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UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**Ad Hoc Working Group on Further Commitments
for Annex I Parties under the Kyoto Protocol**

Fifteenth session

Cancun, 29 November 2010—*

Item 3 of the provisional agenda

**Consideration of further commitments for Annex I Parties under the
Kyoto Protocol**

**Views on the draft proposal by the Chair to facilitate
preparations for negotiations**

Submissions from Parties

1. The Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol, at its fourteenth session, invited Parties to submit to the secretariat, by 31 October 2010, views on the draft proposal by the Chair to facilitate preparations for negotiations (FCCC/KP/AWG/2010/14, para. 22).
2. The secretariat has received three such submissions. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced** in the language in which they were received and without formal editing.

* To continue for as long as necessary, as per document FCCC/KP/AWG/2010/3, paragraph 21.

** These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

FCCC/KP/AWG/2010/MISC.7

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Paper no. 1: Japan

Japan's submission on views on the Draft Proposal by the Chair to facilitate preparations for negotiations

Japan submits its views on the “Draft Proposal by the Chair to facilitate preparations for negotiations (FCCC/KP/AWG/2010/CRP.3)”. Japan’s views on the document are identical to the one which was submitted for the previous version (FCCC/KP/AWG/2010/CRP.2).

Chapter I

1. Chapter I includes a draft CMP decision entitled “Amendments to the Kyoto Protocol pursuant to its Article 3, paragraph 9”, which also refers to the adoption of the amendments to the Kyoto Protocol at paragraph 1. However, the establishment of a framework which imposes emission reductions obligations only on Annex I Parties that are Parties to the Kyoto Protocol will not lead to a fair and effective global emission reduction.

2. To promote the global emission reduction, the issues dealt with in this draft CMP decision need to be resolved in an integrated manner, i.e., not only in the context of the AWG-KP but also under the whole negotiation including the AWG-LCA. For this reason, we should not prejudge conclusion in the AWG-KP until we reach the conclusions in the whole negotiation including the AWG-LCA.

3. Therefore, the entire draft CMP decision should be left bracketed as it is now. Moreover, Japan would like to recall that the proposed amendment to an annex shall follow the procedures pursuant to the relevant provisions of Article 21 of the Kyoto Protocol.

4. From this perspective, Japan is not in a position to comment on the details of the CMP decision. Under this premise, however, Japan would like to stress that, among others, the amendments to the Kyoto Protocol as suggested at paragraph 1, as well as the provisional application of the amendments to all Parties as suggested at paragraph 3, are unacceptable.

From Chapter II to Chapter V

5. From the view point of promoting the global emission reduction, it is indispensable to elaborate our considerations on emission reduction targets and mitigation actions by all major economies in a comprehensive manner, and Japan aims to establish a fair and effective international framework where all major economies participate. Japan takes part in the AWG-KP negotiation deeming that the results of its work may provide inputs to such a framework. Based on such a standpoint, Japan provides its principal comments on from Chapter II to Chapter V below.

Chapter II

6. As for the accounting rule for forest management (FM) in the post 2012 framework, it is essential to ensure the continuity of the accounting rule for FM so as to maintain long-term and continued incentives for sustainable forest management (SFM) activities.

7. Further, the rule should have incentives for SFM activities regardless of the age-class structure of forests, which is not well addressed under Net-net type approach.

8. From these perspectives, on the Chapter II of the Draft Proposal by the Chair to facilitate preparations for negotiations, further consideration on FM accounting rule should be based on Gross-net approach (Option 1) or Reference Level approach (Option 2) which is substantially equal to Gross-net for Japan.

Chapter III

9. As for emissions trading and the project-based mechanisms, any particular technologies such as Nuclear and CCS should not be precluded, it is essential to enhance the visibility of co-benefits, and the Standardized baselines should be used. Further, this issue should be considered in a manner ensuring coherence and consistency with AWG-LCA which is now deliberating new market-based mechanisms.

Chapter IV

10. As for the coverage of greenhouse gases, HFC-245fa, HFC-365mfc and Nitrogen trifluoride (NF₃) should be added.

11. As for common metrics to calculate the carbon dioxide equivalence of emissions by sources and removals by sinks, the global warming potentials listed in the column entitled “Global Warming Potential for Given Time Horizon” in table 2.14 of the Errata to the contribution Working Group I to the Fourth Assessment Report of the IPCC should be used by Parties.

12. As for the IPCC Guidelines for National Greenhouse Gas Inventories, the 2006 IPCC Guidelines for National Greenhouse Gas Inventories should be applied since it contributes to more accurate estimating and accounting of anthropogenic emissions by sources and removals by sinks of greenhouse gases.

SUBMISSION BY SAUDI ARABIA

31 October, 2010

Submission of views on the Draft Proposal by the Chair of AWG-KP to facilitate preparations for negotiations

Saudi Arabia welcomes the opportunity to make the following general submission of its views on the Draft Proposal by the Chair of AWG-KP to facilitate preparations for negotiations by 31 October, 2010, as requested in the document:

FCCC/KP/AWG/2010/CRP.3

Taking into account the urgency of completing the mandate of Decision 1/CMP.1 with a view to implementing the second commitment period in order to ensure emission reductions by Annex I Parties and avoiding a gap between the first and second commitment periods, Saudi Arabia is of the view that the AWG-KP must deliver the results of its work for adoption by CMP 6 in Cancun, in accordance with Decision 1/CMP.5. The adoption of the second commitment period of the Kyoto Protocol is the cornerstone of the successful outcomes in Cancun.

A coherent approach between the Convention and the Kyoto Protocol should be maintained. AWG-KP should be guided in all issues arising in the implementation of its work program by the principles and provisions of the Convention and the Protocol, particularly those with respect to developing country parties.

The further emissions reduction commitments for Annex I parties as well as the policies and measures to achieve them should pay attention to efficiency, cost effectiveness, state of technologies, and take full consideration of their potential environmental, economic and social consequences, including spillover effects, on developing country parties.

Scale of emission reductions:

Recalling that the AWG-KP agreed to maintain a coherent approach between the Convention and the Kyoto Protocol, Saudi Arabia is of the view that the provisions and objectives of the Convention provide a natural guidance in relation to the post-2012 commitments of Annex I Parties. Based on this, Saudi Arabia views the following elements as critical:

- The scale of emission reductions to be achieved by Annex I parties should be linked to the convention objective stated in Article 2 as to achieve the stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.
- The ultimate time frame for achieving stabilization should allow ecosystems to adapt naturally to climate change, ensure that food production is not threatened and enable economic development to proceed in a sustainable manner.
- Parties shall adhere to the convention principles when considering the scale of emission reduction and its allocation for Annex I parties, including the promotion of sustainable development and the full consideration of the impacts on developing country parties.

- Mitigation potentials in Annex I parties taking into consideration efficiency, cost effectiveness, state of technologies, and available policy and measures along with their overall environmental, economic, and social consequences.

Project-based mechanisms under the Kyoto Protocol:

Project based mechanisms are a good means to achieve mitigation objectives provided that it takes into account the following:

- Actions under the Kyoto Protocol continue to be project based and should be undertaken on a bilateral basis between Annex I and non-Annex I Parties;
- Aspires to identify and promotes the use of win-win technological based solutions. One such approach is the technology of Carbon Capture and Storage (CCS) which creates a win by reducing emissions and a win by reducing the impacts on developing countries;
- The use of current scientific knowledge that is inclusive of all studies and the IPCC Assessments in deciding on technologies utilized. For example, the latest IPCC assessment on CCS demonstrated that CCS has great potential on mitigating greenhouse gases in the short term
- Saudi Arabia strongly supports the consideration of CCS projects under the CDM
- Improved and equitable access to CDM projects among developing countries to enhance sustainable development. This may be achieved through assigning quotas to host countries based on explicit factors such as poverty, sustainable development needs, received CDM projects, etc.

Spillover effects:

Spillover effects impact nearly all developing countries to varying degrees. Saudi Arabia deems the consideration of the various aspects of spillover effects as high priority in our discussions and the future of the agreement, as it has an impact on the majority of the world's population.

Based on the provisions of articles 2.3 and 3.14 of the Kyoto protocol, Annex I parties should aim to minimize the adverse social, environmental, and economic impacts, including spillover effects of the tools, policies and measures available to them on developing countries, particularly those of article 4.8 of the UNFCCC, taking into full account articles 3.2,3.3,3.5 of the UNFCCC Convention.

Within the AWG-KP context, our view is that the above provisions should also govern any future mitigation responsibilities as well as tools, policies, and measures available to Annex I Parties in a post-2012 Kyoto regime.

In our view, the incorporation of our concerns on spillover effects requires that AWG-KP addresses, along with the future Annex I commitments:

- The potential impacts of the post-2012 discussed and proposed means, policies and measures by Annex I parties on developing country parties under the Kyoto Protocol umbrella.
- An evaluation whether there are alternative policies and measures available for Annex I that achieve the same mitigation effort but may be associated with lower impacts on developing country parties.
- The possible funding, insurance and technology transfer arrangements, in case of potential impacts, that need to be provided by Annex I Parties to help minimize the adverse impacts on developing country parties. This is specifically to address strengthening resilience and

adaptive capabilities in developing countries to cope with the unavoidable spillover effects of policies and measures.

We think there is a clear compliance concern within the current regime when addressing spillover effects. To fix this, a transparent framework needs to be established for addressing the spillover effects issue. The simple algorithm towards this framework includes:

- Assess progress on implementation of provisions with respect to the impacts of spillover effects during the first commitment period of the Kyoto Protocol,
- Identify the gaps particularly on methodologies, reporting, monitoring, verification and Compliance,
- Close the gaps by providing the necessary guidelines, methodologies and criteria,
- Assess the adequacy and effectiveness of funding, insurance and technology transfer arrangements to minimize these impacts.

LULUCF:

LULUCF is a very important and relevant emission source that should be treated in a balanced manner to emissions from other source and it will contribute greatly to the mitigation potential. Furthermore, LULUCF is the sector that has the least spillover effects on developing countries that will be impacted most from mitigation actions. Therefore, Saudi Arabia calls for and supports:

- Utilization of the full mitigation potentials in the sector towards the further Annex I parties commitments.
- Development of adequate rules and modalities to guide the treatment of LULUCF to achieve the objective of Sustainable Development.
- An urgent settlement of the GWP issue.

Greenhouse Gases:

In relation to Greenhouse Gases – To ensure that spillover effects are minimized, the following are ways to enhance the effectiveness of the means and contribute to Sustainable Development:

- Deal with all green house gases in a comprehensive manner,
- Give priority to those gases that have the highest warming potentials,
- Give priority to those gases that have the least spillover effects in developing countries (ie, CH₄, N₂O, HFCs, PFCs, SF₆)
- All gases that contribute to global warming should be include

Legal aspects:

In relation to the legal aspects arising from Article 3.9, parties should stick to the Article's provision that Only Annex B to the Kyoto Protocol needs an amendment to reflect the further commitments of Annex I parties. No other Article in the Kyoto Protocol should be opened to discussion as part of this. It should also be agreed to maintain a coherent approach between the Convention and the Kyoto Protocol in relation to the commitments of Annex I Parties, AWG-KP should retain the emphasis on targets and timetables.

Early Submission of Information and Views

This has reference to your letter ODES/ AWGLCA 12/AWGKP14/10 dated 15th October 2010 regarding the early submission and views. I am pleased to submit the following views of the Government of Sri Lanka.

Draft Proposal by the Chair to facilitate preparations for negotiations (AWG- KP)

Amendments to the Kyoto Protocol pursuant to its Article 3, Paragraph 9

According to the FCCC/KP/AWG/2010/CRP.3, Sri Lanka would need to include the option 2 of the section A - Annex B table to the protocol.

Option A

B. Article 3, paragraphs 1 and 1 bis

Sri Lanka needs to include the option 2 of the section B.
