Forum on Response Measures

HOW TO REDUCE THE NEGATIVE IMPACTS OF RESPONSE MEASURES

State of Qatar Dr. Ali Hamed Al-Mulla Bonn, June 13, 2011

IMPACT ACKNOWLEDGED BY IPCC

- Abatement in Annex 1 would have "predominately adverse" impact on non-Annex 1 regions
- * "Robust" finding "Emissions constraints on Annex 1 countries have well-established, albeit varied 'spill-over' effects on non-Annex 1 countries"
- * "Analyses report reductions in both projected GDP and projected oil revenues for oil-exporting, non-Annex 1 countries."
- * The effects on these countries can be further reduced by removal of subsidies for fossil fuels, energy tax restructuring according to carbon content, increased use of natural gas, and diversification of the economies of non-Annex 1, oil exporting countries."

HOW TO REDUCE THE IMPACT?

- Political will to take the commitment seriously
- Policy choices make a big difference
 - Not all policies have negative impacts
 - Some policies have less impacts than others
 - Some are even positive and can be called win-win solutions

EXAMPLE OF DISCRIMINATORY POLICIES

Taxes on Gasoline for Number of OECD Member States (\$ US per 1,000 L)



EXAMPLE OF DISCRIMINATORY POLICIES

EU Aviation Directive

- Clear negative impact on all developing countries
- Disregards multilateral agreements
- Does not lead to real emissions reductions in the aviation sector

WORK PROGRAMME

The Work program under <u>The Forum</u> needs to address the following areas, and agree decisions on clear way forward with regards to,

- Policy Selection criteria
- Methodologies for assessing the impact
- Updated Reporting guidelines
- Review and compliance



POLICY SELECTION CRITERIA

Must be based on environmental protection goals and strive to prevent or minimize the negative impacts

- Annex I National policies must demonstrate economy-wide coverage of all sectors and all GHG gases
- •<u>Disguised policies</u> that have other goals (such as energy independence) **should not be** a substitute for available and effective environment policies.
- •Annex I Policies that hold <u>a clear bias</u> should not be permitted (like taxation policy that targets oil and oil products)
- Policies that achieve Emission Reduction and have the least negative spillover on developing countries should be promoted

METHODOLOGIES FOR POLICY IMPACT ASSESSMENT

Clear methodologies must be established for assessing each policy and measure. Assessment should include:

- Cost of implementation (cost effectiveness of implementing various policies and comparison between different effectiveness)
- Span of implementation (what is covered)
- Anticipated reduction of GHG
- Carbon foot print (emissions associated with implementation)
- Qualitative analysis of Impact assessment (for an individual policies and for group of policies)
- Quantitative analysis of Impact Assessment (social and economic impact on individual developing countries with identified vulnerabilities, and expected impact on international trade)

REPORTING

- Common reporting matrix is needed
- Updated reporting guidelines are important
- Reporting must be done in a transparent, complete, accurate and consistent manner that allows for comparability of efforts
- All tools such as templates, tables, narrative, and detailed explanation should be used to provide clarity

THANK YOU State of Qatar Dr. Ali Hamed Al-Mulla Bonn, June 13, 2011