Sustainability of commodity-dependent economies in the context of the Paris Agreement

By

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.
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Outline

Response measures:
Introduction

In context of Paris Agreement and the Convention

Technical work
Response measures

Policies, Programs, Actions undertaken to mitigate/reduce GHG emissions

- EU-Emission Trading Scheme
- Energy efficiency & RE target
- Carbon Tax
- Carbon budget (UK, Norway, Denmark)
- Carbon labeling
- Carbon neutral for certain sectors
- Capping annual coal consumption (China)
- Emission regulations by sectors
- Regulate methane emissions (oil and gas sector)
- Carbon neutral for certain sectors
- Grid/off-grid solar PV target
- Smart meters in all homes and small businesses
- GHG emission reduction target
- Subsidies to promote low-carbon development
- Border carbon adjustment
What are the impacts of implementation of Response Measures

- Social, environmental and economic impacts on other countries.
- Positive and negative
Who are affected by response measures

The affected countries could be:

- Fossil fuel (oil, coal) exporting countries.

- Countries processing/exporting agricultural products regulated by carbon labelling.

- Tourism dependent countries, in particular small islands, LDCs
Outline

What is response measures

In context of the Convention and Paris Agreement

Technical work
Political significance of RM

Consideration under the Convention
• while implementing its commitments, Parties shall take into full consideration the specific needs and concerns of developing countries arising from response measures impact (*articles 4.8, 4.9*)

Consideration under the Kyoto Protocol
• commits Parties to strive to minimize adverse economic, social and environmental impacts on other Parties, especially developing countries (*articles 2.3, 3.14*)
Evolvement of RM under the Convention

Adoption of UNFCCC Art. 4.8, 4 Art. 2.3, 3.14

5/CP.7 Implementation of 3/CP.3 and KP Art. 2.3/3.14

1/CP.10 Buenos Aires programme of work on adaptation and RM

31/CMP.1 Matters relating to KP Art. 3.14

1/CP.13 Bali Action Plan (1b(vi))

1/CP.16 Cancun Agreement (III.E)

8/CP. 17 Establishment of the RM Forum and work programme

Implementation of the work programme


3/CP.3 Implementation of Art. 4.8/4.9

Workshop on economic diversification 18-19 Oct., Tehran, Iran

Workshop on reporting methodologies on KP Art. 3.14 4-6 Sep., Abu Dhabi, UAE

Workshop on KP Art. 2.3/3.14 19-20 Sep., Bonn

Workshop on 1/CP.10 21 Sep., Bonn

Review of the work of the forum and its work programme

Discussion on the future of RM

1/CP. 21 Paris Agreement
Paris Agreement

2 degree goal
- To keep global temperatures "well below" 2 degree C above pre-industrial level and "endeavour to limit" them even more, to 1.5 degree C.

Climate neutral
- To limit the amount of GHG emitted by human activity to the same levels that trees, soil and oceans can absorb naturally, beginning at 2050 - 2100.

Global Stocktake
- To review each country's contribution (NDC) to cutting emissions every five years so they scale up to the challenge.

Support to Developing Countries
- by providing climate finance, technology and capacity building to adapt to climate change and switch to clean energy.
Paris Agreement in context of RM

COP 21 decision (Decision 11/CP. 21)

- Decides to continue and improve the forum on the impact of the implementation of response measures to
  - to share information, experiences, case studies, best practices and views,
  - to facilitate assessment and analysis of the impact of the implementation of response measures, with a view to recommending specific actions;

- to constitute ad hoc technical expert groups, as appropriate, to elaborate on the technical work under the improved forum.
Paris Agreement in context of RM

Paris Agreement (Decision 1/CP. 21)

- Implementation of Paris Agreement considers the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties.

- Mitigation co-benefits resulting from Parties’ adaptation actions and/or economic diversification plans can contribute to mitigation outcomes.

- Continue platform (the forum) to implement the work programme post-2020.

- Develop its modalities, work program and functions by CMA 1.
Outline

- What is response measures
- In context of the Convention and Paris Agreement
- Forum on the impact of the implementation of response measures
The Work programme of forum (pre-2020)

Purpose
- Sharing experience and views
- Recommending actions

Modalities:
- Expert meetings
- Workshops
- Ad hoc technical expert group

Participants:
- Parties
- Observer organizations
- Research institution/Experts

Forum

Impact assessment

Economic Diversification

Just Transition of Workforce
Challenges and opportunities from Paris Agreement

Challenges:
- More ambitious GHG mitigation goal in Paris Agreement will inevitably result in less demand for fossil fuels, and in turn to pose pressure on economic growth of oil/coal dependent developing countries.

Opportunities:
- Low-carbon sustainable economic growth brings benefits such as economic diversification, creation of decent jobs.
- RM is helping developing countries to analyse potential impacts and address the negative effects.