

22 August 1994

ENGLISH ONLY

INTERGOVERNMENTAL NEGOTIATING COMMITTEE  
FOR A FRAMEWORK CONVENTION ON CLIMATE CHANGE  
Tenth session  
Geneva, 22 August - 2 September 1994  
Item 3 (b) of the provisional agenda

MATTERS RELATING TO COMMITMENTS

REVIEW OF THE ADEQUACY OF COMMITMENTS IN ARTICLE 4.2 (A) AND (B)

Comments from Parties or other member States

Note by the interim secretariat

Addendum

In addition to the submissions included in document A/AC.237/Misc.36, the interim secretariat has received comments from Finland and Norway. These submissions are attached to this addendum in the language in which they were received.

A/AC.237/Misc.36/Add.1

GE.94-63945

PAPER NO. 13: FINLAND

The ultimate objective of the Convention on Climate Change is to stabilize the concentration of greenhouse gases in the atmosphere. The current commitments for Annex I Parties do not include any targets other than that of stabilization of emissions nor do they reach beyond the year 2000. Thus it seems obvious that the present commitments are to be considered inadequate to reach the long term ultimate objective of the Convention.

Further elaboration of the commitments will be a demanding task. The first review of adequacy of commitments should take place in the COP 1 on the basis of the review of national communications and the IPCC Special Report as well as other relevant information. Due to the lack of time and information available in COP 1, it will probably not be able to decide on any exact future commitments. However, the COP 1 should take appropriate decision on preparatory process for the negotiations on future commitments.

The Finnish government considers that the following aspects should be taken into consideration in the preparatory process:

- 1) All parties should be involved in the process. The first step would be to consider the commitments for Annex I Parties.
- 2) Adjustment of the current commitments in the Convention could open a discussion on the Convention as a whole and lead to a very difficult new negotiating procedure. Therefore, the present text of the Convention should stay as it stands.
- 3) The Convention and its current commitments should be seen as a global frame for actions and measures. In this regard cooperation between Annex I Parties and developing country Parties, as well as between Annex I Parties should be encouraged. Therefore, e.g., the principle of joint implementation could play an important role in this context.
- 4) The procedure should focus on the timeframe that is not covered by the current commitments, that is beyond the year 2000.
- 5) The principles of comprehensiveness and flexibility. According to the principles of the Convention the different socio-economic contexts of the Parties should be taken into account.
- 6) From the options presented in the Secretariat's document A/AC.237/47 the Finnish government considers most feasible the option of negotiating new protocols. Our preliminary point of view is to prefer protocols concerning policy instruments, standards or other action-oriented measures instead of establishing same targets and timetable for every single Party.

PAPER NO. 14: NORWAY

Adequacy of commitments

In the period up to the first Conference of the Parties, no major scientific findings are likely to change today's understanding of climate change. Ref. statement of the Chairman of the IPCC. The measures taken to curb global warming represent only a start and are insignificant in relation to the objective of the FCCC. The conclusion is self-evident; we have to go beyond the commitments in today's Convention. This does not have quantitative targets but only gives us guidance on the direction where we should develop our policies.

Resolution, amendments or protocol(s) ?

Ref. options in the secretariats paper regarding the further process if commitments are found to be inadequate - resolution, amendments or protocol to the Convention.

A resolution is not a legally binding instrument. This means that if we responded to a lack of adequacy by resolutions alone, it could be taken as a sign that the Convention is not being taken seriously.

If we start a process to negotiate amendments to the FCCC, this is likely to be a repetition of the negotiations that led to the Convention in 1992. We would risk that such a reopening could be less successful than the negotiations before the Rio Conference, which gave us a strong incentive to arrive at results. It will still be very difficult to solve the issue of burdensharing, which is at the heart of the problems.

Protocols seem to us the only feasible alternative if we really want strong quantitative targets. These should build on the principles of the Convention - the common but differentiated responsibilities and the need for a real global partnership.

Content of protocol(s).

There could be one or several protocols. The main protocol could be a comprehensive gas protocol also including sinks. We may develop a phased approach to take advantage of development of the GWP concept.

The protocol could be supplemented by agreements on standards for certain sectors or cooperative arrangements with industry. These measures could form separate protocols or be included in one comprehensive protocol.

The main concept should be that developed countries take on a joint quantitative target to be defined in the negotiations of the protocol. Equal percentage reductions make little sense,

since even countries in the OECD are highly different in energy and industrial structure, level of development etc. This fact is recognized in other agreements, for instance the second sulphur protocol, which is based on principles of critical environmental load and cost-effectiveness. The distribution of a common developed countries' target must be based on the economic burdens countries can take, which could be termed "critical economic load". Indicators of this burden could be marginal costs of abatement and GNP-effects of abatement policies.

Introduction and harmonisation of economic measures, for instance in the form of a CO<sub>2</sub>-tax, is necessary to achieve ambitious targets. This should be a central mechanism for implementation of a protocol.

Developing countries could join the protocol without taking on quantitative targets. They could benefit from transfer of financial resources by participating in implementation through joint implementation projects.

#### Future work.

The INC could agree on the need for a protocol and the concept at this session. The next step should be preliminary work on analysis of differences in abatement costs in various developed countries. The aim should be to finalize the protocol at the first Conference of the Parties next spring - the Berlin Protocol.

#### Conclusions:

1. There is a need for quantitative targets for developed countries.
2. The only feasible mechanism is protocol(s).
3. The protocol should be comprehensive - cover all greenhouse gases - and possibly have specific elements covering sectors or standards, which could also be left to separat protocols.
4. The distribution of a joint quantitative target for developed countries should be based on sharing of the economic burden and not exceed countries' critical economic load.
5. Economic instruments should be introduced and harmonized.
6. Developing countries should have the option to participe in the protocol(s) through joint implementation.
7. The preparatory work should start now, with the aim of finalizing the Protocol(s) at COPI.