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PARLIAMENTARY BRIEFING

Outcomes of 2011 UN Climate Talks, Durban, South Africa

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Summary and recommendations

- COP17 in Durban was a modest victory for the multilateral process under the UNFCCC, and has set milestones for 2015 and 2020. Reaching these milestones will require international cooperation, investment, and political will – not least to ramp up ambition on emissions reductions and climate finance.
- Durban has delivered some substance, but far below what is needed. The Kyoto Protocol survives into a 2nd commitment period, but loopholes risk weakening it unless governments act with integrity and heed climate science.
- A huge gap in ambition remains. Unless countries act together urgently to raise ambition, the world is set on course for ~4°C warming which would be catastrophic for the natural world, people, and economies. Durban offered only a vague process to address this massive challenge.
- Significant geopolitical shifts were seen during COP17: the sharp division between industrialized and developing countries began to blur; China indicated a new willingness to take on international commitments in 2020; but major polluters, notably the USA and Canada, remain unwilling to do their fair share.
- An informal coalition for high ambition emerged, consisting of over 120 nations from the least developed countries, small island states, and the EU. It is very welcome that the EU identified itself with this coalition – but it must urgently increase its weak emissions targets to retain credibility.
- Overall, the EU and UK played a positive role by holding out for a comprehensive legally binding agreement by 2015, and highlighting the serious gap in ambition.
- Governments need to prove that they are serious about climate change. Few developed countries are doing enough, with many shirking obligations on emissions and finance. Some are effectively putting off action until 2020. Developing countries are showing greater leadership, flexibility, and desire to act - indeed, their existing mitigation pledges for 2020 will reduce emissions by more than those from the industrialised world.

• The EU now needs to turn words into actions, and raise ambition. The EU should:

- set a target to reduce emissions by 40% by 2020 below 1990 levels, with at least 30% reductions through domestic action. The current target of a 20% cut is embarrassingly weak, and is now essentially business as usual
- take a strict stance against carryover of surplus emission allowances which risk weakening EU targets and the overall integrity of the international deal.

The UK should:

- increase its target to reduce emissions to at least 42% by 2020, delivering the 'intended' budgets under the Climate Change Act through domestic action, as recommended by the Committee on Climate Change and the Environmental Audit Committee.
- work with the Danish Presidency and Member States to raise the EU target to 40% by 2020
- ensure that UK MEPs reflect the government's position on climate change in Europe and vote accordingly
- taking a strict position on removing surplus 'hot air' both in the EU and internationally
- ensure strong, positive action is taken to close the 'Gigatonne Gap' in 2012, through the UNFCCC, G20, and other international fora
- pledge financial and technical support for the Green Climate Fund, and urge other countries to follow suit
- use at least 50% of revenues from the EU Emissions Trading Scheme for international climate finance
- urge Australia and New Zealand to adopt and ratify the Kyoto Protocol with ambitious commitments in line with the agreed 2°C temperature goal and their promises to protect small islands states made at the 2011 Commonwealth Heads of Government meeting.

Introduction

The 17th Conference of the Parties of the UN Framework Convention on Climate Change took place from 28 November to 11 December 2011 in Durban, South Africa. Negotiations ran a day and a half beyond their scheduled close and nearly collapsed, but the eventual outcome went beyond what many observers expected. COP17 can be seen as a modest victory for the multilateral process and maintains an international rules-bases system for tackling emissions. Nevertheless, beneath the surface being presented by governments, the Durban deal is low on content and ambition, and leaves the world on a path to warming of ~4°C. Governments – particularly from developed countries – must raise ambition and prove that they are serious in addressing the climate challenge.

The Durban Platform for Enhanced Action

The foremost outcome of COP17 is the 'Durban Platform for Enhanced Action' which launches an entirely new process within the UNFCCC 'to develop a protocol, another legal instrument or an agreed outcome with legal force... applicable to all Parties'. This is a major breakthrough: for the first time, all countries have agreed to be brought under one legally binding framework to address climate change. A new Ad Hoc Working Group will prepare this framework immediately. The agreement will be adopted by 2015 (COP21), and implemented from 2020.

The two-page Durban Platform document offers three options on the legal form of the 2015 agreement, including 'an agreed outcome with legal force' which stops short of a 'legally binding agreement' but goes beyond the ineffectual 'agreed outcome' made at COP13. This ambiguous wording may be debated for years to come, but overall the agreement is a positive step forward.

The Platform's aim to strike the new legal agreement by 2015 is promising. This will allow the incorporation of the latest scientific evidence from the Intergovernmental Panel on Climate Change and the UNFCCC 2013-15 science review, and electoral cycles within many key economies may also favour this timeframe. This tight schedule will require intense negotiations over the next three years. All countries must participate in good faith while continuing with ambitious domestic action.

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However, the decision to postpone entry into force until 2020 is an unacceptable delay. The scientific consensus is clear: to avoid 2°C warming, let alone the 1.5°C limit called for by vulnerable countries, global emissions must peak before 2020, ideally by 2015. A post-2020 peak would drive up costs massively (fivefold according to the IEA¹) and require extremely steep emission reduction rates and aggressive mitigation measures. Delaying implementation of the Platform until 2020 makes it difficult or impossible to achieve a peak before 2020, ignoring the science, raising costs for future action, and locking the world into potentially disastrous consequences. The window of opportunity for decisive, cost-effective action on climate change is now, not after 2020 – yet governments have let short-termism and political convenience carry the day.

The Kyoto Protocol

The second important outcome of Durban Platform is the continuation of the Kyoto Protocol in a second commitment period (KP2) starting in January 2013. Participating countries must make their emissions pledges (QELROs) by May 2012, to be finalized at COP18 in Qatar, just weeks before the first period ends. However, important rules have yet to be decided.

This agreement contributes towards trust between developing and some developed countries, and continues the architecture of accounting rules, mechanisms and markets from the Protocol as tools to leverage global climate action and provide a model for a future agreement.

However, KP2 will cover barely 15% of global emissions, and despite the pledges made by countries at Copenhagen, overall current levels of ambition are woefully insufficient. Some major developed countries have avoided commitments altogether. All parties under the Convention must increase ambition sufficiently and take urgent steps to retain a chance of keeping below 2°C, or 1.5°C.

KP2 sits easily within existing EU commitments and policy frameworks, but the level of ambition must increase to match the science. Norway and Switzerland are likely to join KP2, while Australia and New Zealand may only accept minimal commitments without international and domestic pressure to raise ambition. Russia and Japan have indicated they will not make commitments under KP2, while Canada has already announced it will formally withdraw. The USA never ratified it.

Two technical details could have major implications for the level of ambition. The duration of KP2 could be either 5 years (2013-17) or 8 years (2013-2020). To retain any chance of peaking global emissions before 2020, WWF favours a 5-year period drawing on the latest scientific evidence. An 8-year KP2 would put a pre-2020 peak beyond reach, and could obstruct any increase in ambition before 2020 if a mid-term review were to flop.

Parties have failed to agree a process for dealing with surplus emissions allowances. The huge supply of surplus AAUs (7.5-10 Gigatonnes or more) is largely held by central and eastern European countries, including several EU Member States. Carry-over of this 'hot air' would fatally undermine the environmental integrity of emission targets set by the EU and others. WWF believes governments must strictly limit the carryover of 'hot air' to less than 1%.

Raising ambition

The Durban Platform contains important recognition of the 'ambition gap' in which current mitigation pledges fall short of what is needed. A major report by UNEP confirms that global emissions in 2020 must fall to 44 Gigatonnes, yet current pledges will overshoot this target by 6-11 Gigatonnes.² Fortunately, UNEP demonstrates that the world can still keep below 2°C if it acts now. There is sufficient mitigation potential to close the 'Gigatonne Gap' through energy efficiency, renewable energy, and action to arrest deforestation. A priority is closing loopholes such as offsets, weak accounting rules for land use and forestry, and surplus 'hot air'.

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¹ International Energy Agency, World Energy Outlook 2011, November 2011.

² UNEP, Bridging the Emissions Gap, November 2011

The Durban Platform launches a work plan to identify actions that can ensure 'the highest possible mitigation efforts by all Parties', drawing on the best-available science coming from the 2013-15 1.5°C review and IPCC Fifth Assessment Report. There are few details or deadlines for this work plan, so a stronger political focus on the ambition gap is an imperative priority for 2012.

Climate finance

COP17 successfully commissioned a Board and Secretariat for the Green Climate Fund – a body to oversee the transparent, effective disbursement of finance for international climate action. However, despite generous offers by Norway and Germany, the Fund will remain empty until more countries come forward with money and agree other sources of finance. The initial fast-start finance period ends this year. WWF applauds those who have pledged money beyond 2012, including the UK's pledge of £2.9 billion up to 2015. But the target of 100BN/year by 2020 will not be met without further pledges and agreement on new and innovative sources of finance.

Durban failed to exploit the momentum on innovative sources of climate finance that built through 2011. Instead Parties settled on a vague work plan to mobilize funds from both private and public sources, with no specific sources named. A promising proposal for a levy on international aviation and shipping made little headway. Aviation is now incorporated in the EU Emissions Trading Scheme, but there is a danger European Treasuries will ignore the Directive's recommendation to allocate revenues for climate action. The UK and other EU Member States should follow Germany's lead and allocate a minimum of 50% of aviation ETS revenues for international climate finance. This would also help to defuse international opposition to inclusion of aviation in the EU ETS.

This lack of progress on finance squanders a valuable window of opportunity for cost-effective climate action. The IEA has shown that delaying climate finance is a false economy. Costs of climate adaptation and mitigation will rise fivefold after 2020 unless urgent action is taken now.

REDD+, adaptation, and accounting rules

Delegates salvaged a limited REDD+ text after talks collapsed in disputes about carbon markets and offsets. The text has loopholes on reference levels, but Parties did agree a promising programme for 2012 negotiations. Parties agreed a process on 'Loss and Damage' and set up the Adaptation Committee. Agreed accounting rules permit excessive flexibility for developed countries, hindering moves to ensure comparability of efforts and opening up the potential for emissions rises.

The future

The shifting alliances seen at Durban are new and fragile. The EU must continue to work closely with the small island states and least developed countries to strengthen this informal coalition to create a spiral of aspiration that delivers for the climate and the needs of vulnerable people. The EU can and must play a pivotal role to maintain the international rules-based system and to raise ambition. The UK must show global leadership, deliver on its climate policies at home, and work with others to build on lessons learned through the Climate Change Act and decarbonisation. 2012 will be a crucial year to give the Durban Platform a good start, but from now to 2020 much more needs to be done to reduce emissions, fund climate action, and protect the climate for future generations.

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