

Developing countries taking mitigation actions despite lack of support

Bangkok, 6 April (Lim Li Lin) – Many developing countries are taking voluntary national mitigation efforts to tackle climate change in the face of difficulties and lack of international financial and technology support by developed countries.

The second day of the UN climate change talks being held in Bangkok heard a wide array of developing countries present their mitigation actions in a pre-session workshop on developing country mitigation actions on Monday, 5 April. The workshop heard presentations from the following countries: Mexico, China, Ghana, India, the republic of Korea, Peru, St. Lucia on behalf of the Alliance of Small Island States (AOSIS), Singapore, South Africa, Australia, Marshall Islands, Bangladesh and Brazil.

This followed the previous day's workshop on developed countries' mitigation targets. The workshop was organized in accordance with the decision of the 16th meeting of the Conference of the Parties (COP) in Cancun, to "understand the diversity of mitigation actions submitted, underlying assumptions and any support needed for the implementation of these actions, noting different national circumstances and the respective capabilities of developing country Parties".

The Cancun COP 16 decision had also taken note of "nationally appropriate mitigation actions to be implemented by Parties not included in Annex I to the (UN Framework Convention on Climate Change) as communicated by them and contained in document FCCC/AWGLCA/2011/INF.1". Forty-eight developing countries had submitted nationally appropriate mitigation actions (NAMAs) after COP 15 in Copenhagen, and these have now been compiled in the document.

Mexico presented its short term, long term, mandatory and aspirational goals. It said that its first national planning document contains a few phases. Phase one is a unilateral set of NAMAs financed by Mexico, between the period

2009 to 2012. These are nationally binding commitments to reduce 51 megatons of carbon dioxide equivalent (CO₂eq) by 2012. Phase two is between the period 2012 to 2030, which is a medium term aspirational goal with a long term vision of reaching 20% emission reductions from base line. In December 2009 in Copenhagen, the Mexican President announced that Mexico could move forward to reduce its emission by up to 30% by 2030. It also has an aspirational goal of reducing emission by up to 50% from a base year (2000) by 2050 as its third phase.

Mexico said that the 2030 and 2050 aspirational goals are conditional upon finance, technology transfer, and keeping sustained economic growth. It said that the 2nd and 3rd phases should include unilateral NAMAs and international financial assistance for supported NAMAs and through the crediting mechanism.

For its short term goal, it said that in 2010, 43% has been achieved. It said that Mexico is in the process of developing a low emissions development strategy. The medium term goals for 2020 and 2030 are in a legal document that has already been put in place. It also highlighted some potential NAMAs and its measurable, reportable and verifiable (MRV) scheme.

China said that NAMAs are in the context of the Bali Action Plan (BAP) and in accordance with common but differentiated responsibilities. It said that NAMAs are coordinated with sustainable development and poverty eradication goals, and based on national circumstances, priorities and strategies for sustainable development. They are distinct from Annex I mitigation in magnitude and legal nature, as NAMAs are voluntary, and Annex I quantified emission limitation and reduction objectives (QELROs) are legally binding. Implementation of NAMAs is subject to and conditional on new and additional finance, technology transfer and capacity building by developed countries, it said.

It explained that China's autonomous domestic mitigation action has three pillars: i) in terms of intensity, to lower its CO₂ emissions per unit of GDP by 40-45 % by 2020, using 2005 as base year; ii) to increase the share of non-fossil fuels in primary energy consumption to around 15% by 2020. It is now around 8%; iii) to enhance forestry management, as sinks. Forest coverage will be increased by 40 million hectares, and forest stock volume by 1.3 billion cubic metres by 2020 from 2005 levels. It said that China is still a developing country in a rapid stage of industrialization and urbanization, facing the challenge of economic development. It is ranked 100 in the world in terms of per capita GDP, and according to the UN, 150 million people in China are still impoverished.

China described its actions and policy instruments and achievements. These include standards and regulations, pricing policies, subsidies and incentives, and a pilot programme on low carbon provinces and cities. It said that its energy intensity has improved by 19.1%, and energy saving by 630 megatons of carbon dioxide equivalent, thus reducing emissions by 1.4 billion tons CO₂eq. There is now a new five-year action plan (2011-2015), it said.

Ghana said that it had submitted a list of 55 NAMAs after Copenhagen. Policy briefs have been prepared, and further analytical work is on going which will culminate into five priorities for NAMAs. It said that a NAMA plan is being developed, and also highlighted other potential NAMAs in Ghana. It stressed the importance of greenhouse gases (GHG) inventories, and a national MRV system that would be consistent with international guidelines. It said that it was open to technical and financial support for the preparation and implementation of its NAMAs, and was developing a low carbon growth path.

India said that the context of its voluntary mitigation action was the BAP. India will endeavour to reduce emissions intensity of its GDP by 20-25% by 2020 based on 2005 levels. This excludes agriculture emissions, which are not increasing. Based on this, India's emissions are likely to be 2.6 tons per capita in 2020, which is low compared to the 2005 global average of 4.4 tons per capita, and Annex I average of 12 tons per capita. It said that reducing emissions intensity is difficult for India as it has a massive development imperative to lift 470 million people out of poverty, build homes, roads and other infrastructure.

Despite India's rising efficiency, it said that its overall energy needs for development are growing, and energy intensiveness is increasing slightly. However, past emission intensity trends are not indicative of future business as

usual (BAU) national emissions trend. Per unit of GDP, India's energy intensity is equivalent to the EU, it said.

It also highlighted some specific actions planned and under way in India, showing that the estimated benefit of four NAMAs could yield 275 Mt of CO₂ reductions by 2020, and would cost \$19 billion per year. It said that the incremental costs of these NAMAs should be financed by Annex I countries.

Indonesia also explained from the floor its national emission reduction target, which is for 26% reductions through domestically supported NAMAs, an additional 15% reduction through internationally supported NAMAs, and beyond this 41%, it could do more through the market.

In response to some questions, Mexico said that it was difficult to build a credible baseline, and this had to be reviewed periodically.

China said that it is difficult to translate its emissions intensity target into a deviation from BAU, as what would be the correct BAU? It also clarified that NAMAs should not be used as offsets, and that it also had a national programme on non-CO₂ global warming gases and agents.

South Korea explained its national strategy for low carbon green growth, as a voluntary mitigation action. It has a five-year implementation plan, with three objectives: i) mitigation of climate change and energy independence; ii) creating new engines for economic growth; iii) improvement of quality of life and enhanced international cooperation; and ten policy directions. It said that it has an energy-intensive economic structure, with 84.7% of GHG emissions coming from the energy sector in 2007, and the majority of those emissions were from power generation and industry.

Its voluntary mitigation goal is 30% reductions from BAU by 2020. It explained the assumption used to define this goal, and the process by which this was determined. It also explained its efforts to support this mitigation goal. South Korea highlighted its 'GHG Emissions & Energy Target Management Scheme' and its efforts towards global cooperation.

Peru said that deforestation in the Amazon is the main source of its emissions; in 2020 this amounted to 47%. Energy consumption accounts for 21%, agriculture for 19%, industry for 7%, and solid waste for 6%. Its voluntary mitigation targets for 2021 are for zero net emissions in the LULUCF (land use, land use change and forestry) sector, energy matrix with up to 40% from renewable sources which could yield about 28% reduction

on 2000 levels (or 7 Mts of CO₂eq) and the reduction of emissions from urban solid waste disposal, which could yield 7 Mts of CO₂eq. It identified its socioeconomic context, the quantification of emissions and removals, in-country institutional arrangements, NAMA definition, external support and costs calculation as challenges.

St Lucia, presenting on behalf of **AOSIS**, stressed on the fact that the impacts of climate change are accelerating, and that there will be a global emissions gap of 5-9 Gt CO₂eq per year in 2020 if the Cancun mitigations pledges are implemented. The costs of closing this gap are manageable, at about 0.4% of GDP in 2020. It said that developing country action is essential to close the gap and achieve the goals of limiting temperature increase to 2 or 1.5 degrees Celsius. It also stressed that sufficient, predictable and reliable support is needed to realize further mitigation potential at the scale required to achieve these global goals.

It said that the small island developing states (SIDS) are prepared to contribute and expect larger countries to do their part. It highlighted some NAMAs being undertaken by some SIDS, and identified financial and technical support for NAMA preparation, institutional structures, local and regional capacity for planning and implementation and MRV reporting requirements as challenges.

St Lucia said that the consistent communication of NAMAs requires: i) quantification of emissions reductions in 2020 (compared to BAU and current emissions, and should be clearly divided into domestic and supported actions); ii) transparency of assumptions (related to BAU and on scale/type of support required); iii) transparency of methodologies used for calculation; iv) transparency on LULUCF rules applied.

It also said that the registry should be developed as soon as possible and that there should be guidelines developed that are as simple as possible, transparent, enable tracking of global progress, and allow for flexibility for least developed countries (LDCs) and SIDS. The outcomes from the workshops should feed into, and not take away time from the formal process, it said.

The EU later supported the AOSIS proposal for this methodology, which it hoped would be reflected in the written report and taken forward for further work in the formal process. It also expressed that it is necessary to know what quantified emissions will be in 2020, in order to understand the size of the gap. Australia also later suggested that the AOSIS proposal could be useful in the next workshop.

Singapore argued that it had specific national circumstance, as it is a small low-lying city state and is highly fossil fuel dependent. It said that it provides no fuel subsidies, and has been “clean and green” from the beginning. Its mitigation pledge is to undertake mitigation measures leading to a reduction of GHG emissions of 16% below BAU in 2020, contingent on there being a legally binding global agreement in which all countries implement their commitments in good faith. It said that it has already started work that will lead to 7-11% reductions of GHG emissions below BAU levels in 2020, as part of its 16% pledge. Additional measures to achieve its full 16% pledge will be implemented when a legally binding agreement is reached, it said.

It said that all its mitigation actions will be domestically funded, and it highlighted its key strategies and what it is doing to build capabilities.

In response to some questions, Singapore said that the determination of BAU was quite challenging to define.

South Africa said that its pledge is a 34% deviation below the BAU emissions growth trajectory by 2020, and 42% deviation below the BAU emissions growth trajectory by 2025. It said that this is subject to certainty that others will also act and provide support through an ambitious, fair, effective and legally binding multilateral agreement under the UNFCCC and its Kyoto Protocol, and by delivering finance, technology and capacity-building support through the comprehensive multilateral legally binding agreement. Support will enable South Africa’s GHG emissions to peak between 2020 and 2025, plateau for approximately a decade and decline in absolute terms thereafter, it said.

It detailed its methodology, data and assumptions and stressed that BAU is not a prediction, but a rigorous, robust projection based on the best available data. It said that there is a national process underway on climate policy, legislation, regulation, economic instruments and action plans on a sector by sector basis to begin building the foundation for a low carbon society, and outlined a possible set of actions to achieve its pledge.

South Africa said that support to achieve its 34% deviation from BAU is essential and provided an analysis of incremental costs of investments required to support implementation over the period 2010-2050 – for individual NAMAs, this is in the order of \$10s to \$100s of billions and \$ trillions would be required for all its NAMAs to achieve the 34% deviation. It concluded that it was essential to have treaty obligations that deliver support and the MRV of support provided for actions by developing countries.

South Africa later said that the distinction between supported and unsupported NAMAs was unhelpful towards achieving the NAMAs. The extent to which it is able to reach its 34% deviation depends on the support it receives.

Australia was the only developed country to present at the workshop. It said that it was important to lock in the pledges that are on the table, build confidence and increase ambition over time, both for developed countries and developing countries that have capacity and responsibility. It advocated that key priorities for 2011 should be to clarify what targets and actions mean, and develop MRV processes to track efforts. In terms of clarity on targets and actions, it said that it would be helpful to understand what is the baseline and how it is determined, what emissions does the action cover, if an action is conditional, what are the conditions, and how much additional mitigation is possible through international support, including international market mechanisms.

It said that for actions that will happen (because they are funded domestically, or have secured international support), these should be placed in an Annex or Schedule. For actions that can happen with international support, these should be placed in a registry. It later clarified that in the long term, it would like the Annex or Schedule to be in a legally binding agreement, but in the short term it could be attached to a Decision. It said that support could be reported through national communications, in response to a comment that its proposal for an Annex and registry did not include support for mitigation action.

The **United States** expressed interest in the Australian proposal as a way to move forward.

Marshall Islands said that it would undertake NAMAs in order to achieve a 40% reduction in CO₂ emissions below 2009 levels by 2020, based on its 2009 Energy Policy that provides concrete pathways to achieve the NAMAs. It said that this is based on Article 10 of the Kyoto Protocol and Article 4.1 of the Convention. It highlighted the milestones by 2020, and emphasized that progress is already underway. It said that these would depend on international support as it has severe development constraints and faced barriers to participation in the carbon markets. It identified technical and human resource capacity and lack of knowledge of diverse funding streams and access to these funding streams as barriers to implementation of its NAMAs.

Bangladesh said that as an LDC, it is not required to do mitigation, but that LDCs may voluntarily contribute, provided financial and technical support is made available,

and their need for growth, sustainable development and accelerated poverty reduction is not compromised. It outlined some potential sectors for mitigation including in the power sector, transport, agriculture, forestry, waste management, residential/commercial, industry, and renewables. It said that this can only be achieved if support is provided for technological and institutional capacity building, preparation of an integrated energy and efficiency programme and its implementation, and for adequate finance.

Brazil said that it was implementing significant mitigation actions, without conditioning its efforts to the level of mitigation by others. It said that many developed countries have put conditions on their mitigation. It has a national law and plan, which was developed through broad stakeholder participation. Brazil said that what it expects from developed countries is simply what has been agreed internationally - financial and technological support. It is doing what it believes is doable, and its actions have generated opportunities for South-South cooperation. It said that its actions are being taken as a result of national policy, and are effective in generating real mitigation, which places it in a position to expect more from developed countries. It is taking action without counting on the support that has been promised for a long time. With support, it can do much more enhanced actions, it said.

In the general discussion after the workshop presentations and discussion, most countries expressly supported the continuation of such workshops, at further sessions.

Singapore said that it would be useful for future workshops to hear from other developing countries, and that the workshop need not be confined to those countries that have put forward their pledges. This view was also expressed by Australia and the EU.

Tuvalu suggested that the Secretariat's website could be used to receive further information from countries on their NAMA pledges. It noted that there is significant divergence in what a registry is and its role, and this needs discussion. It said that the issue of support and the MRV of support was missing from the discussion, and that apart from Parties, experts should also be invited to share their views.

South Korea said it would be important to distinguish between supported and unsupported NAMAs, and that the registry can accommodate both. It said that the \$100 billion annually through the Green Climate Fund is not enough, and this issue should be discussed.

Switzerland suggested that proposals for questions to provide guidance to the workshop could be submitted.

The EU said that the next workshop should be framed in advance. It suggested that the next workshop should focus on baselines, assumptions and the difference between supported and unsupported NAMAs.

Australia said that BAU was difficult to calculate or formulate, and further workshops could focus on this issue. This was supported by the EU and Mexico. Australia also suggested that the AOSIS questions could be useful in the next round.

The US said that it was not looking for harmonization, but to understand the assumptions behind the mitigation actions. It said that it would be useful to understand in a more thematic context, the issues that countries face, the methodologies that countries are using, and what kind of policies, costs, and approaches countries are using.

Egypt pointed out that the workshops mandated by paragraph 51 of the Cancun COP outcome are in order to understand the diversity of mitigation actions, assumptions, and support needed, and that it was not possible to focus on BAU as it is not in the mandate of the workshop. It asked whether it would be possible, necessary or feasible to focus on BAU in light of different national circumstances? It said that the purpose of the workshop, unlike the workshop on developed countries' mitigation, is not to increase the level of ambition, but to understand the support needed by developing countries. It said that non-Annex I countries should be encouraged to come out with NAMAs, and should not be scared away. Implementation of NAMAs can be increased, through understanding the support required.

Brazil suggested that the issue of offsets, and LULUCF required clarification, and the effect on the (Annex 1 Parties) pledges of their transformation into QELROs. It said that the workshops should not focus on elements that have not been focused on by all countries, as there had been great diversity heard on NAMAs, and there is no comparability to be established.

Pakistan said that the purpose of the workshop was to understand conditions and assumptions and support required, and the workshops should be restricted to their mandate and should not steer towards defining BAU and comparability.

India agreed that the context and purpose of the workshops should be kept in mind.

At the start of the workshop, Cape Verde expressed its profound unhappiness over the fact that the workshops were only conducted in English, which meant that it was not possible for all to participate fully. It said that the workshops should be for everybody, and translations should be provided in all UN languages.

The Executive Secretary, Christiana Figueres, responded saying that there was no funding for translations for the workshops, as they are not part of the official process. She said that the oral reports of the workshops would be heard at the plenary of the AWG-LCA (Ad hoc Working Group on Long-term Cooperative Action under the Convention) where there would be translation, the written reports would be translated into all six UN languages, and that she would approach donors for funding for further workshops.

The issue of which bodies the workshop reports should be forwarded to was also debated. Brazil said that the workshop held the day before on developed countries' mitigation targets was relevant for the AWG-LCA, the Subsidiary Body for Implementation (SBI) and the Ad hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP), and that the workshop today was relevant to the AWG-LCA and SBI, and should be forwarded to these bodies.

In response to the co-facilitator's reply that he would convey Brazil's proposal to the Chair of the AWG-LCA, Brazil said that it was the decision of the Parties where to direct the results, and they did not have to wait for the decision of the Chair.

The US said that it was content to have the workshop proceedings forwarded just to the AWG-LCA. In the end, Brazil said that it would take up this issue in the AWG-LCA itself, as that was the proper forum for the decision to be taken.