

## **ACP Group Preparatory Meeting for the UNFCCC COP17 in Durban**

**15 – 16 November 2011**

### **Background**

The ACP Secretariat organised for its Member States a two-days meeting in preparation of the COP17. The meeting was held on the 15th and 16th of November at the ACP House (Brussels, Belgium) and chaired by H.E. A. Joy Grant, Ambassador of Belize in Brussels.

The main objective was to facilitate exchange of views and positions among the ACP Member States and Regions. To this end, key climate change technical specialists, policy makers and negotiators from the respective regions and groups (Africa, Caribbean, Pacific, SIDS) were invited to share progress made in the process of formulating standpoints and views and to brief all participants on their actual positions. Also an EC-representative from DG CLIMA presented an overview of the EU position, giving thereby special attention to those issues that are of interest to the ACP Group of States.

The list of workshop participants is annexed to this paper.

### **Outcomes**

As a general outcome of the presentations and discussions, we have seen that there are many more commonalities than divergences among ACP regions. Actually, the main difference observed was related to the level of concern regarding the impacts of climate change. This concern appears to vary along a spectrum from negative impacts from climate change hampering sustainable development to climate change effects threatening survival, depending on the specific situation of the country or region expressing its concern.

Further, the meeting resulted in a series of more specific outcomes. These specific outcomes are presented below, grouped under three keys areas of the climate change negotiation process.

#### **1. Positions and dynamics in the next negotiation round in Durban**

The meeting was urged to be bold and innovative in its approach at the negotiations. This may entail taking some positions that are diametrically different from those adopted in the past. Indeed, the call to action demands such boldness. Accordingly therefore, the meeting posited the following:

- That ACP negotiators continue to articulate for atmospheric GHG concentration to be stabilized at 350 ppm of CO<sub>2</sub> or less;
- That ACP negotiators emphasize that the international community seeks to limit the rise of the global averaged surface temperature to no more than 1.5 °C above the pre-industrial levels by 2100;
- That all Parties work to ensure that global greenhouse gas emissions peak by 2015;
- That global CO<sub>2</sub> reductions be greater than 95% below 1990 levels by 2050;
- That ACP negotiators re-affirm the need for developed countries to honour their financial commitments under the UNFCCC and thereby pursue improved disbursements;
- That ACP negotiators bring under attention that the developed world's current emission reduction pledges would only limit warming to a rise of 4°C!!!;
- That ACP negotiators indicate that after 5 years of discussion, the developed countries are yet to submit their quantified emission reduction targets for the post-2012 commitment period;
- That ACP negotiators implore all parties of the UNFCCC to make efforts to reduce their emission level on the basis of equity and consistent with common but differentiated responsibilities and respective capabilities;
- That ACP negotiators encourage the successful conclusion of the negotiations on technology in Durban, building on the agreement to establish a Technology Mechanism that was reached last year in Cancun;
- That ACP negotiators express their concern over and opposition to the use of unilateral measures, including trade-related measures (goods and services), on grounds of climate change imposed by developed countries.

## **2. Mitigation, Adaptation and Technology Transfer**

Mitigation, adaptation and technology transfer are closely intertwined areas of key importance in our responses to climate change and its negative effects. The following are the main outcomes that relate to this trio:

- There is need for a binding emissions reduction for both developed and developing countries, with Annex I Parties to accept enhanced emission reduction targets that will reduce atmospheric concentrations of greenhouse gases.
- Preference was expressed for pledging quantified emission reduction targets which will be reviewed at regular intervals. Green House Gases emission must peak by 2015 to be evidenced in a greater ambition to close the giga-ton gap in order to limit temperature to 1.5 degrees. The long term goal should be to limit global emissions to 350ppm.
- Pursuance of the evolution of further guidelines for mitigation actions by developed and developing countries NAMAS (within the framework of Nationally Appropriate Mitigation Actions). In particular there must be commitment by Annex I parties to mitigation actions that are measurable, reportable and verifiable (MRV).
- In addition, a measurement and verification process should be applied to mitigation commitments of Annex I Parties and to the means of implementation provided to non-Annex I Parties.
- As a follow up to the Cancun outcomes, there is a need to operationalise the Adaptation Framework and the Programme of Work. This Programme must include the issue of loss and damage and the operational modalities must be facilitating, hence ensuring adequate access to adaptation financing. Under the Adaptation Framework, sufficient support must be envisaged for those particularly vulnerable. Therefore, there is a strong need to finalize the composition, modalities and procedures for the Adaptation Committee.
- Furthermore, finance and adaptation needs are to be part of the Umbrella demand such as the operationalisation of the Green Climate Fund. There is a need for prioritized Fast-Start Financing for adaptation measures in particularly vulnerable developing countries.
- Implementation of the National Action Plans for Adaptation of the Least Developed Countries, including finance, technology transfer and capacity building as a cross cutting issue, is a priority. Also adequate monitoring of the delivery of support to adaptation action must be ensured.
- Developed countries must facilitate the transfer of technology to developing countries so that these would be in a position to reduce their emission of greenhouse gases and also to adapt to adverse impacts. All barriers preventing access to mitigation and adaptation related technologies must be identified and removed. Further, an

appropriate treatment of intellectual property rights, including the removal of patents on mitigation and adaptation related technologies for non-Annex I Parties, should be negotiated.

### **3. Climate Financing**

At the sixteenth session of the Conference of the Parties (COP) held in Cancun, the COP as part of the Cancun agreement:

- (i) confirmed the climate financing promises that were only vaguely given in the Copenhagen Accord in 2009. These include the promise of developed countries to raise US\$30 billion in Fast-Start finance for 2010-2012, and up to US\$100 billion per year in long term finance;
- (ii) established the Green Climate Fund (GCF) to be designated as an operating entity of the financial mechanism of the Convention under Article 11, with arrangements to be concluded between the COP and the GCF to ensure that it is accountable to and functions under the guidance of the COP, to support projects, programmes, policies and other activities in developing country Parties using thematic funding windows. This fund is in addition to other multilateral and bilateral financing arrangements, such as the Reducing Emissions from Deforestation and Forest Degradation (REDD+) Investment Fund; and
- (iii) agreed to improve the reporting by developed countries on their provision of finance to developing countries.

The meeting reiterated the following broad principles:

- It must be ensured that developed countries, as duty bearers, fulfill their Cancun funding commitments;
- Public sources of finance must be secured;
- It must be ensured that in Durban proper follow-up will be given to the decisions made in Cancun in relation to the financial mechanisms. Clear agreements on the governance and delivery of climate finance should be negotiated and reached.
- The transactions in the carbon market must be closely monitored in terms of equity. In particular, it must be ensured that the countries who are selling carbon credits will not experience damage from their participation in the market.

Adequate, predictable, and additional climate funding from developed countries is crucial for a successful response by developing countries to the negative impacts of climate change. Climate finance flows that meet these criteria ensure that needs are matched by available funding; that recipients can properly plan and implement investments; and that ODA flows for poverty reduction and socioeconomic development are safeguarded. Yet, the current

climate finance provision remains a pledge-based system with no rules, no transparent monitoring and reporting system, and no means to ensure accountability and compliance. Although many countries accept in principle that climate finance must be new and additional to ODA, the absence of clear definitions and rules in reporting has allowed developed countries to get away with double-counting climate finance as support, and also recycling existing support commitments. There is, so far, no common definition of additionality; neither is there a common set of tools for tracking finance capital flows across the board.

As such, the meeting emphasised in relation to new and additional funding:

- That a reiteration is needed of the US\$100 billion funding target, with language stating it more clearly as an obligation rather than a goal (e.g. “Developed countries shall jointly mobilize and provide new and additional financial support reaching at least US\$100 billion annually by 2020”);
- That an agreement must be reached regarding the progressive increase of the level of funding, starting in 2012 and reaching at least US\$100 billion by 2020 (e.g. by a defined percentage per year);
- That a burden-sharing mechanism must be developed in which the contribution of developed countries are assessed according to responsibility and capacity to pay;
- That a baseline for new and additional funding must be defined;
- That an improved common reporting format for provision and receipt of climate finance through national communications must be developed;
- That these short-term steps should lead to a long-term scenario for climate finance wherein climate finance is provided as mandatory payments to a reformed financial mechanism of the UNFCCC, instead of ODA-like finance flows either bilaterally from donors to recipients or multilaterally from donor-based and non-inclusive institutions and mechanisms to recipients;
- That the main source of funding should be public sources, and that private and market-based sources should be supplementary. Further, innovative financial sources should also be explored;
- That public climate finance will be raised through mandatory assessed payment by developed countries, supplemented by revenue generated from international mechanisms;
- That it should be decided to start a roadmap for scaling up climate finance, which includes developing a mechanism to collect developed-country payments and putting on-stream new sources of finance by mid-decade;

- That developing countries need support to improve their present policy and institutional framework for comprehensive climate change response, including transparent, accountable and inclusive systems for managing climate funds;
- That all climate finance and ODA flows be delivered as budget support, with developing countries able to plan and spend them under strong and national policy direction.
- That the EU should adopt a more coherent approach towards the particularly vulnerable countries in its new development agenda by ensuring that the various regional strategies on climate change clearly stipulate that priority should be given to meet the concerns of those particularly vulnerable.