New Zealand Submission to the Ad Hoc Working Group on the Durban Platform for Enhanced Action: Work-stream 2

Implementation of all the elements of decision 1/CP.17, (b) Matters related to paragraphs 7 and 8

March 2013

Context

- 1. This submission responds to the invitation contained in document FCCC/ADP/2012/3, paragraph 31, requesting Parties to submit their views on actions, initiatives and options to enhance the level of global ambition with consideration to the following:
 - (a) Mitigation and adaptation benefits, including resilience to the impacts of climate change;
 - (b) Barriers and ways to overcome them, and incentives for actions;
 - (c) Finance, technology and capacity-building to support implementation.

The series of in-session roundtable discussions and workshops this year will be guided by focused questions set out by the Co-Chairs of the ADP, which will also take these submissions into account.

- 2. This submission builds on, and should be read alongside, New Zealand's March 2012 submission to the ADP on Raising Ambition Post-2020.
- 3. New Zealand shares the desire and determination to hold the increase in global average temperature below 2°C above pre-industrial levels. Urgent action by all Parties to raise the level of global ambition prior to 2020 is critical for the development and implementation of a meaningful outcome post-2020. As we look to the future involvement by Leaders in 2014, we must first lay the technical groundwork so that political support for ambition can be fully realised.

Bedding-in and maximising ambition within the UNFCCC

- 4. New Zealand considers that transparency of implementation action will be crucial to building confidence and political momentum for more ambitious outcomes under the Convention. A number of elements will contribute to this, including:
 - Clarifying pledges and the assumptions underpinning them, benefiting from (and not duplicating) the existing work under SBI/SBSTA. The clarification of all countries' pledges will enable more accurate analysis of levels of commitments through elaboration of assumptions, building trust among Parties and improving understanding of what additional mitigation is required, and where the potential opportunities lie.
 - Increasing transparency through regular biennial reporting and IAR/ICA¹ of national inventories and mitigation efforts. Regular reporting and review will build confidence that countries' are doing what they said they would do and the transparency will provide incentives for all countries to meet their existing commitments. It is New Zealand's expectation that all Parties will submit their biennial report or biennial update reports on time and that meaningful international peer review processes will follow. These processes will also identify what has worked and what has not, informing policy choices and implementation by all countries. Importantly, understanding what others are doing helps build domestic support, which is a critical factor in making the case for greater global ambition. In New Zealand's view, Parties must give urgent attention to completing the

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¹ International Assessment and Review/International Consultation and Analysis

- details of the technical analysis process for biennial update reports to enable a fully functioning ICA process.
- Mobilizing private sector finance and innovation through carbon markets. A strong
 international carbon market, free of distorting and artificial constraints, could contribute to
 increased ambition for all Parties, greater flows of private finance to developing countries,
 and greater involvement in the market by the private sector. Greater confidence could be
 provided by the development under the Various Approaches negotiations of a new market
 mechanism and a framework to underpin both environmental integrity and fungibility of
 units and to avoid double counting.
- Asking all Parties to consider how they can increase ambition. This includes encouraging
 Parties that have not yet made pledges to do so and creating the conditions that will enable
 maximum effort, or expansion of actions to additional sectors. Clarification and
 transparency in implementation of current pledges will provide domestic reassurance of
 action by others and encourage countries to examine where maximum ambition can be
 met and for countries to come forward with a pledge.

Initiatives to increase ambition

- 5. New Zealand recognises the need to stimulate ambitious mitigation action at all levels through all possible channels and through cooperation with all relevant actors (at international regional, national and sub-national levels).
- 6. The workshops under the ADP are an opportunity to explore policy initiatives and actions in specific sectors that can catalyse previously untapped mitigation potential. Sharing best practice and receiving technical input from outside organisations and the private sector will allow initiatives with high mitigation potential and significant co-benefits to be identified. Thematic areas the Co-Chairs could focus the workshops on include (but are not limited to):
 - Energy efficiency and reform of inefficient fossil fuel subsidies. Globally, energy efficiency represents about 40 per cent of the greenhouse gas reduction potential that can be realised in a cost-efficient way. IEA and OECD research indicates that removing subsidies alone could reduce global carbon dioxide emissions by up to 10 per cent by 2050. This would make a substantial contribution to reaching the level of global ambition necessary to keep global warming below 2°C above pre-industrial levels.
 - Short Lived Climate Pollutants (SLCPs). Reducing emissions from carbon dioxide must be combined with cuts to SLCPs, which cause 40-45 per cent of the earth's warming. These pollutants include black carbon, tropospheric ozone, methane and hydroflurocarbons (HFCs). HFCs, for instance, have a particularly strong global warming impact and while currently making up only a small fraction of total greenhouse gases, HFC emissions are projected by UNEP to rapidly increase to 8.8Gt of carbon dioxide equivalent by 2020 and by 2050 to reach approximately 10 per cent of global (carbon dioxide equivalent) emissions under business-as-usual scenarios.
 - *Domestic drivers and constraints*. Consideration of barriers and incentives for actions will help to identify the key parameters essential to maximizing ambition.

Building global momentum for ambition

7. All Parties to the UNFCCC have made commitments to address climate change. How each Party does this is its own choice – some Parties will undertake only domestic actions while others may also participate in initiatives that have aims that are complementary to the aims of the UNFCCC. Climate change action also takes place at many levels, including through parts of the private sector, some of which are encompassed by pledges. This collective international action

both supports domestic initiatives and provides opportunities for information-sharing, research, and technology development and uptake.

- 8. Not all collective action to address climate change undertaken by Parties comes under the UNFCCC, nor should it. But New Zealand considers it valuable for the UNFCCC to acknowledge, promote and encourage international initiatives that can and already are making a difference to our collective efforts on climate change and global ambition. The UNFCCC, and Parties who are participants in complementary international initiatives, could encourage them wherever possible to develop aspirational, measurable goals.
- 9. Encouraging further cooperation in the science, research, technology development and adoption of new mitigation technologies in parallel processes will supplement the work of the UNFCCC to achieve its desired goals. Recognising that efforts under way outside the Convention can make a significant difference to closing the mitigation gap, it would be useful to collate and synthesise information about the full range of action, large and small, to the global effort.

Conclusion

- 10. In New Zealand's view, the Durban Platform's Work-stream 2 could catalyse global ambition, manifested in bedding-in and increasing pledged ambition under the UNFCCC, by examining opportunities for greatest mitigation potential, and by encouraging international initiatives that supplement the work of the UNFCCC. Conversations on both a political and a technical level will be required to achieve ambitious outcomes.
- 11. New Zealand looks forward to engaging on these issues with other Parties.