



Climate Change Negotiations: The United Nations Framework Convention on Climate Change, the Copenhagen Accord and Emissions Reduction Targets

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(Background Paper)

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CLIMATE CHANGE NEGOTIATIONS: THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE, THE COPENHAGEN ACCORD AND EMISSIONS REDUCTION TARGETSS

1 BACKGROUND

The *United Nations Framework Convention on Climate Change* (UNFCCC) has fostered climate change negotiations since the late 1980s. This international treaty, to which most countries belong, has examined issues such as how to interpret the "common but differentiated responsibilities" between developed and developing nations; funding and capacity building in the developing world; technology transfer; and reducing emissions from land use changes, especially deforestation. The most important and contentious issue, however, has been setting greenhouse gas emissions reduction targets. Greenhouse gas emissions must be reduced to meet the UNFCCC's ultimate objective of avoiding dangerous anthropogenic (human-caused) interference with the climate system.

Since developed countries have historically produced a greater share of global emissions, and since they have greater capacity, it was accepted in the UNFCCC that they have a responsibility to lead the global effort to reduce emissions. This is one interpretation of "common but differentiated responsibilities." In 1992, through the UNFCCC (at the Earth Summit in Rio de Janeiro), these countries agreed to voluntarily reduce emissions individually or jointly to 1990 levels by the year 2000. This was Canada's domestic target at the time. Developed countries also pledged to provide "new and additional" financial resources to help developing countries establish greenhouse gas emissions inventories and finance their efforts in meeting the substantial commitments that all parties agreed to in article 4, paragraph 1 of the UNFCCC ("Commitments").

Unfortunately, greenhouse gas emissions in many developed countries continued to rise. As a result, a number of nations approved an addition to the treaty and, in 1997, the Kyoto Protocol was finalized under the UNFCCC. The Kyoto Protocol has more powerful – and legally binding – measures. With the Kyoto Protocol, developed countries agreed to individual binding targets for greenhouse gas emissions reductions that would reduce their collective emissions to, on average, 5.2% below 1990 levels between 2008 and 2012, the first commitment period.

Excluding land use changes, total greenhouse gas emissions in 1999 from developed countries that reported to the UNFCCC were more than 20% below 1990 levels.² (These developed countries are listed in Annex I of the UNFCCC.) While some policies helped accomplish this, the result was almost exclusively due to the economic collapse of countries whose economies were transitioning to a market economy – countries such as those belonging to the former Soviet Union. Total emissions from Annex I countries remain below 1990 levels, but are now just 3.9% under this base year, having risen 11.2% between 1990 and 2007.³

Greenhouse gases continue to build up in the atmosphere despite the decrease in emissions from Annex I countries since 1990. Two factors account for this. Overall global emissions must be reduced to levels considerably below those of 1990 before atmospheric concentrations can drop. As well, emissions in rapidly developing non-Annex I countries have increased considerably.

As a result of the poor record of Annex I countries, developing countries are doubting the commitment of developed countries to reduce global emissions. Developing countries also believe that developed countries have not sufficiently helped them finance sustainable development practices and adapt to climate change.

Given the level of distrust, and given that it is a mathematical necessity for developing countries to reduce their emissions (China, for example, is now the world's largest emitter, ahead of the United States), persuading all large emitters to reduce their emissions has become an intense and difficult part of negotiations. For almost five years, the question at the centre of UNFCCC negotiations has been how, or if, to continue the Kyoto process and increase the effectiveness of the UNFCCC.

2 THE UNFCCC PROCESS

Talks focusing on these central issues began in 2005 in Montréal at the 11th Conference of the Parties to the UNFCCC (COP 11). The "Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention" was a first step under the UNFCCC toward getting the United States and other large emitters to discuss further emissions reductions, though the dialogue was only agreed to as long as it was "without prejudice to any future negotiations" and did "not open any negotiations leading to new commitments."

In addition, COP 11 served as the first Meeting of the Parties to the Kyoto Protocol (CMP 1). Because the United States is not a party to the Kyoto Protocol, it is excluded from the CMP decision-making process. The CMP 1 set up an ad hoc working group under the Kyoto Protocol (AWG-KP) "to consider further commitments for Parties included in Annex I for the period beyond 2012." As well, it "shall aim to complete its work [. . .] in time to ensure that there is no gap between the first and second commitment periods." 6

Two years later, at COP 13 in Bali, Indonesia, the COP initiated the *Bali Road Map*, recognizing that little time remained to finalize post-Kyoto Protocol efforts after 2012 and that further action was necessary to address climate change. The *Bali Road Map* consisted of two tracks, one under the Kyoto Protocol and the other under the UNFCCC. In addition to the AWG-KP, the UNFCCC set up a separate ad hoc working group to recommend ways to enable "the full, effective and sustained implementation of the Convention through long-term cooperative action." ⁷

Both working groups were to complete their assignments and report at the 2009 UNFCCC meetings in Copenhagen in the hopes that their work would lead to a new agreement. No agreement was reached, however, so the COP and CMP extended the working groups' mandates by one year to the next set of climate change meetings, COP 16/CMP 6, to be held in Cancun, Mexico, in December 2010.

Within the *Bali Road Map*, significant differences exist between developing and developed nations. Clearly, there are implications in each track for the outcome of the other track. However, developing nations are strongly opposed to any interaction between the two. Since the record of developed nations in reducing emissions has been poor, developing nations would like the AWG-KP to concentrate on stronger commitments for developed nations under a second Kyoto Protocol commitment period, while excluding themselves from binding commitments.

3 THE COPENHAGEN ACCORD

Since the working groups could not agree on any texts in Copenhagen, informal negotiations took place outside the UNFCCC process during high-level talks between ministers, heads of state of major economies and representatives of regional groups. These led to the finalization of the *Copenhagen Accord*. The Accord addresses some of the major issues in negotiations: a global temperature target, financing for developing nations, verification of reductions, and differentiated actions between developed and developing nations. The most important aspect of the Accord is that principal contributors to greenhouse gas emissions, such as the United States and China, and countries whose emissions are growing rapidly, such as India and Brazil, were involved in its finalization.

All countries associated with the Accord 9 agreed to:

- take action to meet the objective of achieving deep cuts in global emissions so as to hold the increase in global temperature below two degrees Celsius;
- a commitment by developed nations to provide almost US\$30 billion in new and additional resources from 2010 to 2012 (including forestry and investments through international institutions), with balanced allocation between adaptation and mitigation;
- in the case of developing nations, submit mitigation actions tailored to their own countries, subject to their domestic measurement, reporting and verification;
- in the case of developed nations, a commitment to economy-wide emissions targets for 2020 that would, in the case of Kyoto Protocol parties, further strengthen the emissions reductions initiated by the Protocol.¹⁰

However, because negotiations had not taken place under the UNFCCC and the Accord was not an official UNFCCC document, some countries refused to allow it to be adopted as a COP decision. A COP decision requires unanimous agreement from all parties. One of the decisions of the COP was simply to "take note" of the Accord.

The fate of the Accord as an official document is uncertain. China, in a letter to the UNFCCC, made it abundantly clear that the Accord may only guide the official UNFCCC negotiations under the two working groups. ¹¹ In addition, most analyses indicate that the commitments made so far fall well short of the scientifically estimated reductions needed to hold global temperature increase below two degrees Celsius – reductions of 21% to 26% below a "business-as-usual" situation. ¹² Estimates of the commitments to date suggest that emissions would be reduced by between only 4% and 16%. ¹³

4 CONCLUSION

Questions about the relationship of the Accord to the two-track negotiations under the UNFCCC remain. In addition, there is still a fundamental divide between those who want a single agreement under the UNFCCC, thereby ending the Kyoto Protocol (the stance, generally, of developed nations), and those who want a continuation of the Kyoto Protocol, with developed nations taking on greater commitments and an additional new agreement under the UNFCCC (the position, generally, of developing nations). Given developed countries' poor historical record in reducing emissions, putting the *Copenhagen Accord's* financial commitments in place would be an important move toward gaining the trust of developing countries in negotiations.

Most analysts are now downplaying the possibility of reaching an agreement at the December 2010 Mexico meetings. Despite the level of emissions reductions to which countries have committed, a great deal more effort is essential in order to meet the Accord's goal of curtailing emissions sufficiently to achieve estimated atmospheric greenhouse gas concentrations necessary to hold global temperature increase to below two degrees Celsius.

NOTES

- 1. United States, Senate, A resolution expressing the sense of the Senate regarding the conditions for the United States becoming a signatory to any international agreement on greenhouse gas emissions under the United Nations Framework Convention on Climate Change, 1st Session, 105th Congress, 25 July 1997, S. RES. 98.IS. Note that the United States, the world's largest emitter at that time, signed the Kyoto Protocol but did not ratify it. Ratification requires a two thirds majority in the Senate, which voted unanimously against the concept of a protocol that did not also mandate "new specific scheduled commitments to limit or reduce greenhouse gas emissions for Developing Country Parties within the same compliance period." President Bill Clinton therefore never submitted the Protocol to the Senate for ratification.
- United Nations Framework Convention on Climate Change [UNFCCC], "National communications from parties included in Annex I to the Convention: Report on national greenhouse gas inventory data from Annex I Parties for 1990 to 1999," Document no. FCCC/SBI/2001/13/Corr.1, 9 May 2002.
- 3. UNFCCC, "National greenhouse gas inventory data for the period 1990–2007," Document no. FCCC/SBI/2009/12, 21 October 2009.
- UNFCCC, "Decision 1/CP.11: Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention," Report of the Conference of the Parties on its eleventh session, held at Montreal from 28 November to 10 December 2005; Addendum Part Two: Action Taken by the Conference of the Parties at its eleventh session, Document no. FCCC/CP/2005/5/Add.1, 30 March 2006, p. 3.
- 5. The COP is the supreme body of the UNFCCC and the CMP is the supreme body of the Kyoto Protocol. Each makes decisions on a consensus basis.
- 6. UNFCCC, <u>Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP)</u>.

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- 7. UNFCCC, <u>Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA).</u>
- 8. For more information on country groups important to climate change negotiations, see UNFCCC, *Bali Road Map*, "Party Groupings."
- 9. Countries associated with the *Copenhagen Accord* by officially agreeing to its objectives in writing to the UNFCCC.
- 10. The wording is that of the Accord, but has been rearranged for greater clarity and brevity.
- 11. Department of Climate Change, National Development and Reform Commission of China, Letter to the Executive Secretary of the UNFCCC Secretariat (Re: China's position on the Copenhagen Accord), 1 February 2010.
- 12. Pew Center on Global Climate Change, "Adding up the Numbers: Mitigation Pledges under the Copenhagen Accord," March 2010.
- 13. Pew Center on Global Climate Change, <u>Targets and Actions under the Copenhagen Accord.</u>
- 14. International Institute for Sustainable Development, "Summary of the Bonn Climate Change Talks: 9–11 April 2010," Earth Negotiations Bulletin, Vol. 12, No. 460, 14 April 2010.

APPENDIX – CANADA'S INTERNATIONAL CLIMATE CHANGE COMMITMENTS

CANADA'S KYOTO TARGET

Canada's Kyoto target for reducing emissions was 6% below 1990 levels, on average, between 2008 and 2012. In 2007, Canada's emissions were 27% above 1990 levels and 35% over the Kyoto target. To enter the commitment period in 2008 at this emissions level would have meant lowering emissions by over 50% in five years. Following the 2006 election, the Government of Canada decided not to adhere to the Kyoto target.

CANADA AND THE COPENHAGEN ACCORD

Canada associated itself with the *Copenhagen Accord* on 29 January 2010. Its commitment is the same as that of the United States' announced target of a 17% economy-wide emissions reduction below 2005 levels by 2020, dependent on final legislation. The United States Congress may not approve this target, however, and so the Canadian target remains tentative. Canada's official position is that its target will be aligned with the United States' emissions target and base year. Environment Canada estimates that the business-as-usual scenario will amount to approximately 940 megatonnes in emissions (carbon dioxide equivalents) per year by 2020.² Since emissions for 2005 were 731 megatonnes, the 2020 target is 606 megatonnes per year or approximately 36% below the business-as-usual situation.

In the United States, because of rising energy costs and renewable energy commitments at the state level and because emissions were high in 2005, emissions are not expected to rise much above 2005 levels by 2020,³ meaning that the country's target is roughly 17% below the business-as-usual scenario. Assuming that each business-as-usual unit was calculated in a similar manner, Canada's target may be more difficult to achieve than that of the United States. Additionally, while Canada waits for the United States to decide how it will approach reductions, achieving its targets will become more difficult as 2020 nears.

NOTES

- 1. House of Commons, Standing Committee on Environment and Sustainable Development, *Finding the Energy to Act: Reducing Canada's Greenhouse Gas Emissions*, July 2005, p. 7.
- 2. Environment Canada, *Turning the Corner: Detailed Emissions and Economic Modelling*, "Annex 4: The Environment Canada Reference Case to 2020."
- 3. U.S. Energy Information Administration, "<u>Emissions from energy use</u>," *Annual Energy Outlook 2010*, p. 82.

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