

WWF Expectations for the UNFCCC Durban Conference of Parties

COP 17 in Durban will be a tipping point in the UN negotiation process on climate change. Government leaders can either build on the progress achieved at COP 16 in Cancun and act to prevent runaway climate change, or they can allow short-term national interests to set us on a path towards a 3° - 4° C warming world. The path our leaders choose will be critical and they need to be reminded that they will be making these choices while on African soil – a continent particularly vulnerable to the impacts of climate change.

Durban is the last real opportunity for countries to provide certainty on a future climate regime. The first commitment period of the Kyoto Protocol ends in 2012. The world's citizens are waiting for a clear signal about what countries will do in a second commitment period that will help save the planet and its people.

But if the negotiations continue on the same path that they have been on this year, then COP 17 is doomed to fail. So far, countries have not used the positive momentum from the climate negotiations in Cancun to deliver a more ambitious outcome or fulfill even the basic agreements made there. They have not as yet secured a firm basis for a fair, balanced and credible outcome in Durban.

Key amongst the big issues is the future of the Kyoto Protocol. It is currently the only binding international commitment to reduce greenhouse gas emissions. As such it is critical – yet it expires in one year. The EU has stepped forward to offer to continue it, if others will join. But major developed countries, such as Japan, Russia and Canada refuse to back the EU's pledge unless developing countries also make commitments.

On their side, developing countries have signaled that agreement on continuation of the Kyoto Protocol is a bottom line for negotiations of a balanced package. But unless developing countries are also willing to signal their readiness to take on legally binding commitments in the future, then it will be very difficult to find a solution to deal with runaway climate change. This stalemate threatens agreements on all of the other issues that urgently await decision at COP 17.

The second big issue is long-term finance, to cut emissions and to pay for urgently-needed adaptation to climate impacts. This includes agreements on the management of the UN Green Climate Fund, as well the sources for the \$100 billion pledge made by developed countries in Copenhagen. A consensus agreement in the Transitional Committee, which is tasked with setting up the Green Climate Fund, stalled on the objections of two countries. As a result, any one country in Durban can reopen negotiations on the text and unravel the finely balanced compromises achieved by the Transitional Committee.

WWF is concerned about the potential for a breakdown in negotiations in Durban. We raise this not to be alarmist, but to alert leaders that their current approaches mean they may fail to reach a minimally acceptable agreement in Durban – and failure at this point is not a viable option. In addition, we urge the South African COP Presidency to provide leadership and set up a process that will facilitate agreement.

WWF expects COP 17 to achieve two main objectives:

- Ensure the operationalization of the Cancun Agreement
- Increase ambition and lay the basis for a future legally binding agreement

A Balanced Package for Durban – Key Elements

Mitigation **A principled, shared vision aimed at protecting people and ecosystems from the worst impacts of climate change.** In Durban, governments should produce a shared vision that includes global mitigation goals to achieve the Climate Convention's objective of "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system." This should include detailed guiding principles for the future work of the UNFCCC.

WWF proposes global goals that include a peak in global emissions by 2015, and a subsequent 2050 emissions reduction goal of at least 80% below 1990 levels, with periodic review of these goals in light of new scientific evidence.

Parties also need to establish a shared vision for REDD+: they should agree to a target to halt and reverse forest cover and carbon loss by 2020 as a quantifiable and significant contribution to the ultimate objective of the Climate Convention.

Laying the basis for ambition to match the science The 2013-2015 science review in the Cancun Agreements is essential to define the overall needed level of ambition and should be coupled with a review of the overall adequacy of emission reduction actions. This should provide the basis for a mandate to negotiate new targets for the 2018-2022 commitment period. WWF believes that Parties should agree that the best available scientific information will define the overall level of action with the effort fairly shared between Parties within a robust legal framework. In Durban, the SBSTA¹ should agree on preparatory steps for this review, including commissioning a paper on the scientific, technical and socio-economic implications for mitigation of temperature increases above 1.5°C.

Closing the "Gigatonne Gap" A United Nations Environment Programme (UNEP) report last year found that there is a gap equivalent to 5-9 gigatonnes of CO₂ by 2020 between a carbon budget consistent with a "likely" chance of limiting warming to 2°C and the low end of the emissions pledged so far by Parties to the UNFCCC. Current mitigation pledges are clearly very insufficient to meet the substantive long-term goal as agreed in Cancun of "below 2 degrees Celsius", let alone the lower and less dangerous limit of 1.5 degrees Celsius that over 100 Parties are calling for.

Many developed country pledges are at least two years old and these need to be reevaluated. Parties need to come to Durban with enhanced pledges, with existing loopholes removed, and be ready to inscribe these as legally binding targets. In aggregate, the pledges need to fall at least at the top end of 25-40% reductions between 1990 and 2020. In addition, those developing countries that have not yet pledged their Nationally Appropriate Mitigation Actions (NAMAs) or other actions should do so before COP17 in Durban.

WWF expects Parties to keep the UNFCCC Secretariat updated on changes to their pledges and the accounting rules used to measure fulfilment of those pledges, to promote transparency about the size of the "Gigatonne Gap". More detail in the *Adopt common accounting rules for developed country targets* section below.

Legal Form **Agreement on a second commitment period of the Kyoto Protocol with a mandate in the Convention track for a legally binding agreement** The Kyoto Protocol (KP)

¹ Subsidiary Body for Scientific and Technological Advice (SBSTA) meets at least twice a year to provide advice to the Conference of the Parties (COP) on matters of science, technology and methodology, including guidelines for improving standards of national communications and emission inventories.

provides a clear framework for industrialized country action with first commitment period expiring 2012, and there is no time – or need - to renegotiate the fundamentals of its architecture. As a result, WWF expects all developed countries in the KP to agree to a second commitment period and inscribe their new emissions reduction commitments for the 2013-17 period within the KP framework. It is equally clear that the work of the Long-term Cooperative Action (LCA) track needs to deliver on the promise of the Bali Action Plan and agree on a firm time-bound **mandate** in Durban for a comprehensive, if differentiated, legally binding agreement (treaty). This future agreement should respond to the results of the 1.5°C review starting in 2013, and the findings, even if preliminary, of the Intergovernmental Panel on Climate Change (IPCC)'s 5th Assessment Report. All developed non-KP parties should inscribe their comparable emission reduction commitments in a Durban COP agreement. All developing country parties should also inscribe their voluntary commitments on the basis of the principles of equity and common but differentiated responsibilities and respective capabilities.

Climate Finance

Operationalise the Green Climate Fund, commit to financing starting in 2013 and make progress on new sources of long-term financing. Parties need to approve the report submitted by the Transitional Committee on the design and operationalization of the Green Climate Fund so that the Board and the Secretariat of the Green Climate Fund can start work immediately in 2012. Additionally, we expect financing commitments in Durban for the capitalization of the Green Climate Fund, to ensure the first flows of funding in 2012.

Parties must also adopt a comprehensive decision on sources of finance that ensure sufficient financing of actions to reduce emissions and prepare for and adapt to climate impacts in developing countries. This will include commitments to financing for the 2013-15 period, scaling up rapidly from fast start funding levels to at least the existing commitment of \$100 billion by 2020. This commitment should be met from predominately public funding delivered through the Green Climate Fund. The Green Climate Fund should make sure to use these public funds efficiently, in line with credible assessment of financing needs, through using a range of appropriate financial instruments in order to leverage much greater private sector funding towards sustainable investments. . A useful guidepost would be to increase public finance from developed countries by \$10 billion each year, starting with \$20 billion in 2013 and reaching \$100 billion in 2020.

While it will be necessary, at least in the near term, to deliver most of this funding through developed country government budget contributions, over the medium and longer term new sources of public finance can be phased in, to provide a reliable and predictable source of finance. Promising sources of new and innovative sources of financing to supplement government budget contributions include carbon pricing measures to address emissions from shipping and aviation, financial transaction taxes (FTT's), special drawing rights, and other measures like auctioning of emissions allowances. Durban must deliver a structured and focused work program to explore, prioritize and operationalize a range of innovative sources of finance, drawing on input from other fora, including the AGF, the G20 and the Leading Group on Innovative Financing for Development. The UNFCCC must play a central role in integrating the findings of various processes and make the final decisions on mobilization, allocation and disbursement of climate finance.

WWF has prioritized financing from aviation and shipping mechanisms as a particularly promising source of finance for decision in Durban. There are signs of progress in discussions concerning long-term finance flows from a shipping mechanism. An important reason for this progress is the proposal to ensure there is “no net incidence” on developing countries, through a rebate mechanism, which WWF supports. This is currently discussed under the International Maritime Organization (IMO). In Durban, Parties need to give guidance to the IMO and International Civil Aviation Organization (ICAO) on the design and implementation of measures to address emissions from international transportation (maritime and aviation “bunker” fuels) in a way that generates financing for climate action in developing countries. The Durban decisions should specify that the measures would involve a global approach based on the customary practices of the IMO and ICAO respectively.

MRV²

Adopt key Measurement, Reporting, and Verification (MRV) guidelines These guidelines should be adopted at COP17 and any outstanding elements dealt with by COP18, so that governments can begin their implementation. Parties should view the MRV components not as a reporting burden but as key elements to track global progress towards achieving the shared vision, improve domestic capacity for measuring and reporting, assess the impact of policies and measures, exchange information among Parties, facilitate the implementation of mechanisms like REDD+, and track climate finance.

Adopt common accounting rules for developed country targets. Kyoto Parties need to agree on the underlying scope and accounting issues related to land use, the carbon markets, the carry over of hot air and inclusion of any new gases. These need to be resolved in a way that accounts for absolute changes in emissions, rather than using loopholes in accounting that takes emissions off the balance sheet for countries without any corresponding results in absolute changes in emissions. Progress here will need to be matched by progress on these common accounting issues in the LCA track, so that the efforts of the US and other countries that have so far rejected a second commitment period of the Kyoto Protocol can be comparable to those of other developed countries as part of an international rules-based system.

Biennial reports: Guidelines on the content, timing, structure and relationship to National Communications (NCs) of biennial progress reports for developed countries and biennial update reports for developing countries need to be approved by COP17, so that Parties can prepare these reports and feed into the 2013-2015 1.5 °C review and the processes of International Assessment and Review (IAR) and International Consultation and Analysis (ICA). WWF requires Parties to agree to October 2012 for the first iteration of biennial reports for developed countries. Developing countries should agree to submit their first biennial update reports according to a differentiated timetable beginning in May 2013, in accordance with the time of submission of the most recent National Communications. Biennial reports should provide sufficient information to fill data gaps on developed country targets, progress towards them and provision of finance; and developing country emissions inventories and progress in mitigation action. Appropriate levels of flexibility should be incorporated for developing countries, without undermining the integrity and transparency of the data while stepping up support to improve reporting capabilities in the near future.

Common reporting format for finance The elements of a common reporting format for climate finance as agreed in Cancun need to be defined in Durban. Developed countries should be required to define "new and additional" finance, including a specific base year; distinguish climate change funding provided through bilateral and multilateral channels, leveraged private finance and the concessional part of loans and guarantees. The format must identify recipient countries, sectors and type of support.

International Assessment and Review and International Consultation and Analysis: Parties should begin developing rules for these processes now, and complete work by no later than COP 18. The IAR process should empower expert reviewers to signal non-compliance, adjust inventory data and evaluate the adequacy in the provision of support. The ICA process should also include expert technical reviews of the biennial update report with a capacity building role available to developing countries for the improvement of their inventories, NAMA design and implementation. The IAR and ICA cycles should begin in 2013 so that its outcomes can inform the science review.

Adaptation

Implementation of the Cancun Agreements on Adaptation and agreeing on the elements of the work program on Loss and Damage Parties should agree on the elements of the work program on the loss and damage that are associated with climate change impacts in developing countries, especially in those that are particularly vulnerable, in order for recommendations to be agreed to at COP 18 as mandated by the

² For further information on WWF's positions on MRV, see the submission to the AWG-LCA: <http://unfccc.int/resource/docs/2011/smsn/ngo/340.pdf>

Cancun Agreement.

Adaptation Committee. Parties should outline and agree on the composition of and modalities and guidelines of the Adaptation Committee and to be operational in 2012. The Committee's composition should be fair, representative and equitable and should be based on relevant expertise and extending beyond government representatives and negotiators, to draw on experts in particular from academia and civil society. The Adaptation Committee should be under the guidance and authority of COP hence reporting to the COP directly. It must have a relationship with other relevant institutions under the UNFCCC.

National Adaptation Plans (NAPs). Parties should agree on the guidelines and modalities for the development of National Adaptation Plans (NAPs) as a means of identifying medium and long-term adaptation needs for Least Developed Countries and other vulnerable developing countries. These guidelines and modalities shall follow country driven, gender sensitive, participatory and fully transparent approach, taking into consideration of vulnerable groups, communities and ecosystems.

Nairobi Work Program (NWP). In Durban, Parties should agree to extend the further phase of the NWP to facilitate the dissemination of knowledge on impacts, vulnerability and adaptation practices reaching local levels of government, civil society and communities. Response measures should not be a part of the NWP and should be dealt separately under Mitigation.

Regional centers and network. Parties should also establish a process and develop a program for 2012 on strengthening, where necessary, or establishing regional centers and networks and fleshing out their role, function and governance in supporting adaptation work in developing countries. These are most needed in developing countries and will require support from developed country Parties.

Durban needs to ensure adequate treatment of adaptation in the Green Climate Fund. A dedicated Adaptation window is needed under the Green Climate Fund to ensure the flow of new and additional funds for implementation of adaptation action in vulnerable developing countries. Effective linkages and building synergies with other issues such as Technology, REDD+, and Capacity Building also need to be ensured.

REDD+

Enhanced agreements on Reducing Emissions from Deforestation and Forest Degradation (REDD+) Recent estimations for annual REDD+ finance needs range from 15 to 40 billion USD. Parties should go beyond exploring financing options and commit to resolving the increasing gap between current financial commitments and the resources needed to implement urgent REDD+ action. A REDD+ window is needed under the Green Climate Fund to ensure a dedicated flow of scaled-up, new and additional public finance for REDD+. Funding for REDD+ activities needs to come from various sources and in sufficient amounts to make REDD+ an effective part of the solution to stabilizing climate change.

REDD+ vision/global target: For consistency with the ultimate objective of the Convention, and as required in the Cancun Agreement, Parties should start to agree to a target to halt and reverse forest cover and carbon loss by 2020 to contribute towards an 80% global emissions reduction by 2050 target. Developing countries should clearly define their national REDD+ targets and priority actions to stimulate long-term, adequate and predictable REDD+ finance commitments to be made by developed countries.

Safeguards REDD+ must demonstrably contribute to significant GHG reductions, while respecting and protecting the rights of indigenous peoples and forest dependent communities, and conserving biodiversity. An agreed common framework for information systems on safeguards should be decided in Durban, and should include measurable indicators, guarantee transparency and full and effective stakeholder participation, allow for comparison between national systems and be operational and cost-effective. Existing instruments such as standards defined by the FSC and the CCBA, as well as the UN CBD, can help inform discussions on environmental and biodiversity safeguards.

Reference levels for Environmental Integrity. RL/REL provide a critical basis for estimating emission reductions, which should be integrated into MRV guidelines for REDD+. Modalities on setting RL/RELS should be aligned with principles that pave the way for a REDD+ system that equitably rewards countries whilst ensuring environmental integrity and the attainment of significant emissions reductions through the conservation of forests. These principles should always ensure additionality, transparency, avoid displacement, address the risk of reversals or non-permanence and avoid double-counting, based on historic data and should provide incentives for countries with low deforestation rates to conserve existing forest carbon stocks.

Drivers. In Cancun, all Parties were encouraged to address national and international drivers of deforestation. Without doing so, efforts under the REDD+ mechanism are at risk of not delivering. Durban should start a process to address these national and international drivers, for agreement at COP 18.

Low-Carbon Development Strategies and Plans

Elaboration and guidelines for Low-Carbon Development Strategies Developed country Parties need to fulfill their agreement in Cancun to develop low-carbon development strategies. Transitioning to zero carbon economies by 2050 requires good strategic planning to ensure for transition is just, socially, economically, as well as environmentally. WWF strongly encourages developing countries also to develop nationally appropriate low-carbon development strategies in the context of their plans to eradicate poverty and promote sustainable growth and development.

Parties need to develop guidelines and principles for Low Carbon Development Strategies. These remain undefined in the Cancun Agreements. Dates should be set in Durban for the first iteration of developed countries' plans.

Conclusion

WWF believes that COP 17 in Durban presents governments with an important opportunity to lay the basis for a transition to a new and ambitious climate regime that will not only reflect what the science says is required, but will also reflect a changing world. In which the old distinctions between developing and developed countries are being redefined.

Leaders need to recognize the Durban COP as a crucial tipping point in efforts to address runaway climate change, and to use their political resourcefulness to grasp this unique opportunity. Because ultimately there are more opportunities than risks in ensuring that we have a successful outcome in Durban. The people of Africa and the world will be watching.

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