical paper to **update** document FCCC/TP/2011/1
 - Compiling all the information contained in Parties' submissions in a structured manner,
 - Updating the paper as new information is provided by Parties

 To produce a technical paper exploring the commonalities and differences of approaches



Part I: Content of the technical paper

- Compilation of the quantified economy-wide emission reduction targets of developed countries, including assumptions and conditions
- Discussion on the assumptions and conditions related to the attainment of quantified economy-wide emission reduction targets by developed countries, including
 - Use of LULUCF and carbon credits from market-based mechanisms
 - Base year, global warming potential values, coverage of gases and sectors, expected emission reductions and mitigation policies, legislation and institutional arrangements in relation to the targets
- Discussion of commonalities and differences in approaches to measure progress towards the achievement of economy-wide emission reduction targets of developed countries
- Comparison of the level of mitigation efforts among developed countries



Part I: Compilation of information on targets and relevant sources

The technical paper is based on information provided by developed countries:

- Targets contained in document FCCC/SB/2011/INF.1/Rev.1
- Assumptions and conditions related to the attainment of the targets of developed countries, provided during the workshops on this matter held in 2011
- Submissions from developed countries, as part of the process of clarifying their targets, in response to paragraph 5 of decision 2/CP.17 (FCCC/AWGLCA/2012/MISC.1, Add.1 and Add.2)
 - Canada and Iceland submitted after the technical paper was published; these submissions are included in FCCC/AWGLCA/2012/MISC.1/Add.2
- 2011 GHG inventory submissions of Annex I Parties
- Contribution from LULUCF and Kyoto Protocol mechanisms in attaining the pledges for emission reductions submitted by Annex I Parties that are also Parties to the Kyoto Protocol (FCCC/KP/AWG/2010/INF.2/Rev.1)



Part II: Assumptions and conditions

2 Parties with unconditional targets and 6 Parties with unconditional low target

Assumptions and conditions

- Achieving a comprehensive global agreement with the participation of all major economies
 - Advanced economies agreeing to comparable mitigation efforts and actions
 - Developing countries taking action in accordance with their differentiated responsibilities and respective capabilities
- Role of LULUCF and carbon credits from market based mechanisms
 - Effective set of rules for more comprehensive inclusion of LULUCF
 - Access to more options for the use of carbon credits from market-based mechanisms

Summary

- Clarity on conditions attached to targets
- Clarity on conditions to enable Parties to move to the higher range of the targets
- Little clarity on whether assumptions and conditions are fully or partly met



Part III: Commonalities and differences in approaches to measure the progress

- Uncertainties regarding the role of LULUCF and carbon credits from market-based mechanisms and the scale of their impact on targets remain
 - Many Parties acknowledge the plans to use carbon credits, but
 - Sources of the credits range between the Kyoto Protocol mechanisms (clearly defined rules), to multilateral, bilateral and regional offset programmes and mechanisms, or credits generated through other arrangements (not likely to be subject to a common set of rules)
 - Little clarity relating to the overall amount of carbon credits that could be used for achieving the targets under the Convention, but some indication from some Parties
 - Most Parties defined their targets including LULUCF, but using different approaches
 - o Comprehensive land-based approach versus activity-based approach
 - Several Parties are yet to communicate information, but one announced that it will follow two different approaches on LULUCF accounting under the Convention and the Kyoto Protocol



Part III: Commonalities and differences in approaches (continues)

- Revised UNFCCC Annex I inventory reporting guidelines, from 2015 onwards
 - Basis for Parties to use the same coverage of gases, common metrics and methodologies for reporting on GHG inventories and for measuring the progress towards their GHG emissions reduction targets
- Parties have not yet considered how to measure progress towards the targets
 - System where different coverage of sectors, gases, common metrics, methodologies and use of LULUCF and carbon credits would be possible under the condition that these are presented in a transparent way ex ante
 - System based on common accounting approaches and modalities for all or part of the issues
- Limited information on the approaches to assessing the progress towards targets from all Parties and differences in these approaches could lead to
 - Increased complexity of the reporting system under the Convention and the IAR
 - Difficulties in assessing and reviewing the progress towards the achievement of developed countries' targets when conducting the IAR under the SBI



Part IV: Comparison of the level of emission reduction efforts

- Comparability of mitigation efforts was considered in relation to the economy-wide emission reduction targets of Annex I Parties set out in document FCCC/SB/2011/INF.1/Rev.1
- An approach used for assessing comparability of mitigation efforts is based on different metrics each of them reflecting different national circumstances
- In assessing comparability the following differences were not taken into account
 - Differences in the coverage of gases and sectors, and methodologies used to estimate emissions and removals
 - Differences in the contribution of domestic action, carbon credits from the market-based mechanisms and LULUCF, and associated efforts in the context of the overall mitigation efforts



Part IV: Metrics used for comparison of emission reduction efforts

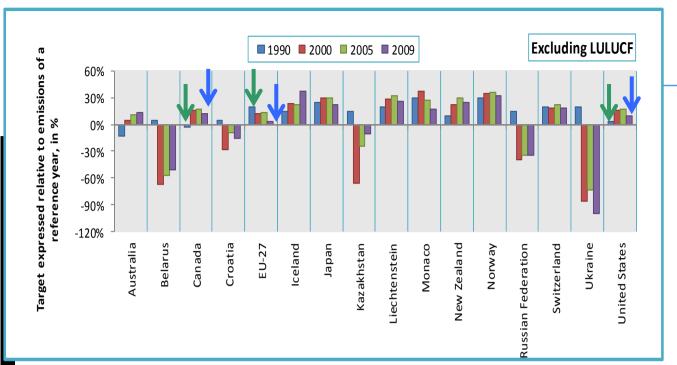
Metrics used

- Absolute and relative changes in GHG emission levels over different periods of time and relative to different reference years
- Absolute and relative changes in per capita GDP and per capita GHG emissions over different periods of time
- Absolute and relative changes GHG emission intensity in relation to economic output (GDP)

Summary

- The metrics used and quantitative estimates are intended to be used for illustrative purposes only and not as proposals on how to determine comparability of efforts
- Use of different metrics leads to different outcome from comparability assessment
- There is no single metrics of a combination thereof that could capture different national circumstances across countries

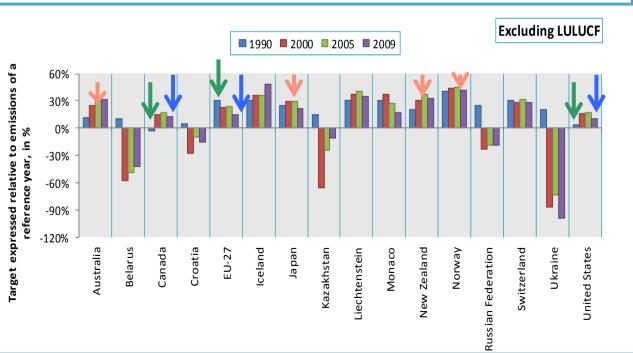




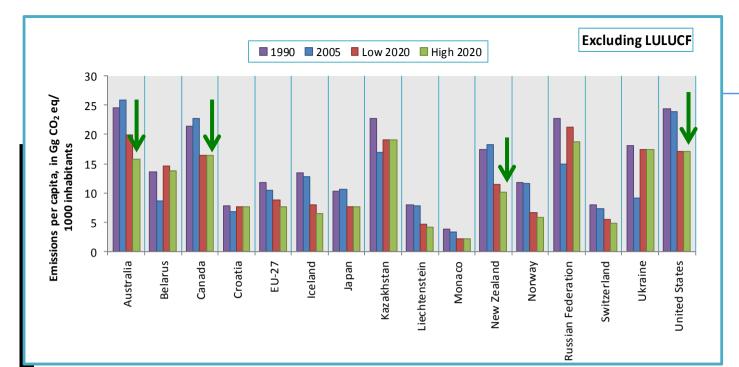
Emission reductions, *excluding LULUCF*, *by 2020 relative to emission levels in 1990, 2000, 2005 or 2009 for low targets*

Emission reductions,

excluding LULUCF, by 2020 relative to emission levels in 1990, 2000, 2005 or 2009 for **high targets**

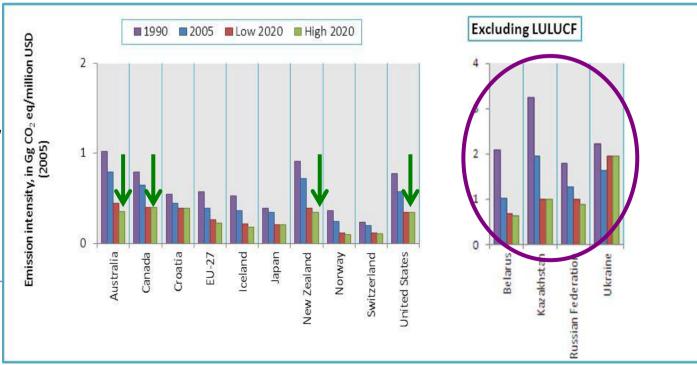






Per capita emissions, excluding LULUCF, in 1990, 2005 and 2020 for the **low and high targets**

Emission intensity, excluding LULUCF, in 1990, 2005 and 2020 for the low and high targets





THANK YOU FOR YOUR ATTENTION

