

Agreeing a low-carbon future in Cancun

The need for developed countries to produce zero carbon action plans (ZCAPs) and developing countries to produce low carbon action plans (LCAPs)

A number of Parties have expressed the opinion that agreement can be reached on a number of key issues in Cancun. This is a positive departure from the ‘nothing is agreed until it is all agreed’ approach attempted in Copenhagen, impossible in a negotiation of such complexity and interrelatedness. A progressive building block approach is especially positive if such issues are agreed subject to contextualization within a broader coherent package that subsequently allows the necessary interlinkages between the issues to be made within a legally binding outcome, e.g. between finance and adaptation, technology transfer and mitigation.

Although unlikely to be comprehensive, the outcome in Cancun must reflect a good balance between the building blocks of the Bali Action Plan. This paper proposes a key outcome, agreement that developed countries will develop Zero Carbon Action Plans (ZCAPs) and developing countries will develop Low Carbon Action Plans (LCAPs), to advance the mitigation building block substantively and substantially, consistent with and building upon the provisions of 1bi, 1bii and 1c of the Bali Action Plan, on adaptation, mitigation targets and actions and on MRV, and on work that is already happening in many countries.

By agreeing to start to plan their pathways to complete decarbonization, developed countries will demonstrate that they have the policies and measures in place to meet their QE(L)RO, and that they have the long term vision of how they will decarbonize their economies by 2050. LCAPs provide developing countries the opportunity to plan for sustainable low-carbon development, showcasing efforts, and providing clarity on which actions are counted as domestic, carbon market and CDM respectively, to avoid double counting. An elaboration of proposed actions requiring support would also help to match funding, capacity building and technology, and actions. The agreement in Cancun should comprise the following elements, which are explained in more detail subsequently:

- agreement that each developed country will produce a **Zero Carbon Action Plan (ZCAP)**
- agreement that developing country with higher emissions (e.g. greater than 1% of global total emissions), will produce an **Low Carbon Action Plan (LCAP)** in the context of support.
- agreement to increase the frequency of national communications **under the UNFCCC**, in which the proposed ZCAPs and LCAPs will be made publicly available biennially, starting in 2012.
- a mandate to SBI to further elaborate and agree in 2011 a **common reporting template** based on the National Communication, and common accounting and methodological issues. This further elaboration should not delay immediate development and reporting on LCAPs and ZCAPs.

To be agreed in Cancun, these elements need to be proactively discussed in the negotiating sessions this year, so that they can be part of the Cancun agreement.

These elements are not new¹ and build upon existing provisions and discussions in the UNFCCC framework and are an important means of providing clarity as part of a broader set of MRV provisions. There was significant interest in and considerable convergence on South Korea and South Africa's respective proposals for a registry under the UNFCCC in Poznan in 2008. Development of a common reporting framework, building on the existing Nat Comms and existing agreed methodologies, is an important part of the UNFCCC process moving forward. Without commonality in content and format requirements, a completely bottom-up approach of incompatible accounting methodologies would almost certainly arise, making comparability of effort between countries near impossible, and making it far harder to assess the adequacy of the overall level of effort being undertaken.

Outside the UNFCCC, the leaders of the Major Economies Forum on Energy and Climate countries² declared on 9th July 2009 that their countries would:

"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.... Developing countries among us will promptly undertake actions whose projected effects on emissions represent a meaningful deviation from business as usual in the midterm, in the context of sustainable development, supported by financing, technology, and capacity-building."

Zero Carbon Action Plan (ZCAP)

Industrialized countries must significantly transform their economies and shift rapidly from a high carbon economic growth model to a sustainable development model that reaches near-zero emissions by 2050 and which, along with mitigation commitments, also considers already-inevitable impacts of climate change. ZCAPs need consist of an integrated adaptation and mitigation planning framework, projecting the many interlinkages and potential mutual impacts between mitigation and adaptation actions.

To ensure that the institutions and policies are in place to achieve the short-term quantified emission reduction or limitations commitments for each commitment period and to make the timely investments for longer-term 2030, 2040 and 2050 goals, each industrialized country will need to produce a transformational plan, a Zero Carbon Action Plan (ZCAP), that is visionary and yet pragmatic. This forward looking plan should:

- detail a realistic and achievable emissions reduction trajectory through 2020, 2030, 2040, and 2050, that will have the country achieving near-zero emissions by 2050
- identify the transformation strategies, and policies and measures the country plans to implement to transform all relevant sectors of its economy to meet its quantified emissions reduction commitment and be on a realistic trajectory towards near zero emissions by 2050. The greatest detail on planned actions will be on how the country intends to meet its quantified emissions reduction commitment for the 5-year commitment period, but the ZCAP framework allows countries to think beyond the commitment periods and to think strategically to avoid sub-optimal emissions reduction pathways and lock-in of unsuitable infrastructure

¹ Zero-emission plans are in paragraph 8 of the LCA Chair's text, low-emission plans for developing countries are in paragraph 11, while paragraph 13 establishes a mechanism to record NAMAs for which developing countries are seeking support and to facilitate matching and recording of support by developed countries

² Australia, Brazil, Canada, China, EU, France, Germany, India, Indonesia, Italy, Japan, South Korea, Mexico, Russia, South Africa, UK, USA.

- include the measures that the country has put in place to address emissions from all relevant sectors
- develop a clear roadmap for the investments in clean technology with sustained scaling up of development, diffusion and deployment of clean technologies in the short, medium and long term
- outline how a country proposes to meet its MRV finance, technology and capacity building support obligations, so that the amounts can be clearly accounted for in a registry and ‘married’ to the support needs identified for NAMAs and adaptation planning and implementation registered by developing countries
- 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
- include measures to avoid double counting of any offset credits that may be used in the short term; however, the emphasis must be to reduce emissions to zero by 2050, and this will require early and urgent domestic action to avoid lock in

Progress should be reported to the COP biennially, building on and linking to the existing national communication process and guidelines, where appropriate. The ZCAP should be updated at the beginning of each 5-year commitment period, in line with obligations for that period.

ZCAPs for industrialized countries would not only assist in setting a pathway towards a low carbon economy for each country, they would also help to build trust globally by demonstrating that each country is indeed making adequate short and long-term institutional and financial investments to meet its emissions reduction commitment.

Low Carbon Action Plan (LCAP)

With the needed technical and financial support from developed countries, developing countries should agree to develop long-term Low Carbon Action Plans (LCAPs) as part of the country’s overall development planning: visionary plans that provide a roadmap and outline a trajectory for the country’s pathway to a low-carbon and climate-resilient economy and clearly link development and climate goals to achieve sustainable development. These Plans should be developed through a bottom-up country-driven process and should build upon and be integrated into national plans already in place in many countries. More economically advanced developing countries should start to develop LCAPs over the next 2-3 years, as they have already done considerable amounts of national planning. Other developing countries would have more years to develop LCAP, but would be able to submit their adaptation planning and NAMAs in the meantime, as their contribution to the global effort.

As building blocks for the LCAP, the country would define NAMAs and adaptation activities, building on existing programs and plans. In developing these building blocks the country would identify the NAMAs it could do unilaterally without support and the NAMAs that it would want to do but that would require support. These NAMAs, along with the adaptation programs and plans would form the essential building blocks of a LCAP and together their cumulative impact should result in the long-term objective of a low carbon economy as well as staying within the atmospheric limitations. They should provide an integrated framework where a country’s NAMAs and adaptation planning can form a coherent package, so that action on mitigation does not have perverse impacts on adaptation efforts and vice versa. The mitigation efforts together with the adaptation efforts all contribute towards the overall LCAP. The LCAP should:

- define key adaptation measures that need to be undertaken, using existing relevant adaptation programs and plans
- address the top emitting sectors in the country and outline the set of NAMAs that will contribute to the overall achievement of the low carbon trajectory for the country
- include NAMAs which countries already have in place or are being planned and implemented without external support (unilateral NAMAs);
- NAMAs that could be implemented if MRV'd support was provided to cover incremental costs (supported NAMAs)
- NAMAs that could be incentivized by carbon credits (credited mitigation actions). The finance NAMAs provided through carbon credits that count against QELROs of industrialized countries cannot be double-counted as fulfilling industrialized countries' MRV'd support obligations. Likewise, mechanisms must also be put in place to ensure that credited mitigation actions are not double counted against both developed country targets and developing country actions

LCAPs for developing countries would assist in setting a pathway towards a low carbon and climate resilient economy for each country, consistent with the country's developmental needs.