

## Deep divisions remain over Kyoto Protocol's survival

Bonn, 2 June (Lim Li Lin) - Deep divisions still remain between developed and developing countries over the future of the Kyoto Protocol.

This was reflected in the discussions on the focus, progress and the organization of work in the 12<sup>th</sup> session of the Ad hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) that opened on Tuesday, 1 June in Bonn and was chaired by Ambassador John Ashe of Antigua and Barbuda.

Another issue of serious concern in relation to emission reductions is the system of pledges that is the preferred approach of developed countries, while developing countries are insisting on determining a binding aggregate target for greenhouse gas (GHG) emission reductions of Annex I (developed country) Parties that is based on science and principles of equity and historical responsibility.

The Copenhagen Accord, which was “noted” by the 15<sup>th</sup> Conference of the Parties last December, provides for a system of voluntary pledges to be made by developed country Parties, which is a bottom-up approach and not based on a top-down aggregate target.

A recent scientific article in *Nature* journal has found that the pledges so far by developed country Parties are amazingly unambitious, and could lead to a 6% increase in emissions by developed countries, and a more than 50% chance that temperature increase will exceed 3 degrees Celsius by 2100.

Most developed countries would like to see one single agreement agreed under the UN Framework Convention on Climate Change (UNFCCC) through the negotiations of the Ad hoc Working Group on Long-term Cooperative Action (AWG-LCA), while developing countries are insisting that the Kyoto

Protocol must continue beyond the end of the first commitment period (2008-2012), and that both working groups are separate negotiating tracks, and there must be two separate outcomes in Cancun, where the UN climate change conference will be held in December 2010.

Two contact groups were set up to take up the work of the AWG-KP, which is to agree on the second commitment period (beginning in 2013) of Annex I Parties to the Kyoto Protocol. The two contact groups are on the aggregate scale of emission reductions by Annex I Parties and their contribution to this scale - “numbers”, and on “other issues” which include land use, land use change and forestry (LULUCF), emissions trading and the project based mechanisms, and methodological issues.

The Chair of the AWG-KP, will undertake informal consultations on the organization of work at the next session of the AWG-KP.

The Chair confirmed that the work on numbers is the core of the AWG-KP's work and will receive the majority of time during this session.

At the contact group on other issues later in the day, **China** said that as was agreed at the last session of the AWG-KP, the focus of its work is on the scale of emission reductions by Annex I Parties. It said that all the issues are interlinked, and other issues are serving the same end, which is to determine the numbers. It was encouraged by the Chair's understanding in his scenario note for this session that the discussion on numbers is central to an agreement on the further commitments for Annex I Parties, and that all other issues need to be addressed and resolved in relation to this issue.

China stressed that the work is urgent, in order to avoid a gap between the first and second commitment periods. It said that in relation to other

issues, its purpose is to accelerate and facilitate the agreement on numbers. And that progress made on other issues must improve environmental integrity, in other words, how to create a larger aggregate target, not more loopholes for avoiding emission reductions. With these principles and objectives, it said it would like to achieve as much progress as possible.

Yemen, speaking for the **G77 and China** said that it was seriously concerned with the extremely slow progress of the AWG-KP in completing the milestones of its work programme. The primary objective of the AWG-KP is to adopt conclusions on the scale of emission reductions of Annex I Parties, and this should be the focus. It was also deeply concerned about the lack of progress in translating the general discussion on clarifying and broadening understanding of proposals into a negotiation on the actual quantified emission reduction target for the further commitments of Annex I Parties.

Substantive discussions on emission reductions by Annex I Parties must be concluded to overcome the wide gap between the pledges put forward by Annex I Parties and what is required by science, equity and historical responsibility, it said.

Yemen said that the continuity of the Kyoto Protocol is an essential element for the future of the climate change regime. Defining new quantified emission reduction commitments for Annex I Parties under the Kyoto Protocol is a legal obligation that must be met and is a cornerstone of the Cancun outcome as a whole. Failure to do so sends a negative signal by Annex I Parties regarding their ambition and contribution to a strong climate change regime, it said.

Spain, on behalf of the **EU** said that it is time to move from procedural discussions into substantive debates. It said that it speaks from a credible position as the EU is on track to meet its target under the first commitment period of the Kyoto Protocol. Emissions of EU15 are down by 6.9% below base year, and by 14.3% below base year for EU27.

It stressed the importance of the AWG-KP in the overall negotiations “to reach a comprehensive legally binding outcome in line with the 2 degree Celsius objective”. The environmental integrity and effectiveness of an overall agreement is of utmost

importance, as well as the need to ensure broader participation, it said.

Spain said that the level of ambition of emission reduction targets for Annex I Parties needs to be raised. It pointed to synergies between the work of the AWG-KP and the AWG-LCA and the need to explore the common concerns in order to advance in parallel towards a successful and balanced outcome in Cancun. By promoting mutual reinforcement of the common elements in both working groups, the work of the AWG-KP can be advanced, and some discussions can be unblocked, it said.

**Democratic Republic of Congo**, speaking on behalf of the **African Group** said that reaching an agreement in the AWG-KP is crucial for the successful conclusion of both working groups. It called on Annex I countries to show leadership, and take ambitious legally binding emission reduction commitments based on science. It said that African Heads of State have adopted a target of at least 40% below 1990 levels by 2020 for the second commitment period of the Kyoto Protocol. Ambitious binding commitments are important, to send a signal for the continuation and strengthening of the carbon markets.

It said that it was very concerned about report and actions that show that partners are not seriously committed towards any future of the Kyoto Protocol. It asked for space to be created at this meeting for exchanges on this. By Cancun, there must be clarity on this at the political level, and it wished to see the entire Kyoto Protocol retained. The Kyoto Protocol cannot be terminated just because one Annex I country refuses to ratify it and all the others abandon it.

It also noted with dismay that a large number of Parties that have come up with proposals to undermine the net emission reductions relating to LULUCF. It said that the AWG-KP must finish its work in 2010.

**Australia** on behalf of the **Umbrella Group** (with Belarus also associating with the statement) said that substantial progress has been made in the AWG-KP and much of the work is close to completion. All Annex I countries, not just Kyoto Protocol Parties have made pledges for post 2012 in the Copenhagen Accord, and the pledges are the most substantial ever put forward. It said that the base of mitigation

action by individual countries is now broader. It said that the AWG-KP should work in tandem with the AWG-LCA and not duplicate work, and there could be mutual benefit from technical work done under the Kyoto Protocol in the broader context. It said that it was committed to effective action now, up to and beyond 2012.

Lesotho on behalf of the **Least Developed Countries** (LDCs) said that it was urgent to agree on deep and ambitious commitments by Annex I Parties for the second commitment period of the Kyoto Protocol in Cancun. The Kyoto Protocol establishes the institutional structure and rules which must remain at the heart of the multilateral climate regime. LDCs and small island developing states (SIDS) are the most vulnerable countries to the impacts of climate change, and are already experiencing these impacts. It said that the emission reduction pledges by Annex I Parties will not ensure the right to survival of LDCs and SIDS.

It said that Parties are also playing with base years that are not consistent with the Kyoto Protocol and creating confusion rather than understanding about their real emission reductions. Proposals for LULUCF are fraught with problems, and the credits obtained by Annex I Parties could substantially undermine their real emission reductions. All efforts should be designed so that they do not impose constraints and expose economies to of the most vulnerable Parties but instead enhance their resilience. It said that extending the share of proceeds from all the Kyoto Protocol mechanisms to the Adaptation Fund is essential. Rules and procedures under the Clean Development Mechanism (CDM) should be revised to increase foreign direct investments in LDCs, SIDS and Africa. LULUCF activities under the CDM should be broadened to allow greater access for these countries to the CDM, while maintaining the environmental integrity of the Kyoto Protocol, it said.

**Switzerland** speaking on behalf of the **Environmental Integrity Group** said that the work should be done in a comprehensive manner together with the AWG-LCA, as there are inter-related and cross cutting issues such as mitigation by developed countries. It said that there should be a binding agreement to ensure continuity beyond 2012. There are useful elements from the Copenhagen Accord, and this is a positive initial step, it said.

It emphasized focusing on: raising the level of ambition of the Annex I targets in accordance with the 2 degree Celsius goal; clarity on ways and means to fulfill the targets; ensuring environmental integrity in LULUCF accounting; how to strengthen markets; and ensuring environmental integrity in the carry over of assigned amount units.

It said that work should be conducted in a single contact group, to ensure comprehensiveness, and that not all issues needed equal negotiating time, and that priorities should be set.

**Mexico** said that the Kyoto Protocol is not perfect but it is the only legally binding agreement that we have. It said that the carbon markets should be strengthened and continued. The outcome of the work of the AWG-KP is an amendment of the Kyoto Protocol in accordance with the mandate in Article 3.9. It said that there are useful elements in the Copenhagen Accord, and that 42 Annex I countries have presented their quantified targets, many have associated, and presented mitigation actions. It said that we are now in a better position in the AWG-KP, and more countries now support the second commitment period. The Kyoto Protocol should continue beyond 2012 and avoid gaps between the commitment periods, it said.

**Peru, speaking for Colombia, Costa Rica, Chile, Guatemala, Panama, Dominican Republic and Uruguay** said that the Kyoto Protocol is key and that a decision on its second commitment period should be agreed as soon as possible. Emission reductions by developed countries must be ambitious and consistent with science and the IPCC recommendations. It said that its implementation must be strengthened and improved in LULUCF, the flexible mechanisms and methodological issues. The AWG-KP and the AWG-LCA are separate but have points in common, it said.

**Japan** said that reductions in GHG emissions are required to achieve the ultimate objective of the Convention, and this must be done through a fair and effective international framework for all major emitters - a new single and comprehensive agreement based on the Copenhagen Accord. Its pledge is a 25% reduction by 2020 on 1990 levels, and is premised on establishing a framework based on the participation of major emitters. A simple amendment to Annex B for the second commitment period is not acceptable. It said that coordination with the AWG-LCA is necessary as there are issues

that are relevant to both working groups. It stressed the transparency of all mitigation actions in the Copenhagen Accord.

**Nicaragua** expressed concern at the slow pace of progress thus far, and at the lowering of expectations. It said that a legally binding commitment must be achieved at the latest by Cancun. The level of ambition must ensure that temperature increase does not exceed 1.5 degrees Celsius. Annex I Parties must take on 50% emission reductions within the next commitment period of 5 years. It said that financing should not be left to the carbon markets, and that this must be reviewed.

**Bolivia** expressed concern about trends to terminate the Kyoto Protocol, the only legal instrument that binds developed countries to quantified emission reductions. The legal mandate should have been complied with last year. It said that pledges, which are a bottom up approach, are contrary to the mandate for arriving at an aggregate target first. They will lead to a temperature increase of up to 3-5 degrees Celsius, well beyond what science and common sense dictates.

It said that it is asking for an aggregate domestic reduction by developed countries of 50% during the period 2013-2017. It is unacceptable not to have a final result on the Kyoto Protocol in Cancun, or a gap between the commitment periods. This will endanger the whole process under the Convention and will be seen as one of the biggest failures in history for the UNFCCC, future generations and Mother Earth, it said.

**Seychelles** speaking on behalf of the **Alliance of Small Island States** (AOSIS) said that the level of ambition is the true measure of developed country commitment. Its position is for temperature increase to be well below 1.5 degrees Celsius from pre-industrial levels, for atmospheric concentrations of GHGs to be well below 350 ppm, for peaking by no later than 2015, and global reductions of more than 85% by 2050 on 1990 levels. Collectively, Annex I countries, whether or not Parties to Kyoto Protocol, must reduce their emissions by 45% by 2020 and 95% by 2050 on 1990 levels.

It said that the economic, scientific and moral case for reductions of this scale have been made but there is an enormous gap between these figures and the pledges. It hoped that this does not reflect an absence of political will to respond to the most vulnerable needs. Far more ambitious targets for the second commitment period are needed.

It said that AOSIS has a paper on the collective pledges which will be made available on the UNFCCC website. At present all Annex I countries' pledges amount to 10-16% below 1990 levels by 2020. This is far short of the 25-40% mentioned in the IPCC report, and further from the 45% necessary for the survival of small island states. The pledges are not consistent with a 2 or 1.5 degree Celsius temperature increase, but are more consistent with a 3.5 degrees increase.

**Norway** said that the Kyoto Protocol has an important role, and that it is a strong supporter of it. However, this should be seen in the context of the broader agreement. In Cancun, there could be one or two outcomes, keeping the elements of the Kyoto Protocol. It said that joint work and discussions should be facilitated on cross cutting issues in the two working groups, such as mitigation pledges. The carbon market and LULUCF have a direct relevance for emission reduction targets and the 2 degree Celsius goal, and time is required to discuss this in the AWG-KP. This will benefit the two working groups. The work should be harmonized between the two working groups, and transparency increased. It supported working in a single contact group.

Democratic Republic of Congo, speaking on behalf of **countries of the Congo basin** highlighted the fact that REDD- plus (reducing emissions from deforestation and forest degradation in developing countries etc.) under the AWG-LCA and LULUCF are intimately linked. It said that currently the rules on these issues are stricter for developing countries than for developed countries. It asked for all the text to be put in square brackets while and in-depth examination is conducted.