AWG-KP Workshop on Potential Consequences Bonn, March 30, 2009

Gaps In Implementing The Commitment to Reduce The Spillover Effects

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## Methodologies for Policy Impact Assessment

Clear methodologies must be established for assessing each policy and measure. Assessment should include:

- Cost of implementation (cost effectiveness of implementing various policies and comparison between different effectiveness)
- Span of implementation (what is covered)
- Anticipated reduction of GHG
- Carbon foot print (emissions associated with implementation)
- Qualitative analysis of Impact assessment (for an individual policies and for group of policies)
- Quantitative analysis of Impact Assessment (social and economic impact on individual developing countries with identified vulnerabilities, and expected impact on international trade)

## **Policy Selection Criteria**

Must be based on environmental protection goals and strive to prevent or minimize the negative impacts

- Annex I National policies must demonstrate economy-wide coverage of all sectors and all GHG gases
- •Disguised policies that have other goals (such as energy independence) should not be a substitute for available and effective environment policies.
- •Annex I Policies that hold a possible bias should not be permitted (like taxation policy that targets oil and oil products)
- Policies that achieve emission reduction and have the least negative spillover on developing countries (particularly oil produces) should be promoted

### **Example of Discriminatory Policies**

### Taxes on Gasoline for Number of OECD Member States (\$ US per 1,000 L)



# **Respecting The Commitment**

Reducing the negative spillover impact of policies and measures is a commitment that must be respected

### **Reporting Obligation**

- Reporting obligations are not met
- Reporting must be done in a transparent, complete, accurate and consistent manner that allows for comparability of efforts
- All tools such as templates, tables, narrative, and detailed explanation should be used to provide clarity

### **Review and Compliance**

- Clear detailed review of reporting on the impact of response measure s is required
- Measures to facilitate and enforce compliance must be included

# **Respecting The Commitment**

#### The REAL Problem

There is lack of political will to comply with the commitment of reducing the impact of response measures on developing countries (particularly oil exporting countries)

#### This must be rectified for the first commitment period

The commitment must be enhanced as we move into the second commitment period

The tools are available and identified (Funding, Insurance, and Technology Transfer) to reduce the adverse impact. These tools must be utilized, in addition to exploring more tools as the impacts continue to increase