KEY ISSUES ON THE ROAD TO PARIS

A briefing note on COP 21 for the members of the Pan-African Parliament (PAP)

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FOREWARD

The 2015 climate agreement: An opportunity for ambitious actions on climate change.

The 2015 Paris global climate agreement, an expected outcome of the work of the Durban Platform for Enhanced Action (ADP), offers an opportunity for countries to ensure meaningful action on climate change. The ADP was established during the "African COP" in Durban, which concluded with all parties of the United National Framework Convention on Climate Change (UNFCCC) agreeing that negotiate to establish another legal instrument or an agreed outcome with legal force that is applicable to all parties.

Because the decision was reached on African soil, we as the people of Africa feel that the 2015 climate agreement needs to reflect the realities and challenges of the continent. Climate change is a concern for the Pan African Parliament (PAP), as it presents a real threat to economic development and long-term prosperity, manifesting its adverse and catastrophic impacts on the poorest and most vulnerable people on the continent. While the impacts of climate change fall disproportionately on those countries that have contributed the least to it, PAP is expecting the 2015 agreement to reflect elements of equity and fairness, which will determine the effectiveness and long-term stability of the agreement. If urgent action is not taken, Africa and its people will be pushed further into another cycle of poverty.

As countries prepare for the 21st Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change, PAP is calling for accelerated action to reduce emissions. In order to achieve this, countries need to close the ambition and financial gaps between the actions/pledges currently proposed by parties and the actions required to address climate change, thereby meeting the convention's objective. According to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, the level of ambition currently proposed is not adequate to prevent dangerous anthropogenic interferences with the climate system, to protect ecosystems and to protect human lives. African ministers are therefore urging parties to close this ambition gap and calling for an approach that embraces science and ensures equitable sharing of the global emissions budget (44 gigatonnes or limiting the temperature increase to 1.5°C).

Unlike previous agreements, the 2015 climate agreement presents an opportunity for countries to define how they intend to reduce their carbon emissions through the development of Intended Nationally Determined Contributions (INDCs). As parties develop their INDCs, PAP urges countries to make ambitious mitigation pledges that will not take us on a dangerous path of temperature increases that are catastrophic to ecosystems and human lives. INDCs are not just numbers, they are also about how, collectively and cumulatively, actions could be ambitious and adequate to limit global warming. While the INDCs' primary focus is mitigation action, the process of developing INDCs offers an opportunity to contribute towards strengthening adaptation action and financial support globally. Adaption is a concern for Africa, and therefore strengthening synergies between INDCs and existing adaptation planning processes will not only maximize the benefits from a global framework, but also reduce the duplication of efforts. Adaptation should therefore be at the core of a Paris agreement, with fairness for Africa being a meaningful reflection of adaptation commitments beyond the rhetoric, "adaptation is a priority for the continent."

PAP calls on parties to ensure that the equity principle of the UNFCCC, the Common But Differentiated Responsibilities (CBDR) principle, underpins the 2015 agreement. The CBDR principle confers a greater responsibility for the climate change problem to those parties (developed countries) that have contributed the largest historic global emissions. These countries should therefore take the lead in emission reductions because of that historic responsibility. PAP supports the African Group of Negotiators' proposal of an Equity Reference Framework to address and operationalize equity concerns in the agreement.

The fulfillment of the financial pledges for climate financing made by developed countries is also critical for Africa and in line with the convention's objectives. At the Copenhagen Climate Summit in 2009, developed countries pledged to scale up climate funding to 100 billion USD a year from private and public sources by 2020 and the establish the Green Climate Fund. Acknowledging the recent developments in financial pledges, PAP urges developed countries to further review and close the financial gap.

Finally, PAP calls for a new agreement that is legally binding and anchored within the requirements of science, which has a robust reflection of adaptation, equity and closing the ambition and financial gaps. PAP recognizes that such a commitment in the 2015 agreement requires high levels of political leadership from all parties. Without this political commitment and leadership, not only will these elements be ignored in the 2015 climate agreement, but climate change will continue to undermine development efforts in Africa.

H.E. Hon. Roger Nkodo Dang, President of the Pan African Parliament

THE PARIS CONFERENCE

The year 2015 is crucial in the fight against climate change. From November 30 to December 11, representatives of 196 countries will meet in Paris to develop a new international climate change agreement. This meeting, the 21st session of the Conference of the Parties (COP 21) to the United Nations Framework Convention on Climate Change (UNFCCC), is particularly important because parties are expected to adopt an agreement that will lay the foundation for climate policy for decades to come.

In advance of this conference, most countries have submitted targets for reducing or stabilizing their greenhouse gas (GHG) emissions towards the collective goal of limiting the increase in global average temperatures to 2°C above pre-industrial levels. Countries will also address issues of adaptation, loss and damage, financing, technology transfer and capacity building in developing countries.

THE CLIMATE CHANGE PROBLEM

According to the *Emissions Gap Report 2014* of the United Nations Environment Programme (UNEP, 2014), only 1,000 more gigatonnes (Gt) of carbon dioxide equivalent (CO_2e) can be released if countries are to limit the rise in global average temperatures to 2°C above pre-industrial levels, a long-term global goal agreed to in 2010. Based on the current GHG growth rate, this 1,000 Gt carbon budget will be exhausted by 2030. To avoid global warming beyond that limit, and the resulting dire consequences, current emissions should be reduced by half between 2010 and 2050.

Based on current GHG growth rates, our collective 1,000 Gt carbon budget will be exhausted by 2030.

While parties recognize the need to reduce global GHGs, the efforts in doing so must be managed in a fair and balanced manner among countries, according to the UNFCCC principle of common but differentiated responsibilities and respective capabilities (CBDR-RC). From the Industrial Age to the early 2000s, nearly four out of every five tonnes of emissions released originated in developed countries. Since 2005, developing country emissions collectively exceeded those of developed countries and they are projected to grow further (Winkler et al., 2011). It is therefore important to consider each country's cumulative (both historic and current) responsibility and their capacity to reduce emissions in these talks.

Furthermore, countries face different vulnerabilities to climate change and have different levels of adaptive capacity. Some countries face more adverse impacts of climate change due to their geography and location, while others are more vulnerable because they lack sufficient financial, technical or institutional resources to adapt. These considerations raise several fundamental questions that remain unanswered: what is the best way to allocate the remaining emissions to ensure compliance with the carbon budget? How do we ensure that developing countries have the capacity to stabilize or reduce GHG emissions without compromising economic development on the one hand, and sufficient means to adapt to climate change risks on the other? At the heart of these questions is a longstanding issue within the negotiations: the need to determine a fair and equitable level of effort among countries to address climate change.

NEGOTIATING A SOLUTION

The UNFCCC does not include any legally binding obligation to reduce GHG emissions. Soon after its entry into force in 1994, parties became aware that it was unsufficient to effectively address the challenge of climate change. In 1997 countries agreed on a first instrument to contain binding obligations to mitigate climate change, the Kyoto Protocol (KP). However, it took eight years for enough member states to ratify the KP for it to enter into force, and the United States never ratified it. Ultimately, only 55 per cent of global GHG emissions were covered under the first KP commitment period, which ran from 2008 to 2012. Aware of the need to agree on a legal regime for climate action beyond 2012, countries adopted the Bali roadmap in 2007, mapping the road to reach a new agreement under the Convention in 2009 in Copenhagen.

In Copenhagen, recognizing that some developing countries' emissions were likely to increase significantly, many developed countries called for a collective effort among all parties to stabilize global GHG emissions going forward. Many developing countries took issue with this because their historic emissions per capita or GDP remained much lower than in developed countries. The Copenhagen COP was marked by disputes over transparency and procedure. Parties were only able to reach a political agreement, the Copenhagen Accord, which was not formally adopted by the COP and is not legally binding.

In Durban in 2011, countries agreed to negotiate a new climate agreement to be adopted in Paris in 2015, which is expected to enter into force in 2020. Furthermore, in order to avoid a gap in international climate governance, a second commitment period from 2013 to 2020 was agreed to in 2012 under the Doha Amendment. However, the second commitment period covers an even smaller share of global emissions than the first period (only about 14 per cent), as only a few developed countries have agreed to commit.

To provide a foundation for the 2015 agreement, parties agreed in 2013 to participate in the collective mitigation effort by developing Intended Nationally Determined Contributions (INDCs).[1] INDCs represent post-2020 GHG targets that countries are proposing to take on, following a volontary, country-driven approach.

This approach represents a real paradigm shift in the international approach to climate change. The Convention, and subsequently the KP, drew a clear distinction between developed and developing countries. Under the Paris agreement, countries are expected to participate in the collective mitigation effort. To that end, developing countries call for the inclusion of specific funding targets in the agreement to support them in the implementation of mitigation as well as adaptation, technology transfer and capacity-building measures.

146 countries representing more than 87 per cent of global GHG emissions have submitted INDCs to the UNFCCC.

INTENDED NATIONALLY DETERMINED CONTRIBUTIONS

INDCs represent countries' commitments to take action under the Paris agreement. In 2014 in Lima, parties agreed that INDCs could include a wide range of information, including reduction targets with flexibility in terms of reference year, time frame, sectors covered and means of implementation. Unlike the KP, all countries, including developing countries, have agreed to submit an INDC outlining their efforts to reduce or stabilize GHG emissions. Most developing countries have also decided to include an adaptation component in their INDCs.

To date, 146 countries representing more than 87 per cent of global GHG emissions have submitted INDCs to the UNFCCC (UNFCCC, 2015a, 2015b), including Brazil, China, India and South Africa. The UNFCCC Secretariat will compile the INDCs and release a synthesis report on their aggregate effect by November 1, 2015. It is hoped that this analysis will give a clear idea of the projected GHG emissions for the coming years and encourage countries to increase the level of ambition of their INDCs to ensure that temperature increase is limited to 2°C above pre-industrial levels. Early analysis suggests that INDCs submitted to date would result in a temperature increase of about 2.7–3.5°C above pre-industrial levels (Climate Action Tracker, 2015; Climate Interactive, 2015), resulting in dangerous levels of warming.

[1] Decision 1/CP.19, par. 2(b)

THE AGREEMENT: WHAT LEGAL FORM AND IMPLEMENTATION PERIOD?

At COP 17 in 2011, countries agreed to the Durban Platform, which is meant to lead to the adoption of a new agreement. The agreement could take one or a combination of the following three legal forms: "a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties."[2] Discussions continue as to the legal form the Paris agreement will take. For example, the European Union, small island developing states and many developing countries prefer to adopt a legally binding agreement. For the latter, the option of a legally binding instrument or protocol is the best option to ensure that the commitments are respected. For the United States, such an option is problematic and could result in their inability to ratify the 2015 agreement.

It is expected that the Paris agreement will enter into force in 2020, but no decision has yet been made with regards to the implementation and compliance mechanisms of the agreement and the length of commitment period(s). Disagreement remains regarding if and how the voluntary commitments outlined in INDCs will be evaluated by an independent process before 2020, beyond the synthesis report to be prepared by the UNFCCC Secretariat. Some countries support a mechanism to evaluate and compare efforts using third-party assessment. Other countries oppose such an evaluation process given the voluntary nature of the contributions.

There is little doubt that the level of ambition will need to be increased in the coming years and decades, so countries also aim to agree on a periodic review process. An increase in mitigation ambition worries some developing countries, who could be negatively affected by mitigation measures taken by other countries. For this reason, ongoing negotiations focus on whether to include in the 2015 agreement provisions to minimize such negative impacts on these countries, also referred to as "response measures," as well as to define a process to review the voluntary commitments of countries over time and the periodicity of these reviews. Uncertainties remain, as some favour a five-year review process, while others prefer revisions every 10 years (International Institute for Sustainable Development, 2015).

[2] Decision 1/CP.17, par. 2

ADAPTATION, AND LOSS AND DAMAGE

For the agreement to be reached in Paris, it is paramount to most developing countries that adaptation be on the same footing as mitigation. At a recent ministerial meeting, there was strong agreement about ensuring political parity of adaptation with mitigation (France and Peru, 2015). For many countries, the two issues are directly related; the more action that is taken on mitigation now, the less countries will need to adapt to climate change in the future.

To this end, some developing countries call for a global goal for adaptation to be integrated into the agreement, directly linked to the global mitigation target (AILAC & Mexico, 2014), and ministerial support has been expressed for the inclusion of a qualitative adaptation goal.

Some developing countries call for a global goal for adaptation.

Several developing countries facing the most severe impacts of climate change go further by seeking a compensation mechanism or insurance for loss and damage resulting from the adverse impacts of climate change, to be included in a new climate agreement on the same footing as adaptation. They make a clear distinction between adaptation, which aims to build resilience to the risks of impacts, and compensation for loss and damage suffered as a consequence of impacts that are beyond adaptation. In this regard, the most vulnerable countries require financial support specifically dedicated to loss and damage.

There appears to be a growing consensus on the inclusion of loss and damage in the agreement, but questions remain on how to address them (France & Peru, 2015). On the one hand, developed countries favour building on the 2013 Warsaw International Mechanism for Loss and Damage. On the other hand, developed countries, for whom this issue is of critical importance and who are disappointed with the Warsaw International Mechanism, call for the creation of a new institution, which would be supported by a displacement coordination facility (AOSIS, 2014).

FINANCE AND MEANS OF IMPLEMENTATION

The World Economic Forum estimated that up to USD 5.7 trillion per year may be needed in climate finance (World Economic Forum, 2013). The challenge is the sheer size of this investment, and although a significant portion will come from the private sector, developing countries insist that public funding from developed countries should also be pledged to help make the transition to low-carbon, climate-resilient economies.

In 2009, developed countries committed to mobilizing USD 100 billion per year by 2020 to support mitigation and adaptation efforts in developing countries. Since then, and despite several rounds of talks dedicated to long-term financing, questions remain regarding the sources of funding and how the private sector will be engaged. Developing countries want to ensure that climate finance is new, predictable, additional to development aid, and available for both mitigation and adaptation. Some developing countries call for the setting of interim financing targets between 2016 and 2020 (UNFCCC, 2015c), something that meets the resistance of various developed countries. There is broad agreement on the need to provide clarity on the pathway to USD 100 billion in 2020, and a ministerial meeting is scheduled on this topic on the sidelines of the International Monetary Fund and World Bank fall meeting in Lima, Peru, on October 9. Addressing these significant climate finance challenges will be crucial to ensuring success in Paris, and will necessarily involve a shared vision on the assessment of public and private climate finance.

In 2010 the Green Climate Fund (GCF) was established, and it has recently become operational. Funding pledges were made for a total of just over USD 10 billion at the end of 2014. The financial support provided by the GCF is intended to equally support mitigation and adaptation efforts in developing countries, and part of the funds will be disbursed through a private sector facility.

Developing countries also suggest adopting a global goal on technology, calling for a clear signal that clean technologies emerging from publically funded research and development projects fall within the public domain, and are therefore easily accessible. This is opposed by some developed countries, although a proposal by the African Group for a framework for enhanced action on technology development and transfer has gained some traction. A similar dynamic prevails on capacity building, with many developing countries calling for the establishment of a new international capacity-building mechanism, while developed countries favour the enhancement of capacity-building work within the existing institutional arrangements under the Convention.

There is consensus among parties on the interconnected nature of finance, technology and capacity building as essential to supporting both mitigation and adaptation, and on their key roles in the Paris agreement. There is also agreement at the highest levels on the need to consolidate existing institutional arrangements on means of implementation and to determine the best way to anchor them in the Paris agreement.

Developed countries committed to mobilizing USD 100 billion per year by 2020 to support mitigation and adaptation efforts in developing countries.

A majority of developing countries submitted INDCs with ambitious mitigation targets contingent upon support from developed countries in the form of financing, technology transfer and capacity building. Clarity on climate finance and support for means of implementation are essential to ensuring progress in the negotiations and the greatest involvement in the mitigation effort.

EXPECTED OUTCOMES

Countries have worked diligently over the past few years to rebuild trust in the process and define the elements of the next climate agreement, including at COP 20, held in Lima last year. However, huge obstacles remain for negotiators who will meet in Paris in December. Talks will renew at the next UNFCCC session, scheduled for October 19–23, using as a reference a revised and shortened negotiating text released by the co-chairs of the Durban Platform in early October (Ad Hoc Working Group on the Durban Platform for Enhanced Action, 2015). With only five official negotiating days remaining before the Paris conference, the parties' spirit of compromise will be key to securing an agreement.

Positive steps toward a new agreement were taken at the UN Climate Summit on the sidelines of the UN General Assembly in September 2014. The private sector sent a clear signal of its willingness to fight against climate change, and just under 500 private investors have signed a joint declaration stating their support for a price on carbon.[3] Since then, Secretary-General of the United Nations Ban Ki-moon and the Peruvian and French COP presidents launched the Agenda for Solutions, a platform to engage and encourage commitments for climate action from a wide variety of public and private actors, including local and regional governments, civil society, financial institutions and others (Club France Développement and Comité 21, 2015).

In the lead-up to Paris, bilateral meetings have been integral to building momentum. For example, in a joint statement issued in September 2015, China and the United States called for an ambitious climate agreement that reflects the principle of CBDR-RC and expressed their support for the inclusion of an enhanced transparency system in the Paris outcome (White House, 2015). China also pledged more than USD 3 billion for South-South cooperation on climate change. Furthermore, the EU and the Republic of Korea issued a joint statement on expectations for an ambitious and effective agreement that addresses adaptation and reflects CBDR-RC (President of the European Council, 2015).[4]

The mobilization of Europe and the United States, alongside other major economies, as well as the willingness of the vast majority of countries to develop and communicate their INDCs before October 1, 2015, reflect the political will to reach agreement in Paris. The elements necessary for an ambitious global climate agreement are within reach; however, the talks promise to be intense until the last hours of the Paris conference.

[3] For an updated list of signatories, see http://investorsonclimatechange.org, and for the original statement see http://globalinvestorcoalition.org/wp-content/uploads/2015/10/GISCC30Sept2015.pdf

[4] You can find the agenda here: http://www.solutionscop21.org/en/

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