Implementation of all the elements of decision 1/CP.17, (a) Matters related to paragraphs 2 to 6; Ad-Hoc Working Group on the Durban Platform for Enhanced Action (ADP)

Submission by the Like-Minded Developing Countries on Climate Change (LMDC)

This submission is being made by the Philippines on behalf of the following Parties: Bolivia, China, Cuba, Dominica, Ecuador, Egypt, El Salvador, India, Iran, Iraq, Malaysia, Mali, Nicaragua, Philippines, Saudi Arabia, Sri Lanka, Sudan, Venezuela.

Information, views and proposals from Parties and accredited observer organizations on matters related to the work of the ADP, including, inter alia, mitigation, adaptation, finance, technology, development and transfer, capacity-building, and transparency of action and support, addressing aspects such as those indicated in paragraph 13 (a)-(d) of the ADP conclusions.

I. Introduction

The Ad-Hoc Working Group on the Durban Platform for Enhanced Action (ADP) agreed in Doha that submissions would be requested from Parties with respect to the work of the ADP under its Workstreams 1 and 2. This submission containing preliminary views is being made by the Parties indicated above in accordance with such request, without prejudice, however, to further submissions from these Parties either collectively or individually.

The growing impacts of climate change and the loss and damage sustained therefrom, and the growing demands of mitigation and adaptation, are exacerbating the challenges of development for all developing countries. However, the extent to which Annex 1 Parties have fulfilled their commitments under the Convention has not been adequate to ensure progress toward the ultimate objective of the Convention.

Developing countries bear the brunt of the adverse effects of climate change even if they had contributed the least to the problem. Climate change impacts in developing countries adversely affect deeply the prospects of billions of poor people in these countries to aspire to better living standards and escape from poverty. This underscores the need for urgent global cooperation and action on climate change.

The Parties submitting this submission, as Parties to the UNFCCC, are all committed to the pursuit of the objective of the Convention as stated in its Article 2 and to the full and effective implementation of the principles and provisions of the Convention. In this context, it should be recalled that Article 4, paragraph 7 of the Convention states that "The extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties."

In this regard, with respect to the negotiations in the UNFCCC to be undertaken under the ADP, the Parties making this submission stress that such negotiations shall be "under the Convention" – that is, the negotiations shall be guided by and must be consistent with the principles and provisions of the Convention, especially the principles of equity and common but differentiated responsibilities, as stated in the Doha decision on advancing the work of the ADP. These principles of the Convention, and the provisions that reflect these principles, are at the foundation of the work of the ADP.

The urgent task of 'implementation' of the decisions already taken under the Convention, in particular those relating to the operationalization of the mechanisms set up to assist the actions of developing countries must remain a key priority and receive equal emphasis in the work of the Parties going forward.

II. On Workstream 1

A. General Considerations

Decision 2/CP.18 acknowledged "that the work of the ADP shall be guided by the principles of the Convention". Hence, <u>all the principles of the Convention must fully apply to the work of the ADP in both workstreams</u>.

The mandate of the ADP according to decision 1/CP17 is to develop "a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties."¹

Read in its ordinary meaning and context, in accordance with the rules on treaty interpretation under the Vienna Convention on the Law of Treaties, "under the Convention" means that the range of possible resulting instruments or outcomes of the ADP negotiations must all be based on, related to, and explicitly linked to the Convention. Hence, such <u>ADP</u> outcomes must be consistent with, adhere to, and reflect the provisions and principles of the Convention. Accordingly, there cannot be a re-interpretation or a re-writing of the Convention, including a renegotiation of the ADP negotiations must not deviate from the Convention.

The phrase "applicable to all Parties" has to be read likewise in its ordinary meaning and context - i.e. "under the Convention" – such that the results of the ADP negotiations apply to all Parties in the same way that the Convention and COP decisions and related instruments developed under the Convention are <u>applicable to all Parties pursuant to the principles and provisions of the Convention</u>.

Clearly, therefore, by its very mandate, the work of the ADP is not aimed at having an agreed outcome whose substantive policy content or regime architecture would not be consistent with or fully reflective of the principles and provisions of the Convention. In short, the work of the ADP "under the Convention" is to reinforce and enhance action on the implementation of the Convention by coming up with agreed results that would further detail, elaborate, or operationalize existing principles and provisions of the Convention. It is not to negotiate a

¹ Decision 1/CP.17, para. 2.

new regime but rather to improve the implementation of the Convention. To interpret the ADP's mandate coming from Decision 1/CP.17 and 2/CP.18 is to read such mandate in a way that is neither consistent with the Convention nor with the standard rules of international law interpretation.

B. Specific Considerations

(a) Guided by the Principles of the Convention, in Particular Equity and Common but Differentiated Responsibilities

As Parties clearly acknowledged in the 7th preambular paragraph of Decision 2/CP.18: "the work of the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall be guided by the principles of the Convention." (emphasis added). The value of preambular clauses to any given text is that it provides additional colour, shading, and context to the interpretation and implementation of the operative parts of the text. As such, this particular preambular paragraph contained in Decision 2/CP.18 highlights the importance attached by all Parties to the application of the principles of the Convention as guiding the work of the ADP. In its ordinary meaning and context, "shall be guided by" means that the ADP is mandated, required, and obliged to refer to and use the principles of the Convention as its guide in shaping whatever the negotiated outcome may be. This mandatory command from the COP in the preamble of Decision 2/CP.18 in relation to the application of the principles of the Convention to the work of the ADP is therefore the context under which the ADP is to undertake its work and produce a negotiated agreed outcome. This furthermore means that in the development of the substantive content of the agreed outcome of the ADP's work, the ADP must be guided by such principles and provisions of the Convention and ensure that such agreed outcome therefore also reflects such principles and provisions of the Convention.

The principles of the Convention that are referred to in Decision 2/CP.18 are clearly indicated in the Convention under its Article 3 (Principles), which states that "In their actions to achieve the objective of the Convention and to implement its provisions, the Parties shall be guided, inter alia, by the following"²:

1. The Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof.³

2. The specific needs and special circumstances of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change, and of those Parties, especially developing country Parties, that would have to bear a disproportionate or abnormal burden under the Convention, should be given full consideration.⁴

3. The Parties should take precautionary measures to anticipate, prevent or minimize the causes of climate change and mitigate its adverse effects. Where there are threats of serious or irreversible damage, lack of full scientific

² Article 3, chapeau, UNFCCC

³ Article 3, paragraph 1, UNFCCC

⁴ Article 3, paragraph 2, UNFCCC

certainty should not be used as a reason for postponing such measures, taking into account that policies and measures to deal with climate change should be cost-effective so as to ensure global benefits at the lowest possible cost. To achieve this, such policies and measures should take into account different socio-economic contexts, be comprehensive, cover all relevant sources, sinks and reservoirs of greenhouse gases and adaptation, and comprise all economic sectors. Efforts to address climate change may be carried out cooperatively by interested Parties.⁵

4. The Parties have a right to, and should, promote sustainable development. Policies and measures to protect the climate system against human-induced change should be appropriate for the specific conditions of each Party and should be integrated with national development programmes, taking into account that economic development is essential for adopting measures to address climate change.⁶

5. The Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change. Measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.⁷

Of particular importance in guiding the work of the ADP would be the principles identified in Article 3, paragraph 1, of the Convention. That is, Parties are to "protect the climate system for the benefit of present and future generations of humankind, <u>on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities.</u> Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof." (emphasis added). These principles of equity and common but differentiated responsibilities (CBDR) are deeply embedded in the entire structure and architecture of the Convention and must, therefore, be also fully reflected in any outcome of the work of the ADP under the Convention.

These equity and CBDR principles were also underscored by the Heads of State of all United Nations member States in the Outcome Document of the 2012 UN Conference on Sustainable Development (Rio+20). Paragraph 191 thereof reads: "We recall that the UNFCCC provides that parties should protect the climate system for the benefit of present and future generations of humankind <u>on the basis of equity and in accordance with their common but differentiated responsibilities</u> and respective capabilities." (emphasis added). The same Outcome Document, in paragraph 15 thereof, also states: "We reaffirm all the principles of the Rio Declaration on Environment and Development, including, inter alia, <u>the principle of common but differentiated responsibilities</u>, as set out in principle 7 of the Rio Declaration."

It is also noteworthy that paragraph 1 of Decision 1/CP.16 states that "climate change is one of the greatest challenges of our time and that all Parties share a vision for long-term cooperative action in order to achieve the objective of the Convention under its Article 2,

⁵ Article 3, paragraph 3, UNFCCC

⁶ Article 3, paragraph 4, UNFCCC

⁷ Article 3, paragraph 5, UNFCCC

including through the achievement of a global goal, on the basis of equity and in accordance with common but differentiated responsibilities and respective capabilities." (emphasis added). Furthermore, paragraph 2 of Decision 1/CP.18 underscores that Parties' efforts to combat climate change "should be undertaken on the basis of equity and common but differentiated responsibilities and respective capabilities, and the provision of finance, technology transfer and capacity-building to developing countries in order to support their mitigation and adaptation actions under the Convention, and take into account the imperatives of equitable access to sustainable development, the survival of countries and protecting the integrity of Mother Earth⁸." (emphasis added).

The CBDR principle is a concrete treaty application of the scientific and environmental fact that the historical contributions of Parties to climate change - i.e. their historical responsibility – are differentiated – that is "the largest share of historical and current global emissions of greenhouse gases has originated in developed countries, that per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs."⁹ The implication of such historical responsibility with respect to emissions is clearly expressed in Article 3, paragraph 1, of the Convention and further reiterated in Decision 1/CP.16 (the Cancun outcome), which acknowledged that "the largest share of historical global emissions of greenhouse gases originated in developed countries and that, owing to this historical responsibility, developed country Parties must take the lead in combating climate change and the adverse effects thereof.¹⁰ (emphasis added).

These historical responsibility considerations continue to be as valid today as they were in 1992 when the Convention was adopted, because the underlying economic and emissions conditions among Parties have not substantially changed – e.g. developed countries continue, by and large, to be the largest per capita historical emitters of anthropogenic greenhouse gases, to have the largest share of global income in both aggregate and per capita terms, and to reap the benefits of the contribution of their historical emissions to their current development status and high standards of living; while developing countries continue, by and large, to be low emitters of anthropogenic greenhouse gases in aggregate and per capita terms and to have relatively low shares of global income, relatively low per capita income levels, and low levels of economic development.

The CBDR principle is reflected in the Convention's architecture under which Article 4, paragraph 1, reflects the common commitments of all Parties and Article 4, paragraphs 2, 3, 4, and 5, in particular, reflect the differentiated commitments applicable to developed country Parties¹¹ arising from their historical responsibility and their concomitant obligation to take the lead in combating climate change and its adverse effects. The relationship between these sets of common and differentiated commitments of Parties is expressed by Article 4, paragraph 7, of the Convention, as follows:

⁸ Paragraph 2, Decision 1/CP.18

 $^{^{9}}$ 6th preambular paragraph, UNFCCC. 10 2nd preambular paragraph of Section III.A (Nationally appropriate mitigation commitments or actions by developed country Parties), Decision 1/CP.16

¹¹ These differentiated commitments relate to taking the lead in modifying long-term trends in anthropogenic emissions by reducing greenhouse gas emissions (Article 4.2), to providing the means of implementation (finance and technology) to developing countries to assist them in implementing the Convention (Article 4.3, 4.5), to supporting developing countries meet the costs of adaptation (Article 4.4).

"The extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties."

Article 4, paragraph 7, of the Convention reproduced above is foundation of the entire architecture of the Convention. It represents the application of the fundamental principle of equity that is the basis of the Convention and is the basis under which Parties implement their commitments under the Convention. This must guide the work of the ADP because it reflects the principles of equity and CBDR that comes from the explicit recognition under the Convention and subsequent COP decisions of the historical responsibility of developed countries and the fundamental imperatives of social and economic development and poverty eradication that need to be addressed as part of the climate change multilateral policy regime.

Furthermore, the other principles expressed by Article 3 of the Convention must also guide the work of the ADP in an integrated, coherent, and mutually supportive manner. For example, Article 3, paragraph 2, of the Convention is important in guiding the ADP to ensure that "The specific needs and special circumstances of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change, and of those Parties, especially developing country Parties, that would have to bear a disproportionate or abnormal burden under the Convention, should be given full consideration." The appropriate contextual application of the precautionary principle stated in Article 3, paragraph 3, of the Convention is also important as a guide to the work of the ADP. Article 4, paragraph 4, of the Convention must also be reflected in the work of the ADP by ensuring that Parties' (particularly developing countries) right to sustainable development would be supported and enabled by providing for equitable access to sustainable development (EASD)¹². Finally, the avoidance of unilateral measures that constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade and adversely affect the economic development interests of developing countries is a key principle under Article 3, paragraph 5, of the Convention to safeguard multilateralism – hence this principle must also guide the work of the ADP.

Another important principle of the Convention is that of comprehensiveness. Actions taken need to be balanced across mitigation and adaptation. The Convention emphasizes that: "policies and measures to deal with climate change should be cost-effective so as to ensure global benefits at the lowest possible cost. To achieve this, such policies and measures should take into account different socio-economic contexts, be comprehensive, cover all relevant sources, sinks and reservoirs of greenhouse"¹³ and adaptation.

To briefly summarize, the application of the principles of the Convention under its Article 3 in guiding the work of the ADP requires that the ADP use equity as the basis for its work, and that the ADP must ensure that the principle of common but differentiated responsibilities as reflected and articulated under the Convention is fully reflected as well in the outcome of the

¹² Equitable access to sustainable development (EASD) has been recognized by Parties as a policy imperative that must be addressed under the Convention. See paragraph 6, Decision 1/CP.16; paragraph 2, Decision 2/CP.17; paragraph 2, Decision 1/CP.18

¹³ Article 3, paragraph 4, UNFCCC.

ADP's work. The other principles expressed in Article 3 of the Convention must also guide the work of the ADP in an integrated, coherence, and mutually supportive manner, together with the application of equity as the basis of the work of the ADP and the principle of CBDR.

(b) Building on the Outcome of the Bali Roadmap and Its Implementation;

The Convention and the Kyoto Protocol have not been fully implemented and therefore, any lessons learned on where the gaps of implementation are and how they could be addressed should form the framework for the work of the ADP. The urgent task of implementation of the decisions already taken under the Convention, including in particular those relating to the operationalization of the mechanisms set up to assist the actions of developing countries must remain a key priority and receive equal emphasis in the work of the Parties going forward under the ADP.

A key aspect of focusing on implementation as part of the work of the ADP is the review of the adequacy of commitments of developed countries under Article 4, paragraph 2(d) of the Convention. This has been a long-standing COP agenda item, and should be taken forward and be made part of the ADP work plan. Consideration must be given on how to integrate this into the ADP, considering also that such review would be covered as part of the scope of the work under the 2013-2015 review.¹⁴

The work of the ADP in relation to the crafting of arrangements for the enhanced implementation of the Convention both before and after 2020 must not therefore be undertaken in isolation. Rather, this must be in the context and on the basis of the on-going work of various Convention bodies of enhancing the implementation of the Convention. This includes, in particular, the immediate ratification by developed country Parties to the Kyoto Protocol of the amendment relating to a second commitment period under the Kyoto Protocol; increasing their commitment to reduce their greenhouse gas emissions to levels that reflect their full historical responsibility for global warming arising from such emissions; and the immediate operationalization of the mechanisms and institutions, in particular the Green Climate Fund, that have been agreed to at the various climate conferences at Cancun in 2010, Durban in 2011, and Doha in 2012, for the provision of financing and technology to developing countries to support the latter in enhancing their implementation of the Convention.

Because the ADP's objective is to enhance action under the Convention, any agreed outcome of the ADP process must be premised on and enable enhanced action of the principles and provisions of the Convention. Doing so will therefore require that current gaps in the implementation of such principles and provisions must be addressed in the agreed outcome.

This would mean, for example, that the ADP must request and benefit from inputs regarding the level and extent of implementation of the existing principles, provisions, and COP decisions under the Convention coming from the various subsidiary bodies, expert groups, and other bodies set up under the Convention (including the bodies under the Kyoto Protocol as well as the Green Climate Fund). These inputs will be essential for the ADP to be able to craft an agreed outcome that can address Convention implementation gaps.

¹⁴ See paragraph 79(b), Decision 1/CP.18

The ADP can also benefit from other multilateral processes that may be outside of the Convention for so long as such processes, and any inputs therefrom to the ADP, are consistent with the principles and provisions of the Convention.

The Kyoto Protocol's "system" which is a top-down science and rules-based mitigation regime for enabling ambitious emission reductions <u>in developed countries</u> must continue. This would ensure consistency with developed countries' differentiated commitment under the Convention (Article 4, paragraph 2) to take the lead in modifying long-term trends in anthropogenic emissions through ambitious levels of emission reduction targets that would be consistent with what has been recommended by science. For developed country Parties who are not Parties to the Kyoto Protocol, or have decided not to accept 2nd commitment period emission reduction targets under the Kyoto Protocol, a similar mitigation regime (with a compliance mechanism) to ensure comparability of efforts among developed countries consistent with paragraph 1(b)(i) of Decision 1/CP.13 (the Bali Action Plan) is vital. For developing countries, paragraph 1(b)(ii) of Decision 1/CP.13 continues to be relevant and useful, where developing countries, according to their capacities, undertake nationally appropriate mitigation actions, which are enabled and supported by technology, financing and capacity-building provided by developed countries in accordance with their commitments under Article 4, paragraphs 3, 4, 5, 7, and 8 of the Convention.

Another important lesson to take stock of is the current collapse of the carbon markets. In this light, the effectiveness, viability and environmental integrity of market mechanisms for mitigation need to be reviewed and considered with caution, especially proposals for their expansion. The role of non-market mechanisms and approaches, including in relation to forests management takes on additional significance and need to be considered and advanced to enhance global mitigation action.

(c) Scope of Work

Paragraph 5 of Decision 1/CP17 sets out clearly the scope of the work of the ADP, as follows: "Also decides that the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall plan its work in the first half of 2012, including, inter alia, on mitigation, adaptation, finance, technology development and transfer, transparency of action, and support and capacity-building, drawing upon submissions from Parties and relevant technical, social and economic information and expertise;"

Clearly, from the plan of work set out in the above, the scope must include the following elements: mitigation, adaptation, forest activities, finance, technology development and transfer, loss and damage, transparency of action, and support and capacity-building. It also must build on the achievements under the Bali Action Plan and the Kyoto Protocol in enhancing the implementation of the Convention. In this context, the work of the ADP should build on and be informed by the work of the subsidiary bodies and other relevant bodies¹⁵ of the Convention and its Kyoto Protocol, without duplicating the work or renegotiating the outcomes of these bodies.

The ADP must have a full and comprehensive discussion, as part of its work, on the application and operationalization of the principle of equity. Other issues of great importance

¹⁵ Such as the Technology Executive Committee, the Standing Committee on Finance, the Green Climate Fund, the Adaptation Fund, etc.

to developing countries, such as ensuring the reflection of the principle of common but differentiated responsibility; the full operationalization of the provision of the means of implementation to developing countries from developed countries, such as finance and technology transfer, and their measurement, reporting, and verification; adaptation; the use of non-market approaches to the reduction of emissions such as those related to forest activities; establishment of a loss and damage mechanism; addressing the economic and social consequences of response measures; and addressing the issue of vulnerability to climate change, must also all be addressed as part of the work of the ADP.

The outcome must reinforce a fair, multilateral and rules-based regime under the Convention that brings into effect the right to equitable access to sustainable development, sharing of atmospheric space and resources taking into account cumulative historical responsibility. The outcome must contribute towards fulfilling the objective of the Convention under its Article 2, including through increasing the emissions reduction ambition of Annex I Parties.

Each element of the agreed outcome must be based on, specifically linked to, and be consistent with a specific provision of the Convention, or with previous COP decisions that relate to the implementation of a specific provision of the Convention.

The form of the agreed outcome will follow the substance and content of the structure and scope of the agreed outcome and is premature for discussion at this stage. Discussions should be phased in at an appropriate time, when the negotiations on substantive issues evolve and mature.

In any event, the form of agreed outcome must fully reflect and be consistent with the principles and provisions of the Convention, in particular equity and CBDR. The ADP has no mandate to design any agreed outcome that departs from or is inconsistent with the principles and provisions of the Convention.

(d) Continuing the Convention Structure Reflecting CBDR

The outcome of the ADP shall be fully in accordance with the principles of the Convention, especially that of equity and CBDR and also must be consistent with the provisions contained in Article 4 of the Convention and build on the outcomes of the Bali Action Plan, the work of the AWG-LCA and the AWG-KP under the Kyoto Protocol.

There must be recognition of the differentiation of the nature and level of obligations of developed and developing countries in accordance with the principles of equity and CBDR and with relevant provisions of the Convention.

In implementing the principles of equity and CBDR, developed countries must take the lead in meeting their mitigation commitments under the Convention. Consequently, there is need for a system that includes for Annex I developed country Parties clear metrics and models for accounting rules, comparability of efforts, a high level of ambition and a system of control, clear institutions and commitments to quantified emission reduction targets. This must build on the work done following the Doha decisions under the KP and AWGLCA. For example, in the context of CBDR and equity, the mitigation regime needs to ensure equitable access to atmospheric space and sustainable development for developing countries. In particular, any post-2020 mitigation regime that may be developed by the ADP pursuant to Article 4.1(a) and (b) and 4.2 of the Convention must be on the basis of equity and CBDR. This would therefore mean that such regime must be premised on and jump off from:

- the immediate ratification by Annex I Parties to the Kyoto Protocol of the amendment to the Kyoto Protocol relating to the 2nd commitment period and the increase of their mitigation targets under the Kyoto Protocol by 2014;
- the increase of mitigation ambition by Annex I Parties who are not under the Kyoto Protocol or who have decided not to take on targets under the Protocol's 2nd commitment period, in a manner and at levels that are comparable to those undertaken by Annex I Parties to the Kyoto Protocol with targets under the 2nd commitment period, including increasing such mitigation ambition by 2014 guided by Article 3.3 of the Convention; and
- the full operationalization of the mechanisms for the provision of support (finance, technology transfer, and capacity building) to developing countries, including particularly the actual delivery of such support to developing countries in measurable, reportable, and verifiable ways.

Article 4.7 of the Convention (on the means of implementation) should be fully followed in any new process to be undertaken, based on Article 3.1. For developing countries, the provision of finance, technology transfer and capacity-building are key components for supporting their ability to undertake enhanced action to implement the Convention and thereby contribute towards meeting its objective under Article 2.

Further, to encourage broader participation, there has to an assurance on how the principles of the Convention are applied and that a compliance regime would be developed. There must not only be an assurance that the social and economic and developmental imperative will be respected, but the considerations for equitable access to technology and finance are also smooth and facilitative. The agreed outcome of the ADP's work must ensure that multilateral rules are fully respected and that threat or use of unilateral actions, particularly against developing countries, are permanently removed.

A big incentive for broader participation will be how comprehensively the new arrangement embraces all aspects of climate change including mitigation, adaptation, finance and technology transfer and how effectively developed countries take the lead in accordance with their commitments under the Convention.