



WWF recommendations for the Cancun Package

THE WORLD NEEDS CANCUN TO BE A SUCCESS

In Copenhagen governments failed to agree to a new climate treaty under the UNFCCC. Now with Cancun on the horizon, governments must realize that the public is asking whether governments are still willing and able to tackle climate change through a multilateral framework. Cancun is an opportunity for governments to prove they are. National climate, energy and development policy is key and bilateral cooperation could be useful. However we all know a global approach is needed to successfully stabilize global temperature rise at 1.5°C above pre-industrial

levels and peak global emissions by 2015. It is the role of governments and the role of the UN to protect vulnerable countries, communities and ecosystems from climate impacts. Governments through an international regime need to provide the framework and the guidance, so that non-state actors can play their part.

This challenge to show leadership and secure a global way forward applies particularly to the large economies from the developed and developing world: These include especially the US, EU, Japan and Russia on the one hand and China, South Korea, South Africa, Brazil, Mexico and India on the other. What is required now is collective, if differentiated, political leadership by these countries to fill the political void hampering international multilateral climate efforts. They need to demonstrate that they will put the interests of the world before their own national interests and restore faith of citizens around the world in government's willingness and ability to deal with climate change. These governments need to take responsibility for the future, while not sweeping historical responsibility under the carpet.

The disagreements between key economies will not be resolved by trying to move these talks outside of the UN framework. These governments would only be confronted with the exact same set of conflicts to resolve outside the UNFCCC. With all eyes on Cancun, each key economy has an important constructive role to play, by pursuing positions that create a positive dynamic and end the current stalemate.

THE FORM OF THE OUTCOME OF CANCUN

At COP 16 governments need to agree to a fair, ambitious and balanced Cancun package. The Cancun package should secure consensus on key areas of substance, and identify a way forward on the negotiation process to a comprehensive, legally-binding global agreement under the UNFCCC to enter into force by the end of 2012.

This Cancun package has to rest on two pillars:

(a) A set of substantive decisions under the Convention (AWG LCA) and the Kyoto Protocol (AWG KP) that settle important elements for mechanisms or frameworks for action on adaptation, REDD+, finance, mitigation, measurement, reporting and verification (MRV), and technology, that secure at a minimum the level of ambition detailed below and explicitly define their contribution to a legally binding agreement.

(b) An umbrella decision under each negotiation track (AWG KP and LCA) that contains an agreement on the future negotiation process, including

- a timeline and workplan;
- the intended final legal form of the outcome to deliver a legally-binding agreement from the Convention track, combined with agreeing to a 2nd commitment period under KP track;
- linking the substantive decisions from Cancun to the future legal agreement;
- outlining a process to deal with the gigatonne gap between the current level of mitigation pledges and what is needed to stay well below 2°C and, better, 1.5°C with high probability;
- a formal review of commitments and other modalities from 2013 to 2015, that would lead to a new set of commitments for a post-2017 commitment period, and take into account the 5th Assessment Report of the IPCC (due in 2014) and the outcomes of the gigatonne gap process.

Governments should use the Cancun meeting to settle the question of what the precise legal form should be for the 2013-17 commitment period. This should include putting in place a 2nd Commitment Period of the Kyoto Protocol for developed country emission reductions targets, as well as also a range of other provisions, linked to a comparable legal agreement

emerging from the AWG LCA negotiations. The outcome should be ready for final adoption in 2011 at the South Africa COP/CMP and come into force in 2012, to avoid a gap between existing commitments and architecture and new arrangements for the post 2012 period.

Without umbrella decisions that outline the path to a global legally-binding agreement that is in force (perhaps provisionally), before the end of the 1st commitment period of the Kyoto Protocol at the end of 2012, the substantive decisions will never be able to advance beyond being facilitative implementation frameworks. This would lead to a very fragmented approach, without the level of global ambition required to deal with dangerous runaway climate change.

THE SUBSTANTIVE DECISIONS TO COME OUT OF CANCUN

Progress had been made in the last two years of negotiations on the actual substantive building blocks in both tracks. It is necessary and possible to advance on all the building blocks in order to agree to what then can be called a balanced package. The mechanisms and frameworks for all building blocks would explicitly form part of the future legally-binding agreement.

AWG KP

- agreement on rules for LULUCF, Assigned Amount Unit (AAU) surplus, and the trading mechanisms under the Kyoto Protocol (CDM/JI/ET). These rules must have maximum environmental integrity to ensure the already low industrialized country's emission reduction targets are meaningful and not just a paper construct that would only widen the gigatonne gap;
- agreement on coverage of other sectors and gases;
- inclusion of at least the high end of the pledges with the agreement to translate these into Quantified Emission Reduction Obligations (QEROs) for 2013-17, against a 1990 baseline, while recognizing that these current bottom-up pledges are scientifically inadequate to limit warming to even 2°C, and require a review in order to close the gigatonne gap as soon as possible.

AWG LCA

- **Adaptation:**¹ Establishes an ‘adaptation action framework for implementation’ that settles the institutional set-up of the framework; agrees to the establishment of a global insurance mechanism; emphasizes the inter-relationship and interdependence of ecosystems, people and livelihoods to enable both people and species to adapt to future climate impacts; outlines a process to address “loss and damage”; provides adequate and predictable financing; and deletes references to “response measures” from the adaptation text and ensures that it is instead dealt with under mitigation.
- **REDD+:**² Agrees on a ‘REDD+ framework’ that includes language for a global goal linked to a clear commitment to equitable, adequate, predictable and sustainable financing; ensures safeguards for preserving natural forests, biodiversity and social benefits and the rights of indigenous peoples; establishes a phased approach for incentivizing countries towards national REDD+ programs; and strengthens references to measures needed to address the drivers of forest loss and degradation, including drivers in both developed and developing countries.
- **Finance:**³ A framework that provides adequate and predictable finance within a reformed, balanced and equitably governed financial mechanism of the UNFCCC. The framework should include:
 - **Fund and Governance:** put in place a new global climate fund and other governance arrangements, clarifying the composition and functions of the fund board, the process for establishing funding windows for mitigation, adaptation, REDD and technology, and how the oversight and authority of the COP over financing decisions will be ensured;
 - **Sources:** agree on a road map for reaching agreement on and implementing innovative and traditional sources of public finance at the scale required, benefiting from any useful recommendations of the UNSG’s Advisory Group on Climate Finance (AGF);
 - **Scale:** commit to at least 100 bn USD/year long-term public finance by 2020 as a minimum milestone for meeting funding commitments of developed countries, with interim targets for 2013 and 2015.

- **MRV & Zero Carbon Action Plans (ZCAPs) for developed countries:**⁴ An MRV framework based on the concept of binding emission reduction targets, that ensures:

- internationally comparable accounting rules, an enhanced expert review process that empowers reviewers to assign “early warning flags” when countries are not on a trajectory towards their targets;
- an enhanced, more frequent national communication process (every 4 years with biennial updates, continuation of annual greenhouse gas inventories) that requires the submission of long-term Zero Carbon Action Plans (to be updated periodically) and annual “climate finance inventories” that ensure comparability and track progress against financial obligations, with the next national communications and first iteration of ZCAPs due in 2012.
- initiate a work programme on MRV of support, starting with a common accounting framework for finance, and culminating in the design of an MRV system by 2012 as part of the legally-binding agreement. The framework should also provide a mandate to finalize a compliance mechanism.

- **MRV & Low Carbon Action Plans (LCAPs) for developing countries:**⁵ A MRV framework for developing countries (with less stringent provisions for LDCs and SIDS), contingent on provision of adequate financial, technology and capacity building support, consisting of:

- an enhanced, more frequent national communication process (every 4 years with biennial updates, and biennial greenhouse gas inventories),
- an enhanced facilitative expert review process and mechanism, inclusion of long-term climate resilient Low Carbon Action Plans (to be updated periodically), with first updates of their national communications by most economies as well as a first iteration of LCAPs due in 2012.

1 For more details on the adaptation outcome from Cancun please go to: http://assets.panda.org/downloads/wwf_cancun_briefing_paper_on_adaptation_final.pdf

2 For further information on REDD+: http://wwf.panda.org/what_we_do/footprint/climate_carbon_energy/forest_climate/solutions/

3 For further information on finance: <http://wwf.panda.org/climatefinance>

4 For more details on national communications/ Zero Carbon Action Plans: http://assets.panda.org/downloads/ngotreaty_group_at_nat_comms_brief_june2010_fin_2.pdf

And specifically for LCAPs/ZCAPs: http://assets.panda.org/downloads/zero_and_low_carbon_action_plans_unfccc_final_oct_2010.pdf

5 For more details on National Communications/Low Carbon Action Plans: http://assets.panda.org/downloads/ngotreaty_group_nai_nat_comms_brief_june2010_fin.pdf

■ Mitigation:

- Convert pledges to targets & Nationally Appropriate Mitigation Actions (NAMAs): list at least the high-end of the pledges for emission reduction targets and NAMAs by developed and developing countries, forwarded as information to be included as part of the future legally binding agreement; establishment of a mechanism for NAMA's seeking support.
- Process to look at closing the gigatonne gap: formally acknowledge the overall mitigation gap, and agree to a process that identifies additional emission reductions needed to ensure the survival of the most vulnerable countries, peoples, species, communities and ecosystems, based on a 2°C and a 1.5°C temperature limit, to start in 2011 and come to a close by 2013.
- Steps to close the gigatonne gap in Cancun: close some potential gaps by, for example, deciding to regulate emissions from the shipping and aviation sector, prevent double counting of offsets as meeting both emissions and financing obligations, in parallel to closing loopholes under the Kyoto Protocol track as detailed above.⁶

⁶ For an overview of how to plug the gigatonne gap:
http://assets.panda.org/downloads/wwf_plugging_the_gap_final.pdf

- **Technology:** A technology framework that establishes a Technology Mechanism to enable, facilitate, and encourage innovation, capacity-building, information sharing and collaboration. This mechanism will include a network of Technology Network Centers and Regional Technology Centers that support implementation of a well-defined set of Technology Action Plans, that also include provisions to address the sharing of Intellectual Property Rights.

The 10 October 2010 Global Call for Action to stop climate change, with thousands of actions the world over, once again showed that the public cares about climate and looks to governments to take action. The livelihoods of countries like Grenada, Bangladesh and Lesotho are gravely threatened by climate change, as are entire biomes and ecosystems, millions of species and in some cases the very existence of countries or whole cultures. No single government should be allowed to stand in the way of an ambitious global framework led by science and equity to protect the world's citizens. Cancun must be a success and set us firmly on a path to a global agreement.

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