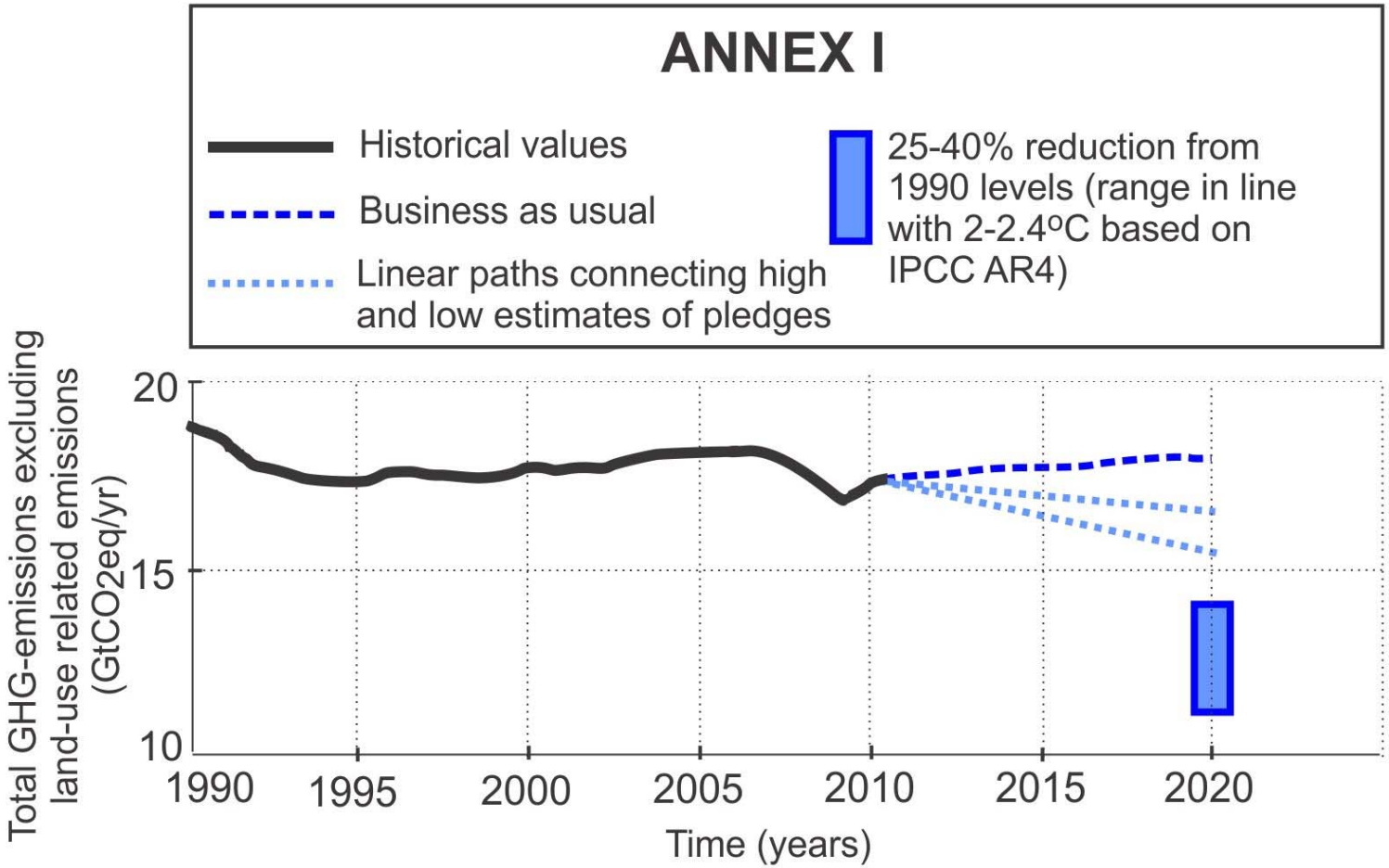
AOSIS Presentation

Consideration of further commitments for Annex I Parties under the Kyoto Protocol: Translation of pledges to QELROs: Proposed rule set (FCCC/KP/AWG/2012/MISC.1/Add.1)

16 May 2012

Bonn, Germany

Annex I proposed QELROs are not consistent with necessary emission reduction pathways



Proposed Rule set for translation of pledges to QUELROs needed

To be adopted,

1. Commitments must be either consistent with the most ambitious end of Parties' pledged emission reduction ranges, or even more ambitious.

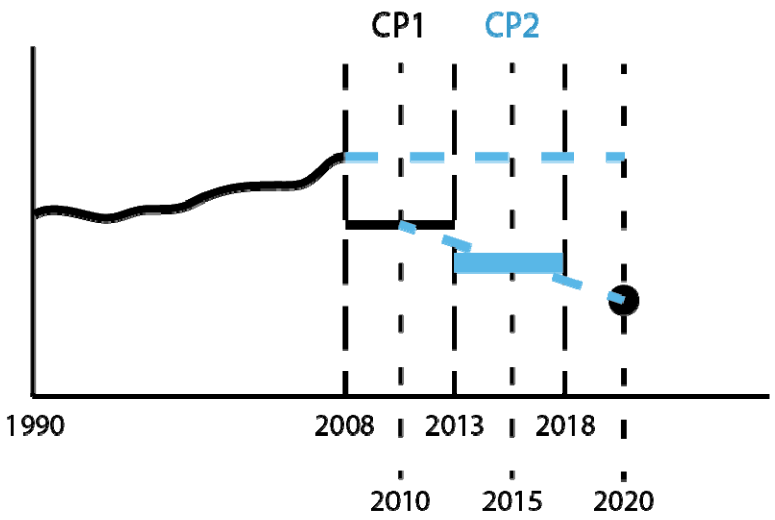
2. Second commitment period QELRCs and assigned amounts must be established using a linear trajectory from the first commitment period QELRC.

3. No Annex I Party should be permitted to present a second commitment period QELRO for adoption that is either: (1) above its 1990 emission levels; or (2) above the most recently verified year of emissions inventory data, whichever is lower.

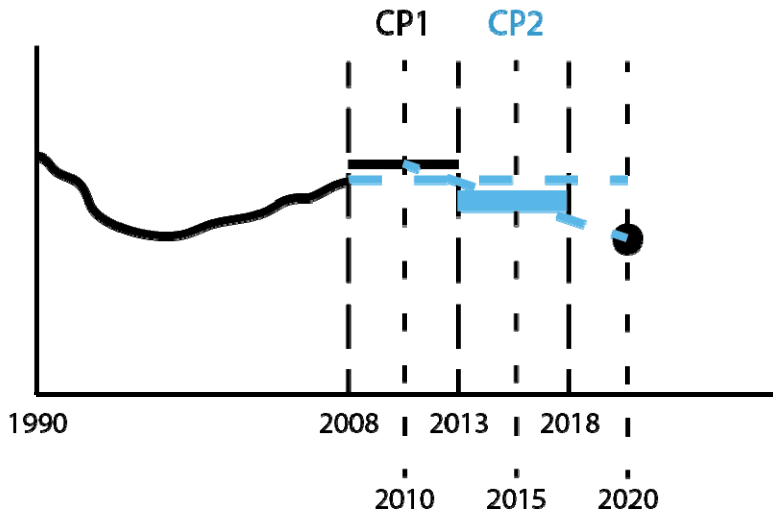
4. Commitments must be established for a five-year commitment period from 2013 to 2017 to avoid locking in insufficient ambition from Annex I Parties for an 8-year period.

Stylized examples of application of rule set

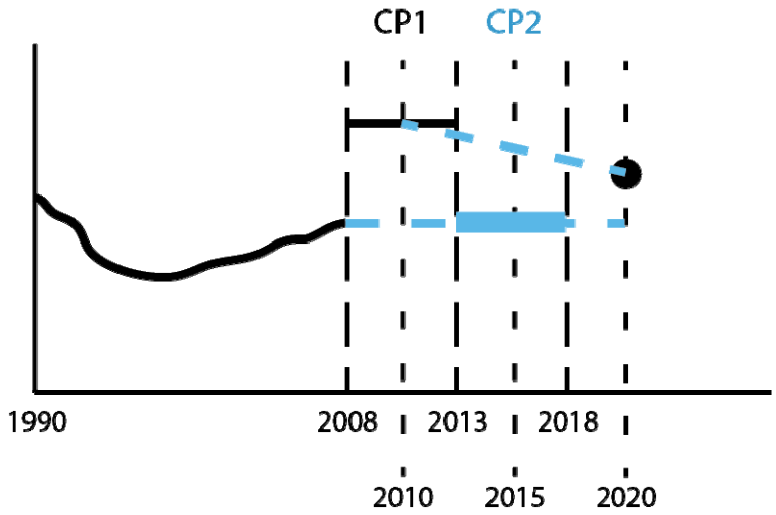
Case 1: high 2008 inventory - low CP1 QELRO - low 2020 target



Case 2: high 2008 inventory - high CP1 QELRO - low 2020 target



Case 3: low 2008 inventory - high CP1 QELRO - high 2020 target



Results

- Commitments under this proposed rule set would deliver an “aggregate QELRO” of 77 (**23% below 1990 level in 2015**) for 2013-2017 commitment period, for parties that have expressed their willingness to participate in 2CP
- AOSIS seeks an aggregate QELRO of 75 (**25% below 1990 level in 2015**) for 2013-2017 to achieve straight line trajectory to -45% by 2020
- With Russia and Japan included under this rule set as well, **a 25% reduction below 1990 levels in 2015 could be achieved in aggregate**; however with the current proposed effort from the United States and Canada together, this cannot be achieved
- Falls short of consistency with IPCC AR4 ‘s 25-40% range, due to absence of certain players and inadequacy of current proposed targets
- Inclusion of all players with adequate QELROs would allow achievement of 1.5 and 2 degree consistent pathways.

Results of applying rule set

Party	Quantified emission limitation or reduction commitment (2008-2012) (percentage of base year or period)	Quantified emission limitation or reduction commitment (2013-2017) (percentage of base year or period)[1]
Australia1	108	93[2]
Croatia	95	81
Belarus[+]	92	65
Canada	94	Withdrawn
European Community[3]	92	81
Iceland[2]	110	81
Japan	94	No QELRC
Kazakhstan^	100	73
New Zealand	100	90
Norway	101	81
Russia*	100	No QELRC
Switzerland	92	81
Ukraine*	100	46
United States of America[&]	94	No QELRC
Aggregate reduction for participating countries (relative to 1990 levels)		77 (23% reduction)
Aggregate sought by AOSIS (for all Annex I Parties to the Convention in aggregate, a more than 45% reduction by 2020)		75 ("aggregate QELRO" – average emission level over the period 2013-2017, relative to 1990; consistent with a 33% reduction by 2017)

Rationale for rule 1: top end of pledged ranges

- Most Annex I pledges brought forward in 2007
- In bringing forward pledges at that time, Parties viewed achievement of the top end of their ranges as technically and economically feasible
- Political considerations, rather than practical concerns have prevented or delayed adoption of top-end pledges
- Since 2007, scientific studies have observed accelerating climate change impacts and possibility of runaway climate change is now very real
- Since 2007, renewable energy technologies have fallen in price and increased in availability, making top-end of pledged ranges even more readily achievable.
- More ambition is technically and economically feasible from all Annex I Parties:
  - EU 27 can move to 5 year CP consistent with a 30% reduction by 2020 trajectory; such a move is in the EU's own economic interests and in the interests of its individual member States, according to many published studies
  - Many countries will hold substantial surplus of AAUs in 1CP that can enable top end of ranges or beyond in 2CP (NZ, Australia, Ukraine, Belarus, Kazakhstan)

Rationale for rule 2: starting point-mid-point of the first commitment period

- In the interests of transparency and fairness, the mid-point of the first commitment period is the appropriate starting point for the calculation of 2CP QELRCs
- Some Parties have argued for use of current emission levels for calculation of 2CP QELRCs and assigned amount; this would confer an unfair benefit on Parties whose emissions have continued to climb in the first commitment period above their QELRCs. Such Parties would be given a larger AAU budget for the second commitment period than would be given to another Party with the same 1990 emissions, and the same 1CP QELRO, that had kept domestic emissions within its 1CP assigned amount

Rationale for rule 3: more ambitious of (a) 1990 levels or (b) most recent set of verified emission levels, whichever is lower

- Rule is intended to ensure real and ongoing emission reductions from all participating Annex I Parties
- QELRCs for successive commitment periods must reflect emission reductions from 1990 levels; it is not appropriate for Annex I Parties to bring forward pledged increases in their emissions relative to 1990 emission levels for international approval, given the objective of the Convention
- QELRCs must also anticipate real emission reductions from current emission levels; it is not appropriate for Parties to pledge an ***increase*** in emissions above the level of emissions within which they began the previous commitment period, or to propose targets for themselves that will generate ***surplus units*** in order to remove the need for actual emission reductions.
- Global peak and decline requires real emission reductions

Rationale for rule 4: 5-year commitment period

- Emission reduction commitments proposed by Annex I Parties in aggregate are unequivocally inconsistent with stabilization of GHG concentrations at a level that will avoid dangerous climate change, and inconsistent with achievement of a 1.5 or even 2 degree limitation of temperature increases above pre-industrial levels
- It is inappropriate and environmentally irresponsible to lock in these targets for an 8-year period; 8 year CP would risk closing the door to emission pathways consistent with achievement of global goals
- IPCC AR4 found that emissions would need to peak by 2015 or soon thereafter
- 5 year CP has clear mid-point for calculation of QELROs (2015), making it easier to measure progress and enable early warning of non-compliance
- 5 year CP creates the flexibility to respond to IPCC AR5, due in 2013 and 2014 with a new set of binding targets for all
- 5 year QELROs can be readily calculated for all Annex I Parties

Amended Annex B, with 5-year QELROs applying this rule set, supporting info, set out in AOSIS submission (FCCC/KP/AWG/2012/MISC.1/Add.1)

Party	Quantified emission limitation or reduction commitment (2008-2012) (percentage of base year or period)	Quantified emission limitation or reduction commitment (2013-2017) (percentage of base year or period)[1]
Australia[1]	**108**	**93[2]**
Austria	**92**	**81**
Belgium	**92**	**81**
Belarus+	**92**	**65**
Bulgaria*	**92**	**81**
Canada	**94**	**Withdrawn**
Croatia*[2]	**95**	**81**
Czech Republic*	**92**	**81**
Cyprus		**81**
Denmark	**92**	**81**
Estonia*	**92**	**81**
European Community[3]	**92**	**81**
Finland	**92**	**81**
France	**92**	**81**
Germany	**92**	**81**
Greece	**92**	**81**
Hungary*	**94**	**81**
Iceland[2]	**110**	**81**
Ireland	**92**	**81**
Italy	**92**	**81**
Japan	**94**	**No QELRC**
Kazakhstan^	**100**	**73**
Latvia*	**92**	**81**
Liechtenstein	**92**	**81**
Lithuania*	**92**	**81**
Luxembourg	**92**	**81**
Malta		**81**
Monaco	**92**	**81**
Netherlands	**92**	**81**
New Zealand	**100**	**90**
Norway	**101**	**81**
Poland*	**94**	**81**
Portugal	**92**	**81**
Romania*	**92**	**81**
Russia*	**100**	**No QELRC**
Slovakia*	**92**	**81**
Slovenia*	**92**	**81**
Spain	**92**	**81**
Sweden	**92**	**81**
Switzerland	**92**	**81**
Ukraine*	**100**	**46**
United Kingdom of Great Britain and Northern Ireland	**92**	**81**
United States of America[&]	**94**	**No QELRC**
Aggregate reduction for participating countries (relative to 1990 levels)		**77 (23% reduction)**
Aggregate sought by AOSIS		**67 (33% reduction)**

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