

A KYOTO ASSESSMENT

Close the Mitigation Gap

New analysis demonstrates Annex I emission reduction pledges are dangerously inadequate.

The UNFCCC Secretariat released new analysis yesterday converting Annex I Parties' emission pledges into Kyoto Protocol-style mitigation targets known as "quantified emission limitation or reduction objectives" or QELROs.

The analysis builds on an earlier compilation of mitigation pledges by Annex I Parties under the Kyoto Protocol compiled by the Secretariat (20 May 2010). The information, along with recent analysis of accounting loopholes and market mechanisms, confirms that after four years of negotiations a major reality gap remains between the level of emission cuts proposed by Annex I Parties for a second commitment period under the Kyoto Protocol and what science and equity requires.

Developing countries are calling for a five-year (2013–2017) commitment period consistent with current practice under the Kyoto Protocol. Annex I Parties have called for an eight-year (2013–2020) period.

According to analysis presented by Bolivia in the AWG-KP, developed country emission reductions pledges in total could be 10–14% below 1990 levels by 2017, without current rules and loopholes, and may increase to a massive 4–8% above 1990 levels if loopholes are not closed. This is a far-cry from the cuts of 40–50% that developing countries demand, based on sound science and equity.

Land-use loopholes

In addition to paltry pledges, Annex I Parties are pushing to conclude weak land-use and forest accounting rules that would allow them to increase their emissions. This could be achieved partly through allowing countries to set their own reference levels (or "baselines") for their emissions.

By setting high future baselines, rather than using historical levels of emissions, they create space to pollute further. Or if they don't pollute in the land-use sector, they can create credits allowing them to pollute more elsewhere. Some countries are also proposing that accounting for forest management

remains voluntary, thereby allowing Annex I Parties to simply not account for any emission increases.

Recent analysis in Nature estimates land-use loopholes could result in an additional 0.5 gigatonnes per year of emissions on top of their pledged amounts. This amounts to more than 4% of the 1990 levels of Annex I Parties in the Kyoto Protocol.

Surplus allowances

Some Annex I Parties also intend to use "surplus allowances" to increase their emissions further. Most surplus allowances were created by overestimating the greenhouse gases a country expected to release during the first commitment period of the Kyoto Protocol. Some countries have made no effort to reduce emissions yet are credited with unused emissions to offset against future emissions or to sell to other countries.

The Nature article says some countries' Kyoto targets are so weak that "large amounts of surplus allowances have been and will be generated over the 2008–2012 period even without any environmental policy effort." According to the article this adds up to 11 gigatonnes of CO₂ equivalent of surplus allowances – further weakening Annex I Parties' efforts.

Annex I Parties' paltry pledges together with land-use and surplus allowance loopholes would allow them to increase their emissions by a massive 8% by 2017. Based on their strongest pledges, the results are little better – a possible rise in emissions of 4%. Rather than cutting emissions, rich countries, under even their strongest pledges, could increase them (see graphic on next page).

Carbon markets

Additionally, by using carbon markets to "offset" their emissions, both domestic emissions of the Annex I Parties and global emissions will likely climb even further. The rich will pollute at higher levels at home, and count the offset against a hypothetical baseline in developing countries, often without any real proof

of additional reductions. This also shifts the burden of reducing emissions to developing countries.

The European Union, for instance, has indicated that it intends to undertake between 20–30% of all its “emission reductions” abroad. The EU Energy Package would allow around two-thirds of emissions to be offset during the third-phase of the EU Emissions Trading System.

Killing the Kyoto Protocol?

These pledges must be seen in the broader context of the UNFCCC negotiations, in which a number of developed countries are seeking to dismantle the Kyoto Protocol and establish a weaker system based on “bottom up” pledges. Under this approach developed countries would simply announce their target rather than negotiate them based on what science and equity require. This is the approach envisaged under the controversial Copenhagen Accord.

Facing the reality gap

Measured against scientific analysis, and the demands of developing countries, the pledges and the weak rules put forward by Annex I Parties are dangerously inadequate. Thirty-seven developing countries have proposed cuts by Annex I countries of at least 40% by 2020 on 1990 levels. AOSIS, LDCs and the African Group in

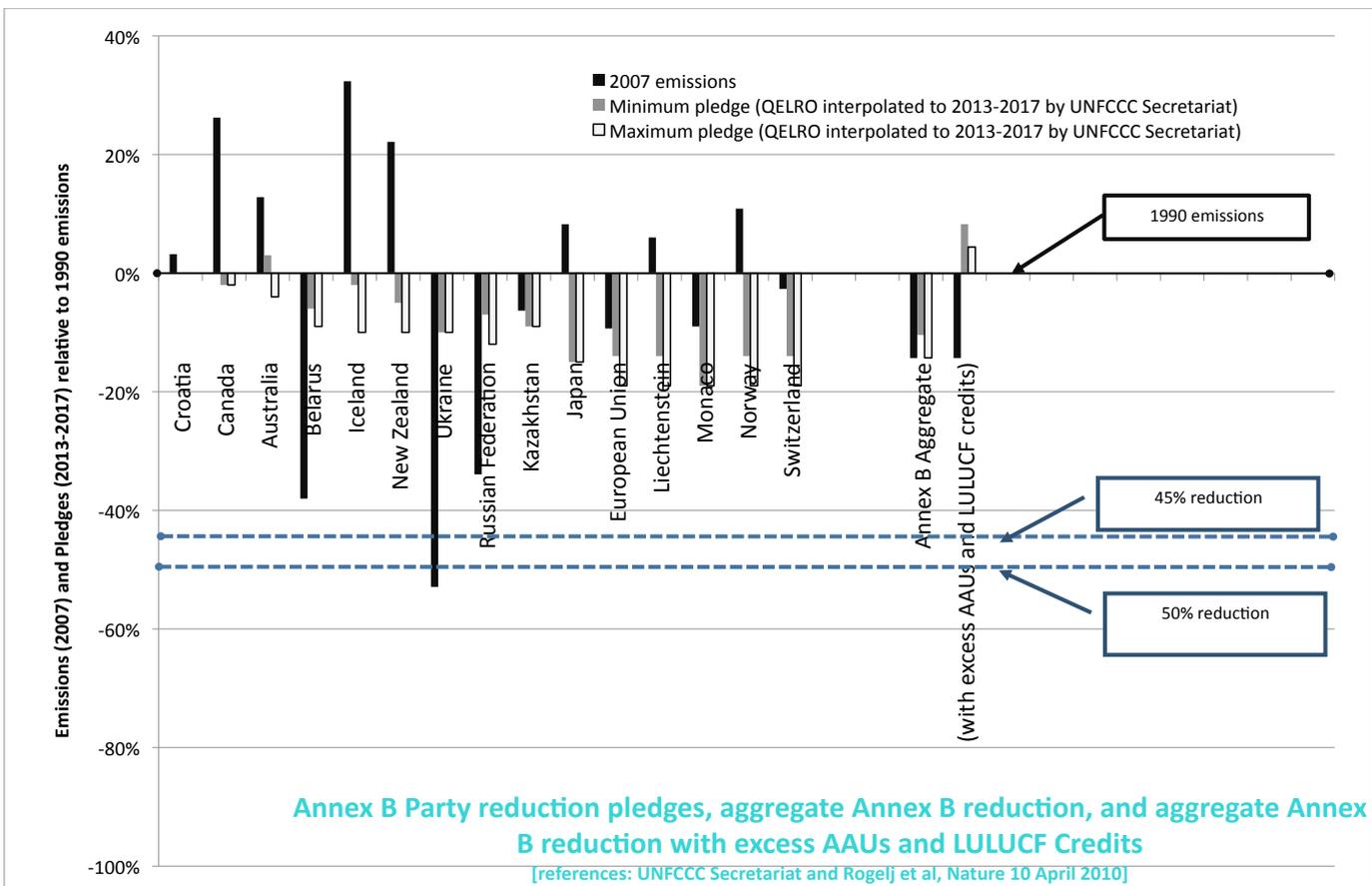
Copenhagen have proposed 45% cuts by 2020. Bolivia and a number of other countries have officially proposed 49% domestic cuts by 2017. Based on more recent analysis, Bolivia is now proposing 50%. Clearly, Annex I Parties must face this reality.

A fair and science-based approach

Negotiations under the AWG-KP need to conclude adequate targets for Annex I Parties, without the current loopholes and those being expanded. Annex I Parties are delaying the negotiations and seek to shift emphasis from the agreed approach of first setting their aggregate target, and then agreeing to the level that each country should cut. The consequences of deviating from this approach are now dangerously clear.

The negotiations must return to agreeing an aggregate target based on fair and science-based methodologies, and on the provisions and principles of the Kyoto Protocol and UNFCCC. The AWG-KP should be agreeing on the criteria and principles for determining what science, equity and historical responsibility requires of all Annex I Parties to reduce their emissions in the second commitment period.

(The graph below was tabled by Bolivia in the AWG-KP on June 9, 2010.)



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