

Report from Week#1 of COP-18  
December 3, 2012

Last week concluded the first half of international climate negotiations in Doha, Qatar. COP-18, is the 18<sup>th</sup> meeting of the Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC). It is also the 8<sup>th</sup> Conference/Meeting of the Parties to the Kyoto Protocol (COP/MOP-8), which was negotiated in 1997 in Kyoto, Japan, and which the U.S. has never ratified. Last week set the stage for the high-level ministerial meetings to begin this week.

Second commitment period of the Kyoto Protocol

Discussions regarding a second commitment period of the Kyoto Protocol (which expires at the end of the year) centered on several issues. The future legal agreement called for in last year's COP (see ADP piece below) would not take force until 2020, so countries are discussing whether the second commitment period should cover the entire gap or just a portion of it. In addition, countries whose emissions were below their targets in the first commitment period want to carry over their excess "assigned amount units" or AAUs to the next commitment period. However, environmental groups oppose this because they believe the countries with excess AAUs (Russia, Ukraine and Poland) did not have sufficiently stringent reduction targets for the first commitment period, which in turn generated surplus AAUs to carry over. An additional issue discussed is whether countries not participating in the second commitment period may still participate in the flexibility mechanisms (the Clean Development Mechanism (CDM) and Joint Implementation). While New Zealand announced an emissions reduction target, it is not participating in the Kyoto Protocol, so the target is not part of the Protocol's second commitment period. Nevertheless, New Zealand is still seeking access to the CDM. The final issue relates to the stringency of targets. The European Union committed to reduce emissions by 20 percent by 2020, but since it has already reached that target, environmental groups are pressing for further reductions. Australia announced an emissions reduction target of 0.5 percent, which environmental groups have said is not ambitious enough.

Financing

In Copenhagen, developed countries committed to provide \$30 billion in "fast-start" financing from 2010-2012 to aid developing countries in reducing emissions from deforestation, adapting to the impacts of climate change and deploying clean energy, with funding levels to ramp up to \$100 billion by 2020. There has been much discussion about whether developed countries are living up to their pledges. One of the sticking points is developing a consistent accounting framework for determining which finance flows can be legitimately reported as support to action on mitigation and adaptation in developing countries. The U.S., for instance, included money for food security programs as adaptation and also included export credit finance. Japan included billions of dollars in private finance towards their pledge. In addition, developing countries are concerned about whether developed countries can meet the 2020 pledge. They have suggested that developed countries raise \$60 billion per year starting in 2013 for "medium term" climate assistance as they scale up to the \$100 billion per year figure in 2020. Finally, developing countries are seeking to use more of these funds for adaptation, rather than mitigation – only 21 percent of "fast-start" funds were used for adaptation, according to Oxfam.

## Forestry and financing

Developing and developed countries did not reach agreement last week over how to verify carbon emissions from forests, punting the decision to the June 2013 meeting of the Subsidiary Body for Scientific and Technical Advice, one of the two technical advisory groups supporting the climate convention. Developing countries supported handling the verification process domestically, while the donor (developed) countries favored independent verification from an international group. Norway in particular emphasized that monitoring, reporting and verification (MRV) is “key” for ensuring environmental integrity. The talks are among several in Doha to advance the creation of a Reducing Emissions from Deforestation and Forest Degradation (REDD+) framework, a system that pays landowners to keep trees standing in countries that are prone to deforestation. Further discussions on finance will be carried out in the Ad-Hoc Working Group on Long-term Cooperative Action (LCA) this week, where the lack of movement on MRV is likely to stall options on how to pay for REDD+. The LCA track will dissolve at the end of the year to make way for the Durban Platform, decided at last year's conference in South Africa. Delegates are scrambling to finish as much work as possible on REDD+ in the LCA track to transfer it to the Durban Platform.

## Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP)

The ADP's mandate is “to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties.” The ADP is scheduled to complete negotiations by 2015. The outcome should enter into effect from 2020 onwards. During Doha several roundtables were held to discuss the ADP. Many developing countries highlighted that parties should be allowed to make commitments and take actions in accordance with their national circumstances under the ADP. This is a thorny issue, because the U.S. is opposed to the sharp delineation enshrined in the Kyoto Protocol, where China – currently the world's largest emitter of greenhouse gases (GHGs) – has no emissions reduction targets because it is labeled a developing country. The ADP is proceeding on two tracks: post-2020 regime (focusing on what form a legal agreement should take) and ways to bridge the ambition gap (focusing on how to escalate emissions reductions).

## This week

The ministers will arrive early this week to begin the high level negotiations. The COP18/CMP8 President, H.E. Abdullah bin Hamad Al-Attiyah of Qatar, has extended an invitation to all Ministers and Heads of Delegation to participate in an Informal Ministerial Round Table on Wednesday, December 5. The purpose of the roundtable is to exchange views on "How can mitigation, adaptation and means of implementation be strengthened now and in the future?"

The expectation is that countries will conclude an agreement on the second commitment period of the Kyoto Protocol and come up with a detailed work plan for concluding a legal agreement by 2015. We will provide a summary next week on what was achieved.