

Views regarding the mitigation under the LCA

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Introduction

CAN seeks to ensure that all processes under the UNFCCC and its Kyoto Protocol are based on sound scientific information and analysis. Scientific analysis, particularly that of the IPCC's Fourth Assessment Report and subsequent peer-reviewed literature, should be the basis for any negotiations or discussions under the UNFCCC and its Kyoto Protocol. In addition, bringing forward lessons learned from the first commitment period, *inter alia* through the Article 9 review, will help to inform the post 2012 negotiations in a sound, effective and balanced fashion. The work must be carried out expeditiously: there are substantial and complex issues to be discussed, and the atmosphere's response to increasing emissions concentrations is dictated by the physics of the interaction of radiation with matter, not by political expediency.

b(i) Mitigation efforts by developed countries

The mitigation efforts of <u>all</u> developed countries must be in the form of economy-wide quantified emissions reduction obligations (QEROs) that contribute to overall developed country emissions reductions at least at the top end of the -25-40% range of necessary emissions reduction from 1990 levels by 2020.

The setting of economy-wide QEROs gives each developed country the flexibility to choose which actions are "nationally appropriate" and to put in place the necessary national and/or regional policies and measures to address their respective emissions reductions potentials. These policies and measures will need to cover all relevant sources and sectors, to ensure that they do their fair share to avoid dangerous climate change.

A large majority of the mitigation effort in each developed country must be made domestically, as a massive shift is required in the unsustainable and inequitable consumption patterns of developed countries and to lay the ground for the much deeper cuts (of at least 80-95%) required by 2050, compared to 1990 levels. CAN argues strongly that serious mitigation efforts need to be undertaken domestically in developed countries, to make their consumption patterns more sustainable, ultimately leading to a zero carbon society. There are

* CAN-International welcomes the opportunity to provide inputs to the discussions moving towards a post 2012 agreement. CAN is a coalition of more than 400 environmental and development non-governmental organizations in 85 countries worldwide, committed to limiting human-induced climate change to ecologically sustainable levels.

^{**} This paper is CAN's response to the call for ideas and proposals on the elements contained in Paragraph 1 of Decision 1/CP.13 the LCA, in FCCC/AWGLCA/2008/L.7

numerous studies that demonstrate that strong domestic action is not only possible¹, but can often be highly advantageous in the co-benefits, for example to human health, that it can bring. The Stern report and other economic analyses demonstrate that the costs of action are far lower than the costs of inaction. There is no reason to delay action, and there is no reason to not effect the necessary deep emissions reductions.

In addition to domestic efforts, deeper additional emissions reductions must be achieved internationally in support of sustainable development. It is indisputable that the greater the emissions reductions achieved, the lower the risk of higher, and therefore more dangerous, temperature increases. In this context, a purely 'bottom-up' approach to setting national targets is inappropriate, as it asks the question "what CAN we do?" rather than "what MUST we do?".

Setting and achieving mitigation objectives are questions of political will. Unfortunately, governments do not yet seem to have grasped how severe, how urgent, the climate crisis is, and are not yet ensuring that action is being taken quickly or effectively enough.

Political will seems to be in particularly low supply in a number of developed countries, and even those that are moving ahead in setting wide-ranging domestic policies and measures to enhance their mitigation efforts, are not demonstrating levels of ambition commensurate with the urgency of the climate crisis.

The EU is one of few (groups of) developed countries, with Norway, to have set itself an overall level if ambition. The EU is currently in the process of putting in place policies and measures on energy efficiency, renewables, emissions trading, and limiting emissions from the transport sector. New legislation is currently being debated in Council and the Parliament. Unfortunately, the level of ambition agreed by the EU Heads of Government in March 2008 – reductions of 30% by 2020 from 1990 levels – is currently being debated only for the fall-back -20% and key provisions are at risk of being watered down by less progressive Member States and Parliamentarians.

Norway, while being ready to take on future reduction commitments and pledging funding for international mitigation activities such as REDD, is still far from meeting its domestic reduction commitments. As the first commitment period of the Kyoto Protocol started in January 2008, Norway's GHG emissions were at an all-time high, and are not projected to decrease for years to come. If Norway's positions at the international stage are to be credible, the government should put in place policies to dramatically reduce Norway's domestic emissions.

Other developed countries are not doing their homework to anywhere near the same degree as the EU and Norway.

The US Congress has begun to consider the contribution of the US to the global mitigation effort through the Liebermann-Warner Bill and other proposed legislation. However, the most ambitious proposals to date bring the US back to around 1990 levels by 2020, albeit

¹ For example, see CAN's submission to the AWG "Information and data on the mitigation potentials and ranges of emissions reductions of Annex I parties", which details mitigation potentials in key sectors for each of the Annex I parties http://www.climnet.org/international/2008_09AWG-CANsubmission_on_mitigation_potentials_FINAL.pdf

with much deeper long term ambitions. With the great potential of the US to use energy more efficiently, and with its historical responsibility, clearly higher levels of ambition are necessary, and possible.

Australia's Garnaut Review recently recommended a 10 to 25% emissions reduction target by 2020 from 2000 levels. As the developed country most vulnerable to climate change this low level of ambition could have diabolical consequences. Australia as a wealthy country with high emissions should not deal itself out of the international negotiations with absurdly low targets, but should make it clear that it is willing to play a constructive and relevant role by offering to do its fair share of mitigation - at least 40% reductions from 1990 levels by 2020.

Japan should immediately give up the bottom-up sectoral approach, which aims to disguise the fact that Japan wants to minimize its own target in the name of "equity". Instead, Japan needs to come forward with its own target that must be well within the range of 25 to 40 % before demanding any effort by developing countries.

The Canadian government has set a very weak target for the country's greenhouse gas emissions: 3% below 1990 levels by 2020. Even worse, the main policy proposal to achieve this is a discredited, intensity-based approach for heavy industry. The intensity-based proposal has been deemed by four independent analyses to be inadequate to reach the weak overall target, with some predicting that emissions will continue to rise until at least 2020, fuelled by high growth in production from the tar sands. Canada has one of the highest per capita GHG emissions in the world and many opportunities to reduce them. The country should therefore take on emission reduction targets that are within the 25 to 40% range for 2020, using a 1990 baseline.

CAN refers Parties to its submission to the AWG on mitigation potentials of Annex I countries².

b(iv) Use of Sectoral Approaches for Developing Country Mitigation Actions

As developing countries consider nationally appropriate mitigation actions, a sectoral approach could be an attractive option for them to consider as a means to contribute to overall global emission reductions. Sectoral approaches in the areas of power generation, housing, or transportation, for example, may enable developing countries that lack the capacity to undertake economy—wide measures. If used, they should be implemented with clear incentives to build capacity to monitor and verify emission reductions. These enhanced sectoral actions should receive appropriate capacity building, technology and finance support from developed countries, above no regrets measures. Other emission reductions measures that should be considered as possible actions by developing country parties include, SD PAMs and National Mitigation Action Plans. All of these approaches should be encouraged, and should be supported by adequate MRV financial and technology support from developed countries, in addition to their own domestic emissions reductions.

The financial support may be provided through carbon and non-carbon market mechanisms (i.e. funds). The carbon market mechanisms currently under discussion include sectoral

² http://www.climnet.org/international/2008_09AWG-CANsubmission_on_mitigation_potentials_FINAL.pdf

CDM, sectoral no-lose targets, and sectoral trading: to ensure the environmental integrity of the post 2012 agreement, real reductions must be achieved in addition to any remaining offsets. The choice between carbon market mechanisms and non carbon market mechanisms is both a political question and a capacity question. A developing country must have the ability to define baseline (absolute or relative) given the maturity of the sector, and must have appropriate emissions data for the sector and also must have the institutional capacity to implement sectoral policies. A uniform standard set only by a developed country or countries is unacceptable.

b(vi) Minimization of Adverse Effects

Mitigation policies and measures are being, and must continue to be, put in place in order to minimize the adverse impacts of climate change, which impact the poorest and most vulnerable disproportionately: the greater the mitigation action taken the more likely that adaptation measures will be manageable, or even achievable. Thus fulfillment of the Convention's promise to "prevent dangerous anthropogenic interference in the climate system" is the ultimate and overarching way in which adverse social, environmental and economic effects can be minimized.

Policies and measures put in place by governments or private actors may have consequences on other Parties, and these consequences may be direct (intended) or indirect (unintended).

Reduced use of fossil fuels

The wholesale reduction in the use of fossil fuels, and in the emissions of the associated GHG reductions, are essential and intended consequences of the battle against climate change. Additionally, reductions in fossil fuel use are linked to more general energy security policies and measures, making the extent of causality of Kyoto impacts alone difficult to assess. CAN thinks a discussion of compensation for lost oil revenues is absolutely and nonnegotiably unacceptable.

However, CAN believes a more positive and productive discussion could be on ways to effect the sustainable diversification of the economies of fossil fuel producing countries, through the sharing of experiences of economies that have already undergone significant transformations, and through the negotiations on the development and deployment of sustainable technologies, under the relevant agenda items in the UNFCCC processes.

Other vulnerable sectors

Other consequences of climate change mitigation are unintended; byproducts of climate policy rather than the direct and desirable result of mitigation policies. In CAN's opinion, the scope of the unintended consequences to be addressed in the UNFCCC process needs to be clearly defined; areas cited in the literature include food miles and other international trade, and impacts on tourism. Life-cycle analytical evidence for the scale of the impacts (including, where relevant, carbon comparisons of the same goods from different producers into the same market³) need to be objectively explored and evaluated.

³ Some studies, for instance, have found that if a life-cycle emissions analysis is undertaken comparing the same products from different sources into the same market, that even with air miles factored in, developing country producers may still be able to produce and get goods to eg the European market with a much lower footprint than local producers. Addressing a response measure on developing country Parties in this case might be a matter of consumer education in the developed world markets rather than producer compensation

For example, recent research on international tourism⁴ contradicts the line sometimes promulgated by the airline and tourism industries. The research finds that for these sectors, the unintended consequences of response measures may be smaller than might be feared. The reality is the benefits from UK tourism (the main country studied in the research) to communities in far-flung destinations are minimal because:

- The vast majority of aviation tourists from the UK go to Europe, and then to richer parts of the world such as North America and Japan. Only around 10% go to developing countries. Initially halting the growth in aviation can be done through tackling short haul flights, which needs the carrot of better rail services and the stick of higher taxes on aviation. This would not impact developing countries.
- Halting the growth in UK tourism to developing countries would have a small impact on the growth in the economies of countries which receive a proportionally large number of UK tourists. By 2020, the economies of Kenya, Thailand and the Dominican Republic would have had 0.1-0.3% less GDP growth than would happen if UK aviation grows as currently planned. There are some small countries who would suffer more (the Maldives is a loss of 3% growth) so measures will be needed to compensate such countries when the growth in long-haul flights are tackled.
- Of tourism that does go to developing countries, a large proportion of the revenue does not help the local economy but comes back to northern countries. Therefore, to increase the benefits of tourism, the most useful thing is to stop such leakages happening, rather than increasing the numbers of tourists which don't benefit the local economy much. The UK and EU are currently pushing measures in free trade agreements which prevent countries implementing such policies.

Concerns have been raised about the unintended consequences of aiming to reduce emissions from shipping. For this sector, work is under development to design a *de minimis* threshold that would exempt SIDS and LDCs from a global shipping scheme, so that these most vulnerable countries would be shielded from any possible unintended consequences of action in this sector.

There is an obvious need for more and better information to be brought into the discussions the impacts on unintended consequences. Important is the specific assessment of unintended consequences on vulnerable or indigenous communities including issues of land tenure, livelihood security, conflict, food and water security, and culture. The next step would then be to propose possible means for addressing the unintended consequences within the different sectors. In CAN's opinion a discussion on the sustainable diversification of the economies of these countries is also relevant.

http://www.neweconomics.org/gen/uploads/2j1cwgmxntg0uiaoqg5ob14526092008170324.pdf

⁴ New Economics Foundation and The World Development Movement, 2008, "Plane Truths: do the Economic Arguments for Aviation Growth Really Fly?"