



AUSTRALIA

Submission under the Durban Platform for Enhanced Action | March 2013

The 2015 climate change agreement | ADP

I. Overview

Australia welcomes the opportunity to present its views on the new legally binding climate change agreement to be negotiated through the Ad-hoc Working Group on the Durban Platform for Enhanced Action (ADP). In summary:

- A climate-effective 2015 agreement must be built on global participation, with a design that is fair, flexible, robust and dynamic. It should be a catalyst for national action, investment in clean energy and infrastructure, and low-carbon, climate-resilient growth and development.
- The scope of the 2015 agreement should cover areas where a new international compact can add to the effectiveness and coherence of the global regime. It should work in concert with the range of ongoing international and national implementation arrangements that have been developed to deliver action on mitigation, adaptation and means of implementation.
- Greater global mitigation, in particular action by the major economies, is the key to achieving the Convention's objective. The core of the 2015 agreement must be a mitigation system in which all countries contribute to reducing or limiting emissions, deepening their contribution over time, while differences in circumstances and capacity are accommodated through a flexible and dynamic system of commitments.
- A design that is sensitive to the genuine diversity between countries will encourage participation and promote equity. National schedules have significant potential as a model that can capture this diversity by accommodating a full spectrum in type and scale of effort.

II. Applicable to all: An agreement with meaningful, global participation

The foundation of the 2015 climate change agreement is the common understanding that it will be **applicable to all Parties**. Meaningful, global participation in climate change action under the 2015 agreement is the pre-condition for its success. This reflects the lessons learned from over 20 years of scientific and analytical experience and expertise, that:

- To meet the objective of the Convention in stabilising global greenhouse gas emissions and global temperature rise, **all countries need to work together**. Developed countries, and developing countries, each generate a substantial share of global emissions – a solution is out of reach without mitigation efforts by all major economies;



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- The **costs of delaying action on climate change are greater than the costs of acting now**. Climate action goes hand-in-hand with improved economic wellbeing and poverty alleviation – because climate change will threaten to reverse these priorities if unmitigated. It is in countries’ economic, social and environmental interest to participate in climate action and capture opportunities for low-carbon growth.

The 2015 agreement will have the best chance of attracting meaningful global participation if it is perceived by countries to be **climate-effective, aligned with their national drivers and fair**. It must give countries confidence that their actions are part of an effective global response to climate change, and also provide reassurance that each country can contribute in a way that respects its domestic priorities, capacities and ability to determine its own contribution. To achieve this, the agreement should be designed in a way that it is:

- **For all** – all countries contribute to reducing emissions, with major economies at the core;
- **Flexible** – able to accommodate a range of efforts, giving countries flexibility to define their efforts in line with their diverse and changing national circumstances and capabilities;
- **Robust** – allows countries to understand exactly what efforts others are undertaking and how they are performing, through clear transparency and accounting arrangements;
- **Dynamic** – drives increasing effort over time, taking account of countries’ changing circumstances and capabilities and the latest science;
- **Practical** – able to be implemented nationally in line with domestic capacities and policies, including through carbon markets;
- **Fair** – creates confidence that all countries are contributing their fair share, and that the overall result promotes equity, in a dynamic and changing world.

III. The scope of the 2015 agreement

The post-2020 international climate change regime will be designed to promote both mitigation and adaptation responses to climate change, with means of implementation helping countries deliver mitigation and adaptation goals. The 2015 agreement will be a central part of this regime, but will not enter into a vacuum. Over 20 years, countries have invested in developing commitments, rules, institutions and implementation frameworks at both international and domestic levels. This includes the new institutions and implementation frameworks developed in the UNFCCC post-Cancun, which are continuing to mature. The 2015 agreement does not need to recreate this entire infrastructure.

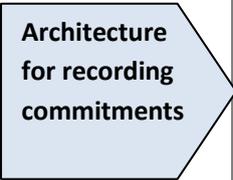
The ADP should consider the 2015 agreement’s scope, including the areas identified in paragraph 5 of decision 1/CP.17, by looking at **the ‘value-add’ a new legal agreement can bring to the effectiveness and coherence of the global regime**. While in some areas substantial new thinking will be required to prepare the regime for the 21st century, in others a focus on implementation rather than further negotiation in the ADP can deliver the greatest progress.



Mitigation must be central to the 2015 agreement. The verdict is unanimous that the world is not doing enough to reduce emissions in line with the below 2 degree goal. A solution depends on a coordinated international response. The lesson learned from experience is that while both the Kyoto Protocol and the Cancun pledges were critical steps in building international mitigation action, neither approach to setting mitigation goals has proven sufficient to catalyse the participation, ambition and delivery of effort that is now needed. We need new thinking in the ADP, starting in 2013, to design a climate-effective mitigation architecture.

IV. Design considerations for the 2015 agreement

A climate-effective mitigation architecture for the 2015 agreement must demonstrate the characteristics identified above: it must be for all, flexible, robust, dynamic, practical and fair. These characteristics can be captured in the following design elements:

ELEMENTS	DESIGN FEATURES	OPTION
 <p>Architecture for recording commitments</p>	<p><i>All countries contribute</i></p> <p><i>Flexible:</i> allows countries to inscribe a full spectrum in type and scale of effort, not QELRO/carbon budget only like the Kyoto Protocol</p> <p><i>Robust:</i> sets out clearly up-front what countries will do</p> <p><i>Dynamic:</i> can be revised periodically to drive deeper effort</p> <p><i>Fair:</i> sensitive to genuine diversity between countries, moving past a 'two-room' system that is unable to reflect the range of countries' capabilities and responsibilities, weakens confidence in collective action and becomes an excuse for inaction</p>	<p>National schedules annexed to the 2015 agreement could allow each country to inscribe a commitment appropriate to its national circumstances.</p>
 <p>A process for defining commitments</p>	<p><i>All countries participate</i></p> <p><i>Balances flexibility and robustness:</i></p> <ul style="list-style-type: none"> : Sets some parameters for defining different types of commitments (eg Global Warming Potentials, gases, etc) to aid comparability : Allows some flexibility in how commitments are defined to accommodate national circumstances : Enables a clear up-front understanding of what the quantified impact of commitments will be : Informed by science and the global goal <p><i>Fair:</i> Includes consideration of whether countries are doing their fair share</p> <p><i>Practical:</i> Commitments are nationally determined</p>	<p>Countries could submit commitments to be considered through a time-bound process looking at each country's contribution and its impact. Nationally determined commitments could be locked into schedules.</p> <p>All major economies could reduce or limit emissions across their economies; developed countries & countries with greatest capacity make absolute economy-wide reductions; others take on quantified efforts in line with capacity</p>



<p>A system for implementing commitments and tracking performance</p>	<p>All countries maintain transparency through robust measurement, reporting and verification, including regular preparation of inventories</p> <p><i>Balances flexibility and robustness:</i></p> <ul style="list-style-type: none"> : Basis for tracking commitments is clear up-front : Rules for tracking commitments maintain environmental integrity with necessary flexibility for national circumstances and differences in capacity : Verification and accountability measures maintain environmental integrity with necessary flexibility to accommodate differences in capacity <p><i>Practical:</i> Aligned with national implementation frameworks</p> <p><i>Fair:</i> International support helps bridge identified gaps in implementation capacity</p>	<p>A robust transparency and accounting framework could be designed with sufficient flexibility to support a range of commitments and differences in national capacity</p> <p>Effective interaction could be built with institutions and processes designed to support implementation</p>
<p>A mechanism to build efforts over time</p>	<p><i>Dynamic:</i> Drives countries to increase the ambition of their efforts over time</p> <p><i>Robust:</i> Is evidence-based and responsive to the latest science</p> <p><i>Fair:</i> Is 'future proof' and responsive to changes in countries' circumstances and capacities over time</p>	<p>A review mechanism could allow countries to periodically revisit their efforts, moving toward a gold standard of effort over time</p>

A mitigation system built for the 21st century will recognise the different pathways that countries will follow to achieve low-carbon, climate resilient economies. For some countries, this will require a substantial turnover of existing high-carbon infrastructure; for others the opportunity to scale-up lower-carbon options as they develop; while others may be able to leap-frog high-carbon growth models altogether as new technologies are proved. The ADP should look at designs for the 2015 agreement that allow countries to reflect their unique domestic drivers and promote a sustained transition to low-carbon and climate-resilient economies.

V. The structure of the 2015 agreement

The eventual scope and design of the 2015 agreement will also be informed by its structure. In Australia's view the 2015 agreement could comprise a combination of:

- legally binding 'core' commitments;
- supporting provisions, rules and institutions which may be binding or non-binding in effect;
- national schedules annexed to the agreement.

Australia considers that **national schedules have significant potential as a model for the architecture for the new agreement**. The idea is simple – each country would have its own 'national' schedule, annexed to the 2015 agreement, to inscribe the national particulars of its contribution to



the global effort. The schedules would operate in tandem with the agreement itself, which could, among other things, set out relevant internationally determined parameters in relation to the content, process for compiling and legal effect of schedules.

In this way, national schedules could fairly capture the genuine diversity between countries, accommodating a full spectrum in type and scale of effort, and giving countries flexibility to tailor efforts to their national circumstances within an international rules-based system. National schedules would promote a robust agreement design, setting a clear up-front reference point for tracking countries' efforts. They would also be dynamic, allowing for countries to update and strengthen their efforts over time without requiring renegotiation of the entire agreement.

While Australia recognises that the 2015 agreement must accommodate differentiation in the type, scale and substance of countries' efforts, **differentiation must not extend to the legal form of commitments**. All countries' efforts must be on the same legal platform and share the same degree of bindingness, reflecting a common willingness to take action. Differentiating countries' preparedness to commit would undermine confidence in the 2015 agreement as a truly global climate response.

VI. Working through and outside the ADP in 2013

In line with the points above, the following mode of work would support the development of the new agreement in 2013:

- Retaining the existing agenda and starting work on substance immediately on commencement of the April/May session;
- The use of focussed roundtables in the ADP at the April/May and June sessions to explore specific issues relating to the scope, structure and design of the 2015 agreement, including:

: In what specific areas can the 2015 agreement add to the effectiveness and coherence of the global climate change regime, considering the rules, institutions and implementation frameworks already established under and outside the UNFCCC?

: What models for the design of the 2015 agreement can capture global participation in reducing emissions on the basis of a spectrum of effort?

: How can a process for defining and tracking commitments be designed to be both flexible and robust?

: How can the agreement be designed to promote effective implementation and delivery?

: How can the agreement be designed to be durable, respond to changing circumstances and the need for growing effort over time?

: How do countries see themselves participating in the 2015 agreement, how do they see the relationship between the 2015 agreement and their domestic drivers and efforts, and what can help unlock contributions to the global effort?



The application of the Convention principles, lessons learned from the UNFCCC and other regimes, the role of existing institutions and processes, and ways and means of defining enhanced action are relevant to, and can be considered in the context of, each of these issues.

- Directing work in the ADP toward identifying areas of convergence on framing elements of the 2015 agreement; identifying areas where specific technical work is needed; and identifying areas of divergence where higher-level guidance is necessary before technical work can begin.
- Strengthening the opportunities for non-Government stakeholders, business and civil society contribute to discussions on designing the 2015 agreement and building understanding of the practical context for delivering action.
- Ensuring there is opportunity for Ministerial engagement on the 2015 agreement in 2013, in a way that is more structured and in-depth than in 2012, building toward further high-level political engagement in 2014 and 2015.
- The ADP continuing to be informed of the work happening in the permanent subsidiary bodies and other institutions to progress implementation frameworks and institutions which will operate in tandem with the new agreement post-2020. The Chairs of these bodies can report regularly to the ADP.

