

Lima Climate Change Conference

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The 20th meeting of the Conference of the Parties (COP 20) to the UN Framework on Climate Change will take place in Lima between 1st and 12th December 2014.

The lessons learned from the very visible failure of world leaders to reach a satisfactory agreement at the Copenhagen conference in 2010 have resulted in a great deal of preparation work in advance of the Paris COP next year. The stated aim for that conference is to reach a global agreement that will result in emissions reductions that would limit global temperature increases to below 2°C and which would come into force in 2020. Countries also have a deadline of spring next year for announcing their individual contributions to cutting emissions, in advance of the Paris conference. This will be the first time that both developed and developing countries will commit to emissions reductions.

The Lima conference is viewed as particularly important because it is the last one before the conference in Paris. The main aim of the Lima conference is to deliver a draft text that can be negotiated over the next year and ensure a meaningful agreement is reached in Paris.

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1 Background

The UNFCC 20th Conference of the Parties (COP 20) will take place in Lima from 1 to 12 December 2014. Its stated aim is to:

Lay the foundation for an effective new, universal climate change agreement in Paris in 2015 while also raising immediate ambition to act on climate change in advance of the agreement coming into effect in 2020.1

This echoes the international agreement at COP 17 in Durban to negotiate, by 2015, a new global, legally binding agreement, applicable to all nations, to come into force by 2020 and that would be a successor to the Kyoto Protocol.

Lessons learned from the very visible failure of world leaders to reach a satisfactory agreement at the Copenhagen conference in 2010 have resulted in a great deal of preparation work in advance of the Paris conference next year, with the aim of ensuring that an agreement is reached in 2015.

1.1 The UNFCC

With 195 Parties, the United Nations Framework Convention on Climate Change (UNFCCC) has near universal membership and is the parent treaty of the 1997 Kyoto Protocol. The Kyoto Protocol has been ratified by 193 of the UNFCCC Parties (The USA and Afghanistan have not ratified). Under the Protocol, 37 States, consisting of highly industrialized countries and countries undergoing the process of transition to a market economy, have legally binding emission limitation and reduction commitments. The ultimate objective of both treaties is to stabilize greenhouse gas concentrations in the atmosphere at a level that will prevent dangerous human interference with the climate system.

¹ UNFCC, Lima COP to Lay Foundation for Paris 2015 Agreement, 28 November 2014

2 Previous Conferences

Despite high hopes from many countries as well as NGOs, the 2009 UNFCCC conference (COP 15) in Copenhagen did not produce a legally binding global agreement that had been set out in the Bali Roadmap. Instead, the outcome was the Copenhagen Accord, which was 'noted' by the Parties and was subsequently agreed by 114 countries. Industrialised countries that agreed the Accord all committed to achieve quantified economy-wide emissions reduction targets for 2020. Developing countries outlined voluntary nationally appropriate mitigation actions.

The 2010 Cancun Climate Change Conference (COP 16) produced the Cancun Agreements, representing steps forward in plans to reduce greenhouse gas emissions and to help developing nations protect themselves from climate impacts and build their own sustainable futures. Although there was little progress in negotiating a successor to the Kyoto Protocol progress was made on several issues including technology transfer, funding and forestry. In addition, there was agreement (mediated by India) that both developed and developing countries would commit to reduce emissions; and that both would be subject to some form of monitoring and verification. The Agreement was supported by all member countries, with the exception of Bolivia.

COP 17 in Durban was dominated by the following issues:

- whether to extend or replace the Kyoto Protocol (which contained no commitments for developing countries);
- the management of the Green Climate Fund (to identify how developed countries will meet their long-term finance commitment of \$100 billion per year by 2020); rules on REDD+ (UN policy aimed at reducing deforestation and forest degradation in developing countries); and
- gathering funds for adaptation programmes, including the Fast Start Finance package.

While some countries agreed to a second commitment period under the Kyoto Protocol, the negotiations focussed on a coalition of over 120 countries—including the US, India and China— behind the EU's climate roadmap, which proposed that a framework with "legal force" should be completed by 2015 at the latest, entering into force no later than 2020. The "Durban Platform for Enhanced Action" was agreed, which launched a new process within the UNFCCC 'to develop a protocol, another legal instrument or an agreed outcome with legal force […] applicable to all Parties".²

At the 2012 UN Climate Change Conference in Doha, Qatar (COP18/ CMP8), there was no significant development but governments did take forward agreements from previous negotiations. They

- Strengthened their resolve and set out a timetable to adopt a universal climate agreement by 2015, which will come into effect in 2020.
- Streamlined the negotiations, completing the work under the pdf-icon Bali Action
 Plan to concentrate on the new work towards a 2015 agreement under a single

² UNFCCC, Establishment of an Ad Hoc Working Group on the Durban Platform for Enhanced Action, Article 2

negotiating stream in the Ad hoc Working Group on the Durban Platform for Enhanced Action (ADP).

- Emphasized the need to increase their ambition to cut greenhouse gases (GHGs) and to help vulnerable countries to adapt.
- Launched a new commitment period under the Kyoto Protocol, thereby ensuring that this treaty's important legal and accounting models remain in place and underlining the principle that developed countries lead mandated action to cut greenhouse gas emissions.
- Made further progress towards establishing the financial and technology support and new institutions to enable clean energy investments and sustainable growth in developing countries.

2.1 Warsaw Conference

The 2013 conference in Warsaw (COP 19) concluded with an agreed timetable up to 2015. There was a commitment to prepare a draft text for Paris to be available for COP 20 in Lima. There was also a commitment from all countries to submit their national plans for emission cuts by the first quarter of 2015. This is different from the approach taken in the Kyoto protocol where an overall international cap on emissions was agreed that was binding on developed countries only.

The new approach will aggregate all the individual commitments from the national plans, and the hope is that they are ambitions enough and therefore ensure emissions are reduced sufficiently to meet the stated aim of limiting global temperature increases to 2°C.3

The other two main areas discussed during the conference where climate finance, with agreement to capitalise the Green Climate Fund by the end of 2014, and the creation of a system for compensating developing countries for "loss and damage" caused by climate change:

The conference also decided to establish an international mechanism to provide most vulnerable populations with better protection against loss and damage caused by extreme weather events and slow onset events such as rising sea levels. Detailed work on the so-called "Warsaw international mechanism for loss and damage" will begin next year.

This has been a very controversial areas some developed countries strongly opposed to the principle of compensating developing nations for the impacts of climate change

Progress was also made on REDD+ and the implementation of the Adaptation Fund for developing countries, to help them adapt to climate change.

3 Run up to COP20 Lima

As in previous years there been several UNFCCC meetings in the run up to this year's conference. These where held in Bonn in March, June and October 2014. The aim was to agree a draft on countries emissions reductions contributions to be presented at Lima. However, although some progress was made, there were still significant disagreements about what should be covered within these Intended Nationally Determined Contributions or INDCs:

³ Some like the Tyndall Centre argue that the current emissions trajectories makes reaching this target increasingly unlikely.

Observers said a decision on the INDCs in Lima could be in jeopardy, after reoccurring disagreements persisted between developing and developed countries.

It could not be decided whether INDCs should focus only on mitigation or also include adaptation measures and commitments from richer states to provide financial and technological support for developing nations.

The Group of 77 and China argued that the new framework should continue to differentiate between developed and developing countries. But developed countries said that everyone should contribute to emission reductions under the new agreement.

With the growing complexity of countries' positions, the talks at Bonn made it clear that formulating binding targets in Lima would be challenging.

3.1 UN Climate Summit

Ban Ki Moon, Secretary General of the UN, announced in Warsaw that he would be hosting a Climate Summit in New York in September 2014 with the aim of engaging leaders and advancing climate action and ambition:

The Summit will serve as a public platform for leaders at the highest level – all UN Member States, as well as finance, business, civil society and local leaders from public and private sectors – to catalyze ambitious action on the ground to reduce emissions and strengthen climate resilience and mobilize political will for an ambitious global agreement by 2015 that limits the world to a less than 2-degree Celsius rise in global temperature.

The Climate Summit will be about action and solutions that are focused on accelerating progress in areas that can significantly contribute to reducing emissions and strengthening resilience — such as agriculture, cities, energy, financing, forests, pollutants, resilience and transportation.

The run up to the conference was dominated by discussion of which leaders would attend the conference. A summary of all the pledges made by the 100 heads of states that did attend, including David Cameron and Barrack Obama, are available on the conference webiste. There was some criticism of the lack of ambition of many of the pledges made, including from Graça Machel who closed the conference and was of the view that "there is a huge mismatch between the magnitude of the challenge and the response". However others were more positive about the outcome. The World Resources Institute summarised it as follows:

Many countries reaffirmed their commitment to make their post-2020 emissions-reduction offers by the first quarter of 2015, a critical milestone in securing a global climate agreement by the end of 2015. There was also growing support amongst countries, companies, and civil society for a long-term transformational goal. This is captured in the Secretary General's Chairman's Summary. Key global leaders like U.S. President Barack Obama and China's Vice Premier Zhang Gaoli signaled their clear intent to take ambitious action, showing that even the biggest economies are ready to shift to a low-carbon growth path. Developing countries like Colombia, the Philippines, and Vietnam stated their readiness to act now, independent of what others do, due to the severe impacts their countries are experiencing. These countries could achieve even more with support from the international community. And with 700,000 people around the world participating in climate marches ahead of the Summit, it was clear that a new public voice can hold leaders accountable.

The article when onto to comment on the different pledges. In addition, Carbon Brief produced a useful summary of each countries speech and pledges.

3.2 UK Government Position

The UK Government published, Paris 2015 Securing our prosperity through a global climate change agreement, in September 2014. This set out the Government's position on "why a global climate agreement is in everyone's interest and why the prospects of securing a successful agreement next year have never been better". It also set out what the Government hopes Paris will achieve next year:

Next year in Paris in December we have the opportunity to put this in place. The world will come together to forge a deal on climate change that should, for the first time ever, include binding commitments to reduce emissions from all countries. The right deal also has the potential to kick-start a transition to a low-carbon future at the global level. With all countries participating, according to their evolving responsibilities and capabilities, we will move towards a level playing field that opens up new markets, brings down costs, and unlocks the investment we need.

It sets out the aims for the Lima Conference as follows:

Progress negotiations on the process for countries to submit their contributions well in advance of Paris and on the elements of a draft negotiating text, while recognising pledges to the initial capitalisation of the new Green Climate Fund.

It also recognises that the need for strong momentum and political will up to, and beyond, the 2015 Paris conference:

We recognise the challenges to getting an agreement mean we need to make much more progress ahead of the 2015 COP itself. We are also aware that even with a successful outcome, Paris will not be the end of the story. Political will, commensurate with the scale and complexity of the global challenge we face, will be crucial in securing an agreement that: avoids the dangerous impacts of climate change; sends a clear signal to decision makers in both the public and private sectors globally that the future is low-carbon; and supports the poorest and most vulnerable to develop climate resilience.

3.3 The EU 2030 Climate and Energy Policy Framework

The EU agreed a new framework to 2030 in October 2014 which included the following three commitments:

- a binding EU target of 40% less greenhouse gas emissions by 2030, compared to 1990
- a target of at least 27% renewable energy consumption
- a 27% energy efficiency increase

The binding 40% reduction target was highlighted by the Commission in its statement on the Lima conference, which also referred to the need for political will:

Lima gives us a message of hope. It shows that it's not too late to secure our chances to meet the internationally agreed 2 degrees limit. With our new 2030 climate and energy package we have reconfirmed our confidence in a more energy-efficient, low-

carbon economy, which is a cornerstone of the energy union. If we scale-up domestic policies and international cooperation, we can achieve it: it is a matter of political will.⁴

It also highlighted the following expected outcomes for Lima:

- The key elements of the 2015 Agreement are agreed as a basis for further negotiations in 2015;
- A decision is agreed which ensures that the greenhouse gas reduction contributions countries come forward with in the coming months are transparent, quantifiable and comparable;
- There is an international process before the Paris conference in 2015 to consider and analyse the ambition and adequacy of individual and aggregate contributions against the below 2 degree objective;
- Work to enhance mitigation ambition before 2020 continues

3.4 Joint US and China Announcement

A recent development was an unexpected U.S.-China Joint Announcement on Climate Change on 11 November 2014. This set out both countries' commitment to a strong agreement in 2015 and their commitments to reducing emissions:

To this end, President Barack Obama and President Xi Jinping reaffirmed the importance of strengthening bilateral cooperation on climate change and will work together, and with other countries, to adopt a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties at the United Nations Climate Conference in Paris in 2015. They are committed to reaching an ambitious 2015 agreement that reflects the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances.

Today, the Presidents of the United States and China announced their respective post-2020 actions on climate change, recognizing that these actions are part of the longer range effort to transition to low-carbon economies, mindful of the global temperature goal of 2°C. The United States intends to achieve an economy-wide target of reducing its emissions by 26%-28% below its 2005 level in 2025 and to make best efforts to reduce its emissions by 28%. China intends to achieve the peaking of CO2 emissions around 2030 and to make best efforts to peak early and intends to increase the share of non-fossil fuels in primary energy consumption to around 20% by 2030. Both sides intend to continue to work to increase ambition over time.

The White Sheet also produced fact sheet on the announcement. The announcement was viewed by many as an important signal that both the US and the China (the world's two largest emitters) are engaging with international negotiations for 2015, although the actual commitments were not seen as been particularly ambitions:

The accord by the two, by far the biggest greenhouse gas emitters, is largely symbolic. But it erodes a divide between rich and poor nations over their respective responsibilities for tackling climate change that has prevented a global deal for years.⁵

Carbon Brief published an article, a detailed look at the US and China's historic climate deal: an analysis, on 13 November in which it went into detail as to why this was the case.

⁴ EU Commission, Lima climate talks crucial stepping stone towards 2015 agreement, 28 November 2014

⁵⁵ Reuters, China-US climate pact "heartening" but short of what's needed-IPCC, 12 November 2014

3.5 India's Position

There has also been comment on how the China-US announcement affects India in particular, which has previously taking a negotiating position similar to China's. India is aa large emitter but still has much lower per capita emissions than China. This was commented on by the Indian' Government in its reaction to the announcement, which also set out some of its priorities for Lima:

Reacting to the Chinese government announcement, Prakash Javadekar, India's minister for environment, forests and climate change, said: "Now it will not be rhetoric as usual at Lima. We are going to talk about not only per-capita emission, but also percapita consumption." The Peruvian capital Lima is scheduled to host the next global climate summit from December 1.

Javadekar was referring to the concept that developed countries are responsible not only for their own emissions, but also the emissions in developing countries for goods that are used in rich nations. With this statement, India has clearly distanced itself from the Chinese position. China and India have previously coordinated their positions in global climate negotiations.

Speaking on condition of anonymity, a senior Indian negotiator said: "We cannot make the same commitment, or even a similar one. India and China are not in the same stage of economic development. If developed countries are willing to listen to us in the matter of providing finance and free-of-copyright technology transfer to help us transition to a greener economy, we may be able to peak sometime in the 2030s, perhaps by 2040

3.6 G20 Conference

The G20 Conference was held in Australia on 14-16 November 2014, shortly after the US-China Announcement. There were reported efforts by the Australian Government, which has been criticised at home and abroad for its climate policies, to avoid any discussion of climate change and inclusion in any statement. Despite this reference to the climate negotiations was included in the final communique:

We support strong and effective action to address climate change. Consistent with the United Nations Framework Convention on Climate Change (UNFCCC) and its agreed outcomes, our actions will support sustainable development, economic growth, and certainty for business and investment. We will work together to adopt successfully a protocol, another legal instrument or an agreed outcome with legal force under the UNFCCC that is applicable to all parties at the 21st Conference of the Parties (COP21) in Paris in 2015. We encourage parties that are ready to communicate their intended nationally determined contributions well in advance of COP21 (by the first quarter of 2015 for those parties ready to do so). We reaffirm our support for mobilising finance for adaptation and mitigation, such as the Green Climate Fund.

3.7 Green Climate Fund Pledges

As part of negotiations countries agreed in Cancun in 2010 to the creation of a Green Climate Fund as part of developed countries pledge to channel of \$100bn a year of climate funding to developing countries by 2020 through various different channels, including the private sector. This is different from the Adaptation Fund, which focuses on adaptation only.

The Secretariat for the Fund has been set up in South Korea t in 2104. There was final agreement in May 2014 on how the Fund will operate. The Fund set a goal of November to

receive its first round of cash pledges. This was achieved at a conference held in Berlin on 20th November, where \$9.3billion dollars were pledged, with further pledges since then:

The Government of Spain today announced it will commit EUR 120 million to the Green Climate Fund. This latest pledge, announced three days before the opening of the 20th UN Climate Change Conference of the Parties (COP 20) in Lima, Peru, brings total contributions to the Green Climate Fund up to US\$ 9.7 billion equivalent, provided by 22 countries.