

# A Copenhagen Climate Treaty

## Version 1.0

### Zero Carbon Action Plan

Version 1.0 of the Treaty proposed that all developed countries, including newly industrialized countries (NICs), should assume dual obligations; an emissions reduction target (or possibly a limitation, for NICs) and a financial support obligation for developing countries. The treaty proposed that these two groups of countries submit a Zero Carbon Action Plan (ZCAP) for their country to the proposed Copenhagen Climate Facility, elaborating how they intend to meet both the dual obligations of the commitment period, but also ensuring that policies are in place to make the timely investments for longer-term 2030, 2040 and 2050 goals in line with the global carbon budget. The mitigation portion of the ZCAP is therefore the means by which developed countries can demonstrate that they have considered and put in place, or plan to put in place, the policies and measures necessary for them to achieve their quantified emissions limitation or reduction obligation in Annex B of the Kyoto or Copenhagen Protocols, as appropriate.

This ZCAPs proposal rationalizes the existing reporting, monitoring and verification process, but also introduces a forward-looking and more transparent revision element into the UNFCCC. Through this enhanced cycle, the ZCAP and national communication process (together with the GHG inventories) become important and integral instruments of the UNFCCC architecture, and not as in the past, a reporting burden.

This briefing develops the concept further, primarily on the need to manage the transition from a high-carbon economy to one that is near zero-emission in a way that is socially, as well as environmentally, sustainable.

### Key Elements for Copenhagen and beyond

COP15 needs to deliver as its overriding priority an agreement that is capable of fulfilling the ultimate objective of the Convention; that is, to establish the framework and modalities by which emission reductions will occur in line with the global carbon budget and to address the adaptation needs of unavoidable climate impacts. Developed countries will need to reduce their own domestic emissions substantially while simultaneously and additionally supporting developing countries to decarbonize their development. However, it is not enough that mitigation and finance targets are agreed; there needs to be put in place the structures that will demonstrate how the targets are to be met, to increase confidence that they will indeed be met.

The Copenhagen Protocol will therefore need to establish:

- the requirement for all developed country Parties, including newly industrialized countries, to produce an initial ZCAP by 1 March 2010 and for the ZCAPs to be finalized by 1 January 2011 for registering in the Copenhagen Climate Facility
- the requirement for all developed countries to update their ZCAP before the commencement of each subsequent 5-year commitment period, including completing the review process by the Copenhagen Climate Facility
- the oversight responsibilities of the Copenhagen Climate Facility

Decisions related to ZCAPs that should be made at COP15:

- The guidelines for and template of the ZCAP

### Purpose and Key Modalities

The three-fold purpose of the ZCAP is to:

- assist in the development and implementation of a visionary long-term plan for a low GHG emissions trajectory for each developed country based on the global carbon budget in 2050 and the interim targets
- assist countries in the identification and achievement of the timely investments required for the economy-wide transformation needed to achieve low carbon sustainable development
- assist Parties in undertaking the necessary policies, measures and actions to fulfil their support obligations in accordance with the provisions of this Protocol

The key modalities of the ZCAPS are to:

- define both a BAU pathway, and a national emissions pathway to 2050, including 2020, 2030 and 2040 goals, in line with a Party's commitment under the Copenhagen and Kyoto Protocols
- describe the emissions trajectories for the time period to 2050 and should also quantify the cumulative GHG emissions from 2012 to 2050 (carbon budget). The ZCAP should lay down interim targets within the period from 2020 to 2050.
- quantify the additional reduction efforts between the BAU to a decarbonized economy pathway for each sector. The costs to meet these reductions should be calculated
- detail the policies and measures for 2020 and out to 2030, including financial arrangements, institutional structures and relevant domestic legislation, in place or planned that will ensure this emissions pathway is followed and that the Party's quantified emission limitation and reduction commitment is met, including with regard to long-living capital stocks, infrastructure needs and innovation.
- detail how a country proposes to meet its finance, technology and capacity building support obligations, including measures to avoid double counting of offset credits or financial support and information on relevant domestic legislation
- detail national technology roadmaps and research, development, and demonstration plans that are commensurate with the 2050 vision for emissions reductions and the Technology Development Objective
- detail policies and measures to reduce the drivers of deforestation and degradation in tropical forests

### Background

It is clear from the failure of a number of developed countries to reach their respective Kyoto targets in the first commitment period that not all went through a process of analyzing which policies and measures could and would need to be implemented in their country to achieve their obligations.

There is increasing interest from countries in making mandatory addressing the gap between the imperative of a top down target and the bottom up development of adequate and sufficient policies and measures needed to achieve the target. In Poznan, South Korea and South Africa proposed a registry for developing country nationally appropriate mitigation actions, an idea that

was developed further and applied to developed countries in the July communiqué of the Major Economies Forum, the participant countries<sup>1</sup> of which pledged that:

*“Our countries will undertake transparent nationally appropriate mitigation actions, subject to applicable measurement, reporting, and verification, **and prepare low-carbon growth plans**. Developed countries among us will take the lead by promptly undertaking robust aggregate and individual reductions in the midterm consistent with our respective ambitious long-term objectives...” [Emphasis added]*

Since then, the EU Commission has proposed<sup>2</sup> that:

*All countries, except LDCs, should prepare low-carbon growth plans by 2011, including credible mid-term and long-term objectives and prepare annual greenhouse gas inventories. The EU should present its own low-carbon growth plan for the period until 2050 by 2011*

The ZCAP proposal of the Treaty builds upon these ideas, but additionally requires information on how each developed country intends to meet its financial obligation.

### Analysis and Argument

Industrialized countries must significantly transform their economies and shift rapidly from a high carbon economic growth model to a zero carbon sustainable development model, in order to achieve emissions reductions in line with the imperative of keeping global average temperature increases well below 2°C, and perhaps lower than 1.5°C. To ensure that the institutions and policies are in place to achieve the short-term targets and to make the timely investments for longer-term 2030, 2040 and 2050 goals, each industrialized country will need a transformational plan, a ZCAP, that is visionary and yet pragmatic.

This Plan should be forward looking and outline how a country will meet its dual mitigation and financial obligations. Initial ZCAPs should be provided in early 2010 and finalized in early 2011.

Specifically, for mitigation, the Plan should define a number of BAU scenarios and chart the country's emissions pathway in line with the 2050 global goal, establishing interim goals for 2020, 2030, 2040. In line with the need for near complete decarbonization by 2050. The gap between the BAU scenarios and the needed emissions trajectory will indicate the level of effort needed in each time block, while the 2050 decarbonization trajectory will establish the country's own carbon budget.

The ZCAP should outline, in detail, the country's actions, including policies and measures, that will ensure that it meets its quantified emissions limitation or reduction commitment (QELRC) in the short term, as well as including analysis of the contributions of the different sectoral 'wedges' could make through time towards the 2050 aim of near total decarbonization. Achieving this long-term target will require a strong concentration on domestic action - the vast majority of a developed country's mitigation target should be achieved domestically - particularly in the early years, to avoid lock-in. The greatest detail will be required on the policies and measures that have been or will be put in place for the country to meet its QELRC, but details of policies and measures for the medium term (2020-2030) should also be included. The ZCAP should also define the policies and measures in place to reduce the country's contribution to the drivers of tropical deforestation and degradation.

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<sup>1</sup> Australia, Brazil, Canada, China, Denmark, EU Commission, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, South Africa, South Korea, UK and USA

<sup>2</sup> “Stepping up international climate finance: A European blueprint for the Copenhagen deal” COM(2009) 475/3, Brussels

For the financial target, the ZCAP should also outline how a country proposes to meet its finance, technology and capacity building support obligations, including measures to avoid double counting of offset credits towards both its mitigation and financial obligations. ZCAPs for industrialized countries would not only assist in setting a pathway towards a low carbon economy for each country, they would also build trust globally by demonstrating that each country is indeed making adequate short and long-term institutional and financial investments to meet its QELRC and financial goals.

Development of a ZCAP is also important process for the country itself to help to define a vision for the future of the economy. The ZCAP development process creates a platform in which opportunities to diversify the economy in sustainable ways can be explored, and for abatement across all sectors to be explored over the short, medium and long terms. This facilitates planning for how to make the transition to a zero carbon economy a just one for all its citizens, including through educational and training planning to ensure security of employment. For this reason, the ZCAP is an important instrument not just to build international trust that action is being adequately planned and undertaken, but to build trust domestically that action against climate change will be sustainable and beneficial for the country itself, apart from avoiding climate impacts.

Industrialized country ZCAPs should be reviewed *a priori* by the Copenhagen Climate Facility. The Facility would assess whether a country's ZCAP is in line with meeting its QELRC and has put in place the policies and measures necessary to follow the emissions pathway towards its long-term goal. The Facility would have the mandate to review the ZCAP before the commitment period begins and recommend that the Party adopts additional measures, if needed. This review should be completed by September 2010. The Mitigation Board may refer Parties to the Facilitative Branch of the Protocol's Compliance Committee if it is not satisfied that the revised ZCAP would enable a Party to meet its QELRC or long-term goals. This independent oversight of the ZCAPs is essential to build international trust and to ensure compliance, rather than continued inequitable exploitation of the global commons.

As part of a strengthened review process, based on Articles 5, 7 and 8 of the Kyoto Protocol, industrialized countries should report biennially on the implementation of their ZCAPs. This reporting should be done through the national communications process, the guidelines for which should be modified accordingly in order to make the process and national communications more informative and meaningful.

The guidelines for ZCAP preparation should be decided at COP15 in Copenhagen. A ZCAP should include a summary of the key provisions of national laws and policies that would demonstrate the planned measures to reduce emissions and provide support for adaptation and mitigation externally. These should include a projection of the emissions reductions expected from the policy or law and additional measures that could be brought forward in case the QELRC was not being achieving as planned. The ZCAP should also include a separately drafted forward-looking report based on a ZCAP template. This could be based on the Annex I national communications template, the difference being that the current national communications primarily report on past emissions and finance and technology support, rather than quantified measures to reduce future emissions and provide future support. This new ZCAP template should include scenarios and actions out to 2050 to demonstrate how the country is specifically going to meet the targets along the way to 2050 including measures that the country has put in place to address energy sector emissions; transportation emissions; food and residential building emissions; fuel combustion per sector; agricultural emissions; fugitive emissions from solid fuels and oil and gas; international bunker fuels; measures to reduce industrial gases and/or measures to reduce emissions from solvent and metal production and waste treatment. The ZCAP should also include technology roadmaps and RD&D plans that are commensurate with the 2050 vision for emissions reductions and planned measures for financing through to 2050.