



Parties exchange views on closing ‘ambition gap’

Geneva, 10 May (Alejandro Raza) – Four roundtable sessions under workstream 2 (WS2) of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) were held over 30 April, 2 and 3 May. They were titled “Catalysing Action” and “Building a practical and results-oriented approach to increasing pre-2020 ambition”. A general concluding roundtable under this workstream was held on 3 May. The sessions were chaired jointly by Jayant Mauskar (India) and Harald Dovland (Norway).

The work of WS2 is to “launch a workplan on enhancing mitigation ambition to identify and to explore options for a range of actions that can close the ambition gap with a view to ensuring the highest possible mitigation efforts by all Parties”.

In summarising and introducing the sessions the Co-Chairs highlighted elements they had drawn from submissions including the importance of support, the removal of barriers and the connection of the means of implementation to “ratchet up” action. They also indicated that submissions had drawn attention to renewable energy, energy efficiency, the reduction of HFCs (hydrofluorocarbons) and low-emission development strategies (LEDS).

Developing countries directed many of their interventions to the importance of developed countries increasing their commitments under the Kyoto Protocol, and for other Annex I Parties to take on comparable efforts. They also called for greater provision of the “means of implementation”, including finance, technology and capacity building, to allow developing countries to achieve their Nationally Appropriate Mitigation Actions (NAMAs).

Developed countries focused their interventions on wanting HFCs to be considered by the Montreal Protocol, for discussion on fossil fuel subsidies and for consideration of the “enabling environment” related to investments in renewable energy and energy efficiency.

The Alliance of Small Island States (AOSIS) presented a non-paper for a focused work plan on renewable energy and energy efficiency. Most developing countries called for a “contact group” to be established at the June session to better capture the discussions.

Nauru on behalf of AOSIS stressed that the world was on track for at least 4°C of warming and that 2014 was the latest point at which higher ambition should be locked in. It said that ratcheting up Kyoto pledges was not enough and that high mitigation potential in the short term needed to be found. It called for Parties to take on a technical, targeted and results-orientated discussion and submitted a non-paper (available online) with a proposal to advance the work of the WS2. It indicated its objectives were to identify and focus on sectors, explore and compile measures and best practices with respect to renewable energy and energy efficiency, by identifying obstacles in both developed and developing countries, while determining tools and mechanisms to overcome these obstacles collaboratively and with the support of the means of implementation. It called for two “champions” (one from Annex I and one non-Annex I) to lead on a process supplemented by the technical paper. It also focused on the importance of bringing “experts” into the process and called for a ministerial-level meeting on the issues in WS2 at the COP 19. It said that this should include finance ministers to deal with the

role of subsidies for fossil fuels and the cost of capital for renewable energy and energy efficiency projects.

Malaysia on behalf of the Like Minded Group of Developing Countries on Climate Change (LMDC) said that we must ensure that commitments made under the Convention become “commitments kept under the Convention”. It said that the implementation of the Convention must be enhanced through rapid operationalisation of the Doha package to show that developed countries are “really taking the lead in showing mitigation ambition and providing adaptation support, climate financing, technology, and capacity building for developing countries to also enhance action”. It called for a contact group to capture progress made by the Parties.

It said that WS2 should see the Kyoto second commitment period amendment be immediately ratified by Annex I Kyoto Parties and that they should then increase their targets and remove conditionalities for doing so no later than April 2014, and that non-KP Annex I Parties should also make comparable unconditional increases in their Cancun pledges no later than April 2014. It said that pre-2020 enhanced ambition also included providing greater certainty and increasing levels of climate financing through the Convention’s financial mechanism and making access to and transfer of climate technologies to developing countries easy and without any difficulties.

It noted that success in WS2 with respect to increasing pre-2020 ambition and closing the pre-2020 mitigation gap would lay the basis for achieving future success in WS1. It also called for enhanced action under the Convention on adaptation, saying the goal of increasing funding for adaptation support for developing countries must be aimed for. It called for the loss and damage mechanism to be established and made quickly operational. It said the impacts of response measures and achieving sustainable development through economic diversification in the context of climate change must be effectively addressed. It concluded that “process shapes outcomes” and that hence, the processes for the pre-2020 and

post-2020 workstreams must be “Party-driven, open, transparent, inclusive, and participatory”. It called for financial support to be made available to support the enhanced participation of representatives from developing countries, including LDCs and SIDS, in the process.

Nicaragua on behalf of ALBA called for four crucial elements to be considered: the Kyoto Protocol, MRV, CBDR, and the importance of science. With respect to the Kyoto Protocol, it said it had been “doomed from its start” because not all Annex I Parties would commit under it. It said that “one Party still free rides in our system and remains uncommitted.” It noted that “other Parties decided to shamelessly walk out in the middle of the first commitment period.” It said Kyoto was further weakened in its second commitment period by the lack of ambition, and that although “immediate” ratification was agreed in Doha, it had not presented itself, and “is not in sight”. It said that developed countries were not complying with the first principle in the Convention (that developed countries should take the lead) and so it proposed an “Informative Session on the status of the ratification of the Kyoto Protocol amendment” every time the ADP meets. It said that this Informative Session should be in the framework of the Durban Platform and is crucial to raising pre 2020 ambition. It said it could be facilitated by a representative of the United Nations as a Depositary of the Kyoto Protocol or the Secretariat of the UNFCCC and should bring out the most recent balance of instruments of acceptance put forth and clarification on the status of Parties that have not yet done so.

It said that clear MRV rules for the provision of the means of implementation for mitigation and adaptation needed to be set as the case where one country informs another that it has provided funds and the other doesn't know about it should not occur, although it had occurred. It cited concerns with Fast Start Finance and called for a comprehensive single contact group concerning also sources of financing for the period 2012-2020, saying “we cannot continue avoiding this discussion.” It reaffirmed the importance of CBDR and said that the process and its outcome were

“under the Convention and there is no provision that says the Convention and its principles or Annexes are to be touched or discussed”. It concluded by urging Parties to negotiate on the basis of science and not “political unwillingness” and said that we cannot continue to hold conferences where no agreement is reached and “everything is left for the last day or the last night where our Ministers have to reach an agreement with no other alternative on the table”. It said that global actions to address climate change “depend on developed countries complying with the Commitments they adopted in this Convention over 20 years ago” and called for a contact group for the June session to “allow us to engage in real negotiation and deliver results that our people and Mother Earth demand”.

Swaziland on behalf of the African Group associated with AOSIS and encouraged Parties to focus on international efforts to enhance national actions, particularly by providing the means of implementation to realise actions in developing countries. It said it saw the work of WS2 as “the implementation of the Bali Action Plan” and that immediate action would build cooperation. It said that three things were necessary: raising ambition under Kyoto and the Bali outcome, including the Kyoto review and Subsidiary Body for Scientific and Technical Advice (SBSTA) work on developed countries’ pledges; the enabling of developing country actions via the means of implementation; and collaborative initiatives reflected in proposals discussed.

Nepal on behalf of the Least Developed Countries (LDCs) said the focus needed to be on the “mitigation gap” and that the success of WS1 would depend on WS2.

The **Philippines** wanted the addressing of the means of implementation, or “MOI” which means “rice porridge” in the Chinese Hokkien dialect which was what developing countries had “received so far”. It emphasised that the institutions, obligations (and principles including CDR from which the obligations flow) have existed for 18 years and need to be implemented. It said that those who are responsible for historic

emissions have an obligation to share the resources they have gained by the misuse of the global commons. It said that developing countries had made many substantive proposals on mechanisms for adaptation, technology and finance but had seen them weakened by developed countries that would delink finance from them. It said the ‘Loss and Damage Mechanism’ was another example of this.

It noted that the Kyoto Protocol currently had inadequate commitments, and that the requirement of “subsequent commitment periods” (in Article 3.9) had been ignored, yet the “solutions” proposed in the sessions, that were meant to be “proactive and operational”, have instead been workshops. There was “more talk but no action”. It rejected suggestions that developing countries did not have commitments under Kyoto and pointed to articles 10, 11, and 12. It was concerned that talk of mitigation for developing countries was like asking a “man who eats once a day to take a diet”. It was also concerned that most of the finance that had materialised had been in the form of concessional loans. It suggested that effective action required “the practice of good faith and political will”.

The Philippines also emphasised that Parties needed to accept a “top-down approach” (in determining mitigation targets) as “pledge and review” had been rejected in 1992 as it was recognised that it would “never work”. It said that the objective of the Convention could not be met by a voluntary approach. It also called for a “needs-based” approach rather than a results-based approach, as it asked if the next typhoon left only 1000 dead instead of 2000, would that be a good “result”? It said a needs-based approach would secure a balance between mitigation and adaptation, and avoid the situation in line with ‘reducing emissions from deforestation and forest degradation in developing countries plus’ (REDD+) where “if you don’t get good results you don’t get financing”. It concluded by asking what was happening with the GCF in terms of operationalising it and calling for a single contact group to move in a “balanced and comprehensive manner”.

China said the “starting point” was to ensure the implementation of the Convention and its Kyoto Protocol. It noted that the Convention obliges Annex I countries to take the lead; yet the world had witnessed developed countries withdrawing from the Protocol, refusing to join its second commitment period and the selection of the “lower range” of pledges when given a choice. It said there was a need for “a model” for developing countries to follow. It said that ratification of the Doha Amendments to the Kyoto Protocol would be a positive signal and should be complemented by non-Kyoto Parties taking on comparable targets, which collectively (across Kyoto and non-Kyoto Parties) should be 25-40% reductions on 1990 levels, as required by science. It said that as pledges were currently at their lower range there was potential to consider how to match or remove the conditions. It concluded that Parties had worked hard to set up various institutions and mechanisms, especially the Green Climate Fund (GCF) and that they needed to be operationalised immediately.

Brazil noted that REDD+ was being considered under a methodology discussion in the SBSTA and there was a joint programme of work on the issue between the SBSTA and the Subsidiary Body on Implementation (SBI) and so suggested that the ADP focus on “new ideas” and not discuss ideas that are being reviewed elsewhere. It said that the key message was that the work in WS2 would impact and influence WS1, but that WS2 was “not a negotiation” as WS1 was. It called for the Warsaw COP to focus on implementation.

India called for the work on pre-2020 ambition to follow up on the outcomes of the Doha conference including those pursuant to the Kyoto Protocol. It called for a review of the adequacy of commitments as a part of the 2013/2015 review and said that the gap should be the basis for initiatives. It said that acceptable initiatives would have three criteria: they would be consistent with the UNFCCC, not detract from efforts under the Convention, and follow the principles of the Convention. It noted that the example of the aviation charges being considered by the International Civil Aviation Organisation was

negative as it had an adverse impact on others. It also said that HFCs were a greenhouse gas and were not ozone-depleting so it would send the wrong signal to have them dealt with under Montreal. It said that fossil fuel subsidies were often necessary to provide food to the poor and so countries needed freedom and flexibility in considering which policies were appropriate.

South Africa called for a roadmap to operationalise the agreed outcome of the Bali Action Plan. It stressed that the focus should not be on one sector and that ensuring the Kyoto ratification was important. It also highlighted the need to review what has been delivered to the GCF and the progress of agreement on long-term finance. It said the priority was not to get developing countries to raise their mitigation pledges but to get those pledges already made to be supported by means of implementation. It asked for greater clarity on how ministerial-level considerations would relate to the work of WS1 and WS2 and the Secretary-General’s high-level meeting in 2014.

Uganda urged Parties to recognise that current actions were not commensurate with the problem and that many people were perishing and were in fact being “buried alive”. To respond, it said, the world needs a strong framework to coordinate action in countries that lack the institutional framework to catalyse action. It noted that the agricultural sector presented an opportunity as the world needed to continue feeding people and so sustainable agricultural production was necessary. It concluded that oil had recently been discovered in Uganda and that it would prefer to “leave it in the ground” but because of development needs it would be pushed to extract it, leading to greater emissions.

Indonesia said the rising rate of CO₂ concentrations in the atmosphere required more players on board with a combination of push and pull factors. It said that each country needed to do more and seek assistance as needed, with more mechanisms to support such initiatives. It said an international forum was needed to systemise knowledge and best practice and to scale up action.

It noted that forestry provided mitigation and adaptation opportunities but also challenges. It called for pre-2020 ambition to be framed with respect to longer-term sustainable development and for future sessions to balance discussion of mitigation and adaptation.

Timor Leste asked how countries could switch to renewable energy if there was no local capacity for it. It said it was urgent for Parties to ratify the Kyoto Protocol second commitment period to avoid a legal gap, but that the ambition gap also needed to be filled. It called on all Annex I Parties without a commitment in the second commitment period to take on comparable efforts. It said it was ready for NAMAs to be supported by finance, technology and capacity-building. It also noted that developed countries had committed to \$100 billion in finance per year by 2020 but wanted to know how much would be committed each year before then, saying it was currently “an empty shell”. It added that consideration of “land-use” should also look at developed countries’ contributions, not only developing countries’.

Mali stressed the terms of reference of WS2 which are to focus on “closing the gap”. It identified the early ratification of the Kyoto amendments as sending a strong positive signal and expected Poland to have ratified it by the time of COP 19 in Warsaw. It called for a concrete mechanism to address the price of carbon, noting that certified emission reduction units (CERs) were currently at 26 cents. It also said that the gap estimated by UNEP was between 8 and 13 gigatonnes, suggesting that at a low price of \$10 a tonne, the cost would be \$80-\$130 billion, which needed to be compared with the \$100 billion committed to both mitigation and adaptation. It called for a means to support feasibility studies, or to lower the costs of consultants and engineers, to allow countries to better determine projects they could undertake with further appropriate financing and support. It also noted that although it was true that fossil fuel subsidies often took up a greater budget share than health or education, this was “not because we are addicted to oil” but because demand for energy in places like sub-Saharan Africa was increasing at 10% a year, while supply was only increasing by

3%. Given the intermittent supply issues for renewables and the long project cycles for hydro, this made subsidies necessary to allow access. It also asked Parties to recall the effect of agriculture subsidies in driving deforestation. It called for the focus of work to be on implementation, particularly of the Kyoto review and the NAMA registry to increase support.

Kenya called on developed countries to take the lead as a matter of consistency with the obligations in the Convention. It noted that many developing countries had strategies, plans and projects, but lacked the means of implementation to realise them.

Singapore called for the acceleration of the means of implementation given the context of the Convention and its requirement for leadership from developed countries. It agreed with calls for both technical and political discussions, and said it was important that they reinforced each other. It said that regional conversations or regional roundtables could be valuable in the years to come.

Vietnam insisted that WS2 had to consider the Annex I and non-Annex I distinction as it was being held under the Convention. It said it was concerned by the lack of reference to the principles of the Convention and to technology transfer and capacity building. It noted that it was using its own resources to undertake both mitigation and adaptation actions. It called for a mechanism to encourage climate finance both bilaterally and multilaterally. It said to catalyse action Parties needed resources beyond money, such as information, communications, and capacity building. It also noted there was a need for an “MRV” of commitments made for finance, technology and capacity building by developed country Parties.

Thailand agreed that Article 4.7, which states that the “extent to which developing countries will effectively implement their commitments...will depend on effective implementation by developed country Parties of their commitments... related to financial resources and transfer of technology”, should be followed. It called for social and development imperatives of developing countries

to be respected and said action depended on how effectively developed countries took the lead.

Saudi Arabia agreed that WS2 was under the Convention and hence Article 4 and its commitments were the important link. It said Saudi Arabia was a young society with more than 50% of the population under the age of 25 and that this population depended on energy for its sustainable development needs, such as the desalination of water or the transport of food. It said it was particularly vulnerable to climate change as its income was reliant on energy. It said that a results-orientated approach would be comprehensive and focus on all sectors, economy-wide, and not focus on one sector. It said the best approaches would advance sustainable development. It said it was afraid that fossil fuel subsidies were being used as “an escape boat” from discussions on the means of implementation for mitigation and adaptation, and used to shift the burden from developed to developing countries. It also said any results-orientated approach would need to consider the issue of response measures. It concluded by calling for immediate ratification of the second commitment period of the Kyoto Protocol and for the WS2 agenda to take mitigation and adaptation issues together.

Senegal said that instruments to enhance action already existed, namely the GCF. It said that many Technology Needs Assessments (TNAs) had been prepared and that action plans existed but that funds were not in place to actually implement actions that would reduce emissions.

Papua New Guinea emphasised that to close the ambition gap developed countries needed to increase their pledges and institutionalise them under the Convention. It said that the workshops on land-use and on low-carbon development had shown that developing countries could contribute if provided with the means of implementation. It said that REDD+ could contribute significantly. It called for a workshop on mitigation from forests in conjunction with the next session to identify the contribution of REDD+ to the ambition gap and called for it to produce a technical paper to support

a decision at COP 19. It called for negotiations to move into contact groups.

The **Marshall Islands** called for Parties to focus on cost-effective and scalable actions. It said that as renewable energy and energy efficiency included negative-cost solutions it would be ridiculous for Parties not to focus on them. It welcomed action on HFCs and fossil fuel subsidies. It called for both a political and technical component of the work, as ministers would require technical work to be done in advance. It called for underutilised institutions, such as the “registry” to be addressed and to be made to work. It emphasised that we need to have “the right people in the room” and called for relevant experts to be brought into the process to assist in exchanging information and identifying success stories.

Bangladesh agreed that a failure in WS2 would hamper efforts in WS1.

Iran warned that raising new issues may “complicate and prolong” discussions and that as renewable energy was a cross-cutting issue it was relevant to the negotiations but raised issues of technology transfer and capacity building. It said that work on fossil fuels was also a technology-related issue and so that issue needed to be discussed in any workshop on fossil fuels.

Bhutan said that adaptation and mitigation were linked as the less mitigation undertaken the more adaptation work there would be. It therefore said attention should be paid to finance, loss and damage, technology assessments and technology transfer.

Nigeria echoed calls for REDD+ to be included in discussions.

The **United States (US)** said that in order to advance the technical and political work, meetings needed to be focused and work on areas with greatest degrees of convergence. It said it appreciated AOSIS’s proposal and also suggested that it would be good to “tie in” sub-national action. It indicated support for proposals on HFCs due to their mitigation potential.

Switzerland noted the general agreement on the need to close the gap and that “we are far away” from a pathway to stabilise warming at 2 degrees C above pre-industrial average levels. It said that on a practical level WS2 should facilitate sharing information and experiences by considering best actions and practices and that an institutionalised space with expert input would be useful. It indicated similarities between AOSIS’s proposal and its submission, including the steps of having expert roundtables followed by political discussions. It suggested possible thematic areas of: short-lived climate pollutants, fossil fuel subsidies, renewable energy, REDD+, agriculture, and eco-labels. On behalf of the **Environmental Integrity Group** it added that there had been convergence on focusing on finance, renewable energy, energy efficiency, and institutional arrangements.

Norway said that it was not the case of “talking in workshops instead of action” but of doing both. It said it had made a commitment under Kyoto, would ratify the Doha amendment (but that 144 other countries also needed to) and had made a contribution to Fast Start Finance. It highlighted the importance of scaling up efforts on deforestation. It encouraged Parties to continue with both a technical and political dialogue leading to a “political event” in 2014. It called for WS2 to allow for more interaction with international initiatives such as the C40 (the Cities Climate Leadership Group) and UNEP’s Climate and Clean Air Coalition. It also said that the financial community needed to be included in discussions to address how investment decisions are made. It said WS2 should not only address areas of “convergence” but also those of greatest mitigation potential such as REDD+. It endorsed work on HFCs, renewable energy, energy efficiency, and fossil fuels.

The **European Union (EU)** highlighted the need to reduce the cost of projects that reduce emissions. It also called for attention on HFCs, due to their huge mitigation potential, and called for COP 19 to deliver a “signal” to the Montreal Protocol that they should be addressed under that body. It also called for action on fossil fuel subsidies and a process to “raise ambition” ahead

of the 2014 leaders summit. It said there were many actions occurring outside of the UNFCCC and that the ADP could give a space to record progress on those initiatives.

New Zealand said there were four ways it was taking action including a long-term domestic target of 50% reduction of emissions by 2050, with a range of options by 2020; that it was remaining a Kyoto Protocol Party and would ratify the amendments [despite not taking on a target under the amendments]; that it had a domestic emissions trading scheme since 2008 as carbon markets were a very important component of the “means of implementation”; and that it was involved in global research alliances on carbon capture and storage. It supported calls for fossil fuel subsidy reform and the EU’s proposal on HFCs. It confirmed that New Zealand was committed to finance and gave the example of a summit held with its Pacific Island neighbours and the EU which raised \$630 million in pledges for energy plans from donors and the private sector.

Georgia said it wanted to become more economically developed with an increased GDP, while keeping emissions as low as possible. It supported new pilot processes for implementation as it had found both Fast Start Finance and the Clean Development Mechanism to be ineffective. It was concerned that the GCF might repeat these failures and wanted to ensure that it had increased participation and functioned appropriately.

Mexico noted that the process had already triggered action but recognised that there was urgency for further action. It identified short-lived climate pollutants, the promotion of renewable energy, REDD+, reducing emissions from bunkers, dealing with labelling issues, and addressing “F gases” [fluorinated gases such as HFCs that are mainly used as substitutes for ozone-depleting substances] as concrete initiatives for WS2 to work on.

Australia concurred that developed countries needed to take the lead in continuing to cut emissions. It said it had introduced a carbon price for 60% of its emissions with a fixed tax of \$23 per tonne. It said it had provided \$500 million for Fast

Start Finance and was happy to share information on how it provided it. It also recognised there was more to do and called on WS2 to focus on: getting all countries to make a pledge (as 20 of the top 50 emitters were yet to do so); getting those with pledges to “consider” doing more (Australia is currently conducting a review of its target) and to support ministerial engagement to increase targets. It also supported the move for HFCs to be considered under the Montreal Protocol.

The **Co-Chairs** in their initial concluding remarks noted they had heard that political decisions should be informed by technical work, that enabling environments for market and non-market mechanisms were important and that cooperation at a community and city level was important. They also identified the NAMA registry as a potential focus for work. In subsequent sessions they added the ratification of the Kyoto amendments, requesting other Annex I Parties to take on comparable efforts and the removal of

conditionality on existing pledges as ways of increasing ambition. They indicated that short-lived climate pollutants, energy efficiency and renewable energy were areas for complimentary initiatives or to strengthen cooperation. They suggested there had been convergence on the need to “create enabling environments”, the importance of the means of implementation, and the need to address barriers such as insufficient technology support, high capital costs and insufficient political commitment.

They proposed that the June session focus on the topics with the greatest convergence, which they said were renewable energy, energy efficiency, land-use opportunities, climate finance and climate-friendly investments, the role of cooperative institutions, increasing the means of implementation and political engagement. They said WS2 would continue in roundtables and workshops.