Session SBI50 (2019)

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A compilation of questions to – and answers by – Island exported 11 June 2019 by the UNFCCC secretariat Question by Canada at Friday, 12 April 2019 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Type: Before 12 April Title: Oil Price Forecast Assumptions

Most forecasts project an international oil price of roughly \$65.00 to \$75.00 USD per barrel of oil by 2030; Canada is interested in hearing from Iceland regarding their assumptions and justifications behind using a \$106.00 USD per barrel price of oil by 2030 into their emissions projections?

Answer by Iceland, Thursday, 06 June 2019

The assumptions on fuel in the emission projection published in the NC7, is based on "Fuel Projection 2016-2050" published by Orkustofnun (National Energy Authority) in July 2016.

The reference in the Fuel projection in based on the International Energy Outlook 2016, Table 2-1, P. 20. (Energy Information Administration, 2016c: "International Energy Outlook 2016. Preface". May 2016.) <u>https://www.eia.gov/outlooks/ieo/pdf/0484(2016).pdf</u>

Question by Canada at Friday, 12 April 2019

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 12 April

Title: Mainstreaming gender considerations into climate change policies

In its third Biennial Report, Iceland describes the work being accomplished in mainstreaming gender into its international development cooperation's commitments and how it works toward providing specialists from developing countries with training and education in gender equality, with a component focusing on the effects of climate change through the UN Gender Equality Studies and Training Program. Could you give us more detail about the measures Iceland implemented at the domestic level to mainstream gender considerations into its climate change policies?

Answer by Iceland, Thursday, 06 June 2019

When it comes to gender equality, Iceland has for years been in the forefront. According the *The World Economic Forum*'s *Global Gender Gap Report for 2018*, that year, Iceland completed a full decade in the Index's top spot, as it has closed more than 85% of its overall gender gap.

Despite a widening gender gap in the share of women in parliament, Iceland remains the top performer on the Political Empowerment subindex. "Concurrently, for the second year in a row, Iceland's performance on Economic Participation and Opportunity slides, due to an increased gender gap in the number of women among legislators, senior officials and managers. More positively, it takes the top spot on the wage equality for similar work indicator. Since the first edition of the Index in 2006, Iceland has continuously remained one of the fastest-improving countries in the world. " See: http://www3.weforum.org/docs/WEF GGGR 2018.pdf

As for climate change, some examples can be mentioned on how gender issues have been mainstreamed into climate policies.

A gender issues analysis of Iceland's climate mitigation action plan for 2010-2020 was conducted in 2013. As for the action plan process, the analysis found that the committee responsible for the drafting had equal numbers of men and women, but that representatives nominated by civil society for consultations were overwhelmingly male. It was found that the actions listed in the plan did affect the genders differently, although this was largely due to a gendered labour market in the sectors most involved, i.e. in agriculture and heavy industry.

One specific issue that was pointed out involved the allocations of grants in afforestation plans. An analysis was made on how the genders where affected by the actions and distribution of grants to farmers for planting trees (actions under the LULUCF-sector). The findings showed that as Registers Iceland (Þjóðskrá), only makes it possible for one person to be registered as owner of a farm. Most farms in Iceland are family farms, and usually the husband was registered as owner and thus received the funding. As these grants count as salaries, they affect how pensions are determined. This was registered as a bias in the system that could affect the pensions of the farm partner that did not receive the funding. A formal suggestion was made to the Ministry of Finance to change the rules of registration, so that couples running farms would be able to receive an equal amount of grants. Despite this formal suggestion, Registers Iceland has not changed the form of how owners of farms are registered.

In 2015 the Equality fund was established with the objective to fund research on gender equality. The fund has granted funding to a research on transport and gender, with an aim to identify if the genders use different methods of commuting to work and how this can influence policy making. It is expected that the findings will be published in late 2019.

Question by Canada at Friday, 12 April 2019 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Type: Before 12 April In its BR3 Iceland reports projected removals from rewetting drained wetlands. However, removals seem to level off in 2025. Can Iceland explain what factors drive the projected trends in removals by rewetted wetlands?

Answer by Iceland, Thursday, 06 June 2019

The estimation set forth in BR3 shows that it should be technically possible to rewet about 900 km² of drained wetland, which is not in active use. The assumptions for the projection are that the rewetting will be linearly up until 2025, when these 900 km² have been rewetted. This estimation is based on ownership of land, land use and other criteria. See page 107 in the NC: https://unfccc.int/sites/default/files/resource/Iceland_NC7_BR3_2018_Final_I.pdf

Question by Japan at Friday, 12 April 2019 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 12 April Title: Wetland restoration

Iceland took leading role for inclusion of Wetland Drainage and Rewetting (WDR) activity under Article 3.4 of the Kyoto Protocol during the negotiation of the second commitment period (CP2) LULUCF rules and modality. In addition, opportunities for mitigation efforts by carbon sequestration through rewetting of drained wetlands is referred in BR3 (page 87). But, WDR was not elected for CP2. Was there any barrier to elect WDR activity?

Estimation of GHG emissions/removals from "Rewetted wetland soils" is implemented in the GHG inventory. How the area physically affected by rewetting and generate GHG emissions and removals is assumed. We often have difficulty to detect it?

Answer by Iceland, Thursday, 06 June 2019

Iceland thinks that WDR is an important climate issue, worldwide and in Iceland. Iceland championed the inclusion of WDR under the Kyoto Protocol with a long-term view of promoting wetland conservation and rewetting of drained wetlands, and for improving the science and accounting of WDR activities. It would have been fitting for Iceland to elect WDR for CP2. When reviewing the state of the science, it was evaluated that it would be difficult to calculate the exact and accurate emissions reduction from wetland restoration under the CP2 calculation rules, so a decision was made not to elect WDR.

In the Climate Action Plan published in September 2018, there is emphasis on two main measures, one is to phase out fossil fuel in the transport sector and the second is to increase carbon sequestration in land use, by restoration of woodlands and wetlands, revegetation and afforestation. Focus will be set on further research and improved accounting for wetland emissions and gains from rewetting. Efforts will be made to ensure the protection of wetlands with improved monitoring, and regulations reviewed, inter alia to make wetland rehabilitation mandatory in order to compensate for draining activities. A plan for wetland restoration will be made and funded, in order to reduce emissions, as well as restoring natural habitats. Funding has already been secured for a push in rewetting activities.

Question by China at Wednesday, 10 April 2019 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 12 April Title: mitigation impact

What are the barriers for Iceland to report the estimated mitigation impacts of its climate policies? How will Iceland address those difficulties?

Answer by Iceland, Thursday, 06 June 2019

As stated in the NC report, work on projections has not been properly in place in the past, which is the main reason for the lack of reporting on estimated mitigation impacts of Iceland's climate policy.

However, in 2018 the Environment Agency was formally given the task to work on and publish emission projection, in accordance to the requirements of the EU and UNFCCC.

The first draft projection carried out by the Environment Agency was issued in April 2019 and it is foreseen that it will be updated next year, as the climate action plan issued in September 2018 was not taken fully into account in the first projection.

It is clear that work on projections in Iceland needs to be further improved, but that process has now started.

Question by China at Wednesday, 10 April 2019 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 12 April What is the overall assessment of the progress made by Iceland in achieving its 2020 emission reduction target, including the target for non- ETS sector?

Answer by Iceland, Thursday, 06 June 2019

Iceland has committed to a quantified economy-wide emission reduction target of 20% below 1990 levels by 2020. According to a bilateral agreement between Iceland and EU, this target is to be fulfilled jointly with the EU and its 28 Member States, and according to the agreement, Iceland takes on a comparable numerical target as the Member States of the EU. See:

https://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:22015A0804(02)&from=EN

According to the bilateral agreement, Iceland was issued 15.327.207 t CO2 eq for the KP2 period for the non-ETS sector. According to the latest inventory numbers, Iceland will have to purchase allowances to meet its commitments under CP2.

About 45% of the total emission within EU + Iceland, Norway and Lichtenstein, falls under the ETS-system. The target is to cut the emission within the system by 21% by 2020 compared to 2005 and to reach that goal, the annual allowances are reduced by 1,74% in the period 2013-2020. According to NIR 2019, the share of emission from the ETS sector in Iceland was 38,7% in 2017.



Question by China at Wednesday, 10 April 2019

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Type: Before 12 April Title: Accounting apporach

Could Iceland clarify on the accounting approach for its 2020 targets?

Answer by Iceland, Thursday, 06 June 2019

See answer to question 6.

Question by China at Wednesday, 10 April 2019 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Type: Before 12 April

Title: EU-ETS

How many installations and GHG emissions of Iceland are covered by the EU-ETS?

Answer by Iceland, Thursday, 06 June 2019

Nine installations fall under the ETS system, of which seven are up and running.

In addition, 4 installations that are exempted from the ETS-system in accordance to Para. 14 in the Icelandic Climate Act, monitor their emission and report it to the Environment Agency.

38,5% of Iceland's total emission in 2017 were covered by the ETS system (excluding LULUCF and international aviation and shipping).

Question by China at Wednesday, 10 April 2019 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Type: Before 12 April Title: Ambition As agreed by the COP, developed country Parties are urged to revisit its 2020 target, with a view to enhancing ambition. In this regard, what is Iceland's plan to further strength its mitigation actions and enhance its pre-2020 ambition?

Answer by Iceland, Thursday, 06 June 2019

The current Government that took office in November 2017, has set very ambitious climate policies. In the Governmental Agreement, it is stated that Iceland aims to be carbon neutral by 2040 and reach 40% reduction of emissions by 2030. In 2018, a new climate mitigation action plan was published, with the main focus on clean energy transformation in the transport sector and increased efforts in climate mitigation in land use and forestry.

To facilitate the actions, it has been announced that climate funding will be increased significantly from 2019 and onward. See English summary of the Climate Mitigation Acton Plan:

https://www.government.is/library/Files/Icelands%20new%20Climate%20Action%20Plan%2 0for%202018%202030.pdf

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