

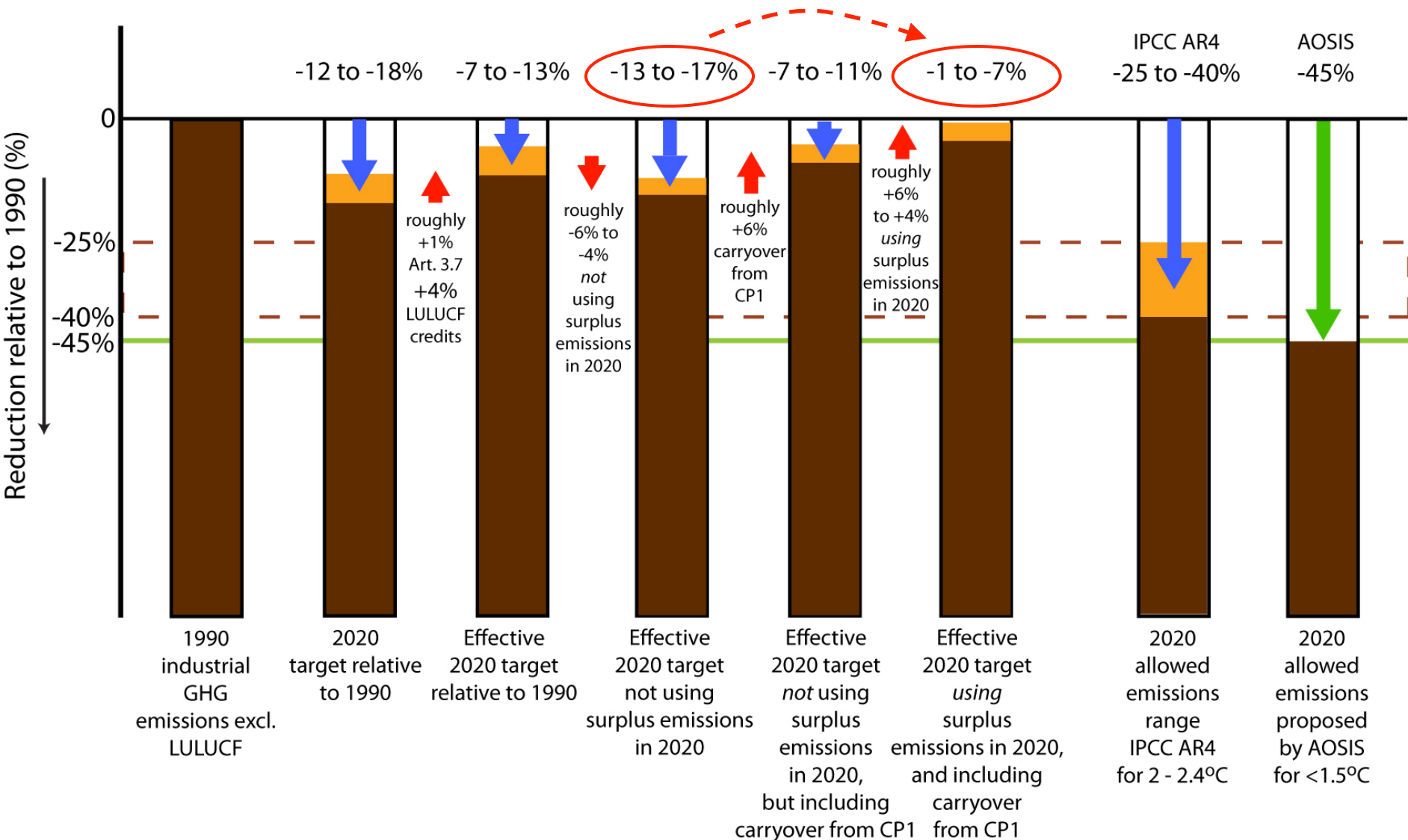
Options to address surplus AAUs and carryover

St Lucia on behalf of AOSIS

AWG-KP

December 6, 2010

Aggregate Annex-I reductions including surplus AAUs and LULUCF accounting



2020 Annex I proposals

	Reduction in % below Base year	Base year	'Raw target' % below 1990 GHG emissions excl. LULUCF
Australia	5 - (15) - 25%	2000	13% above to 11% below
Belarus	5-10%	1990	5-10%
Canada	17%	2005	3% above
Croatia	5%	1990	5%
EU27	20-30%	1990	20-30%
Iceland	15-30%	1990	15-30%
Japan	25%	1990	25%
Kazakhstan	15%	1992	10%
Liechtenstein	20-30%	1990	20-30%
Monaco	20-30%	1990	20-30%
New Zealand	10-20%	1990	10-20%
Norway	30-40%	1990	30-40%
Russian Federation	15-25%	1990	15-25%
Switzerland	20-30%	1990	20-30%
Ukraine	20%	1990	20%
USA	17%	2005	3%
Annex I (excl. Turkey)	12-18%	1990	12-18%

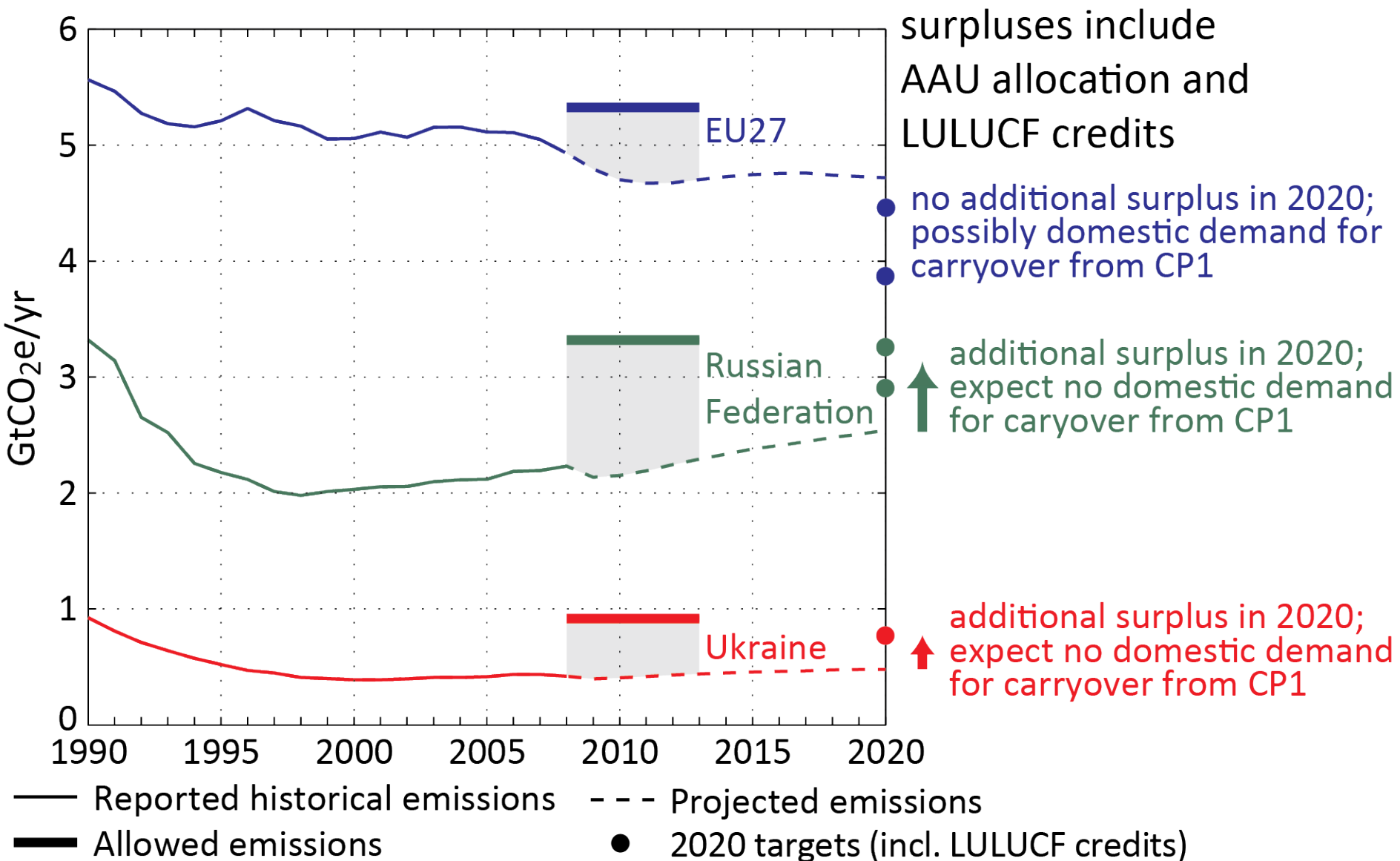
2020 Annex I proposals

	Effective target (% above 1990)	BAU emissions 2020 INCLUDING RECESSION AND IMPLEMENTED POLICY (% above BAU)
Australia	+30 to -1%	+43%
Belarus	-5 to -10%	-22%
Canada	+3%	+34%
Croatia	-5%	+11%
EU27	-20 to -30%	-7%
Iceland	-14 to -29%	+18%
Japan	-25%	-6%
Kazakhstan	-10%	-10%
Liechtenstein	-20 to -30%	+14%
Monaco	-20 to -30%	-14%
New Zealand	+15 to +5%	+32%
Norway	-20 to -30%	-4%
Russian Federation	-2 to -12%	-28%
Switzerland	-19 to -29%	-10%
Ukraine	-18%	-41%
USA	+3%	+16%
Annex I (excl. Turkey)	-7 to -13%	-2%

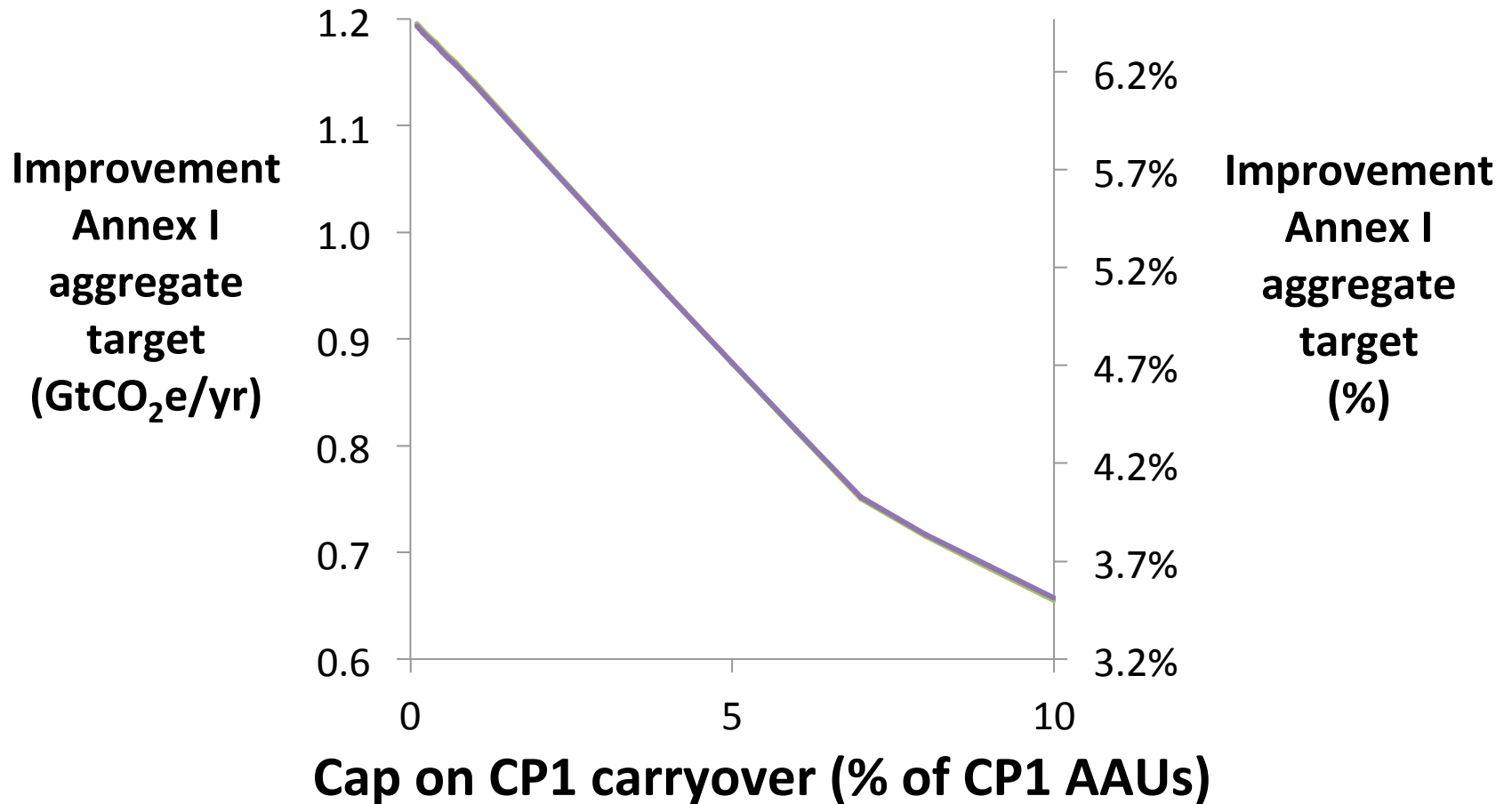
BOLD: Parties with proposed 2020 targets ABOVE BAU

Note: BAU = PIK-PRIMAP4
www.primap.org

Examples of estimated surplus AAUs CP1 and potential domestic demand around 2020



Improvement of aggregate Annex I 2020 target if carryover from CP1 is capped



Options for addressing surplus from CP1 AND CP2

Option 2 elements for addressing surplus	Improvement in aggregate Annex I ambition of 2020 pledges (% of 1990 emissions excl. LULUCF)	Improvement in effective emission reductions per year 2013 to 2020 (MtCO ₂ eq/yr)
1. Limit carryover of surplus from CP to [0.1] [1] [10] percent of Parties' assigned amounts in the preceding period		
<ul style="list-style-type: none"> 0.1 % limit on carryover to CP2 	6.5 %	1,200
<ul style="list-style-type: none"> 1 % limit on carryover to CP2 	6.2 %	1,100
<ul style="list-style-type: none"> 10 % limit on carryover to CP2 	3.5 %	700
2. Allow carryover, but limit purpose for which carryover AAUs may be used		
<ul style="list-style-type: none"> Only for domestic use in subsequent CP 	5.2 %	960
1&2 Cap & limit purpose		
<ul style="list-style-type: none"> Only for domestic use up to 1% of subsequent CP commitment 	6.3 %	1,150
3. HTAAs		
<ul style="list-style-type: none"> Simple estimate: effective 2020 target no higher than BAU 	4-6%	750-1,050
Note	Element 3 can be applied parallel to any of the other elements, achieving a total effect that is the sum of the contributing elements	

Source material

2020 Annex I proposals

Compiled by AOSIS and presented in AWG-KP workshop August 2, 2010

Annex I Party	Kyoto Target for 2008-2012 relative to 1990 (%)	Proposed 2020 reduction target	Proposed Inclusion of LULUCF	Proposed 2020 target relative to 1990 (and before LULUCF accounting) (%)	Article 3.7 addition to 2020 allowed emissions, relative to 1990 (%)	LULUCF credits in 2020 relative to 1990 (%)	Effective 2020 target relative to 1990 (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Kyoto Parties							
Australia	+8	5 - (15) - 25% below 2000	Y	+13 to -11	+36 to +28	-18	+30 to -1
Belarus	-8	5-10% below 1990	Y	-5 to -10	-	-	-5 to -10
Canada	-6	17% below 2005	Y	+3	-	0	+3
Croatia	-5	5% below 1990	Y	-5	-	-	-5
EU27	-8	20-30% below 1990	N/Y	-20 to -30	0	0	-20 to -30
Iceland	+10	15-30% below 1990	Y	-15 to -30	-	+1	-14 to -29
Japan	-6	25% below 1990	Y	-25	-	0	-25
Kazakhstan	0	15% below 1992	-	-10	-	-	-10
Liechtenstein	-8	20-30% below 1990	N	-20 to -30	-	0	-20 to -30
Monaco	-8	20-30% below 1990	N	-20 to -30	-	0	-20 to -30
New Zealand	0	10-20% below 1990	Y	-10 to -20	-	+25	+15 to +5
Norway	+1	30-40% below 1990	Y	-30 to -40	-	+10	-20 to -30
Russian Federation	0	15-25% below 1990	Y	-15 to -25	-	+13	-2 to -12
Switzerland	-8	20-30% below 1990	Y	-20 to -30	-	+1	-19 to -29
Ukraine	0	20% below 1990	Y	-20	-	+2	-18
Sub-total		Aggregate Kyoto Parties in Annex I		-17 to -25	+1	+3	-12 to -21
Non-Kyoto Parties	-7	17% below 2005	Y	-3	Does not apply	+7	+3
Total	-5%	Aggregate Annex I reductions from 1990 levels		-12 to -18	+1	+4	-7 to -13
IPCC				-25 to 40			-25 to 40
AOSIS				> -45			> -45

For further explanations and data sources see: <http://unfccc.int/resource/docs/2010/awg13/eng/misc02.pdf>, pp. 17-23

(Submission of Grenada, 9 July 2010)