

# **New International Legal Mechanisms and Instruments to Address Climate Change**

International Climate Change and  
Energy Law

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# GHG emission reductions

## Top down

UNFCCC

- Ultimate objective (Art.2), no quantifiable targets, principles art. 3
- All parties: Art 4.1.:
  - national inventories
  - national and regional programmes to mitigate cc
  - promote Sustainable Development
  - promote conservation of sinks, adaptation, education etc.
- Annex I: Art. 4.2.(a)
  - develop national policies and measures on the mitigation of cc
  - Taking the lead ! (Art. 4.7)
  - reporting requirements (Art. 4.2.(b))
- Annex II:
  - provide financial resources to developing countries (Art.4.3)
  - assist developing countries in meeting adaptation costs (Art. 4.4)
  - technology transfer (Art. 4.5)
  - allow degree of flexibility (Art 4.6 )

# GHG emission reductions

## Top down

### Kyoto Protocol

- Entered into force 16.02.2005,  
Members: 189 countries + EU
- Sets quantified emissions limitation and reduction obligations (QELRC) for **Annex-I Parties**
- Art. 3.1: overall emissions from Annex I Parties shall be reduced to at least 5% below 1990 levels within 2008-2012 (First Commitment Period)
- Annex I Parties shall not exceed their Assigned Amounts (AA) (Annex A)
- Flexibility mechanism

# GHG emission reductions

Top down

Kyoto Protocol

<u>Country</u>	<u>Target (1990- 2008/2012)</u>
<b>EU-15, Bulgaria, Czech Republic, Estonia, Latvia, Liechtenstein, Lithuania, Monaco, Romania, Slovakia, Slovenia, Switzerland</b>	<b>-8%</b>
<b>US</b>	<b>-7%</b>
<b>Canada, Hungary, Japan, Poland</b>	<b>-6%</b>
<b>Croatia</b>	<b>-5%</b>
<b>New Zealand, Russian Federation, Ukraine</b>	<b>0</b>
<b>Norway</b>	<b>+1%</b>
<b>Australia</b>	<b>+8%</b>
<b>Iceland</b>	<b>+10%</b>

# Flexibility Mechanisms

- Geographic location of abatement measures is climatically irrelevant
- Aim: global cost-effectiveness and reduction of compliance costs
- Assigned amounts can be divided up into *units* (Assigned Amount Units – AAUs) allowing Annex I Parties (38 + EU) to participate in the flexibility mechanisms
- Units create a tradable currency (1 unit= 1 t CO<sub>2</sub> eqv.)



# Flexibility Mechanisms

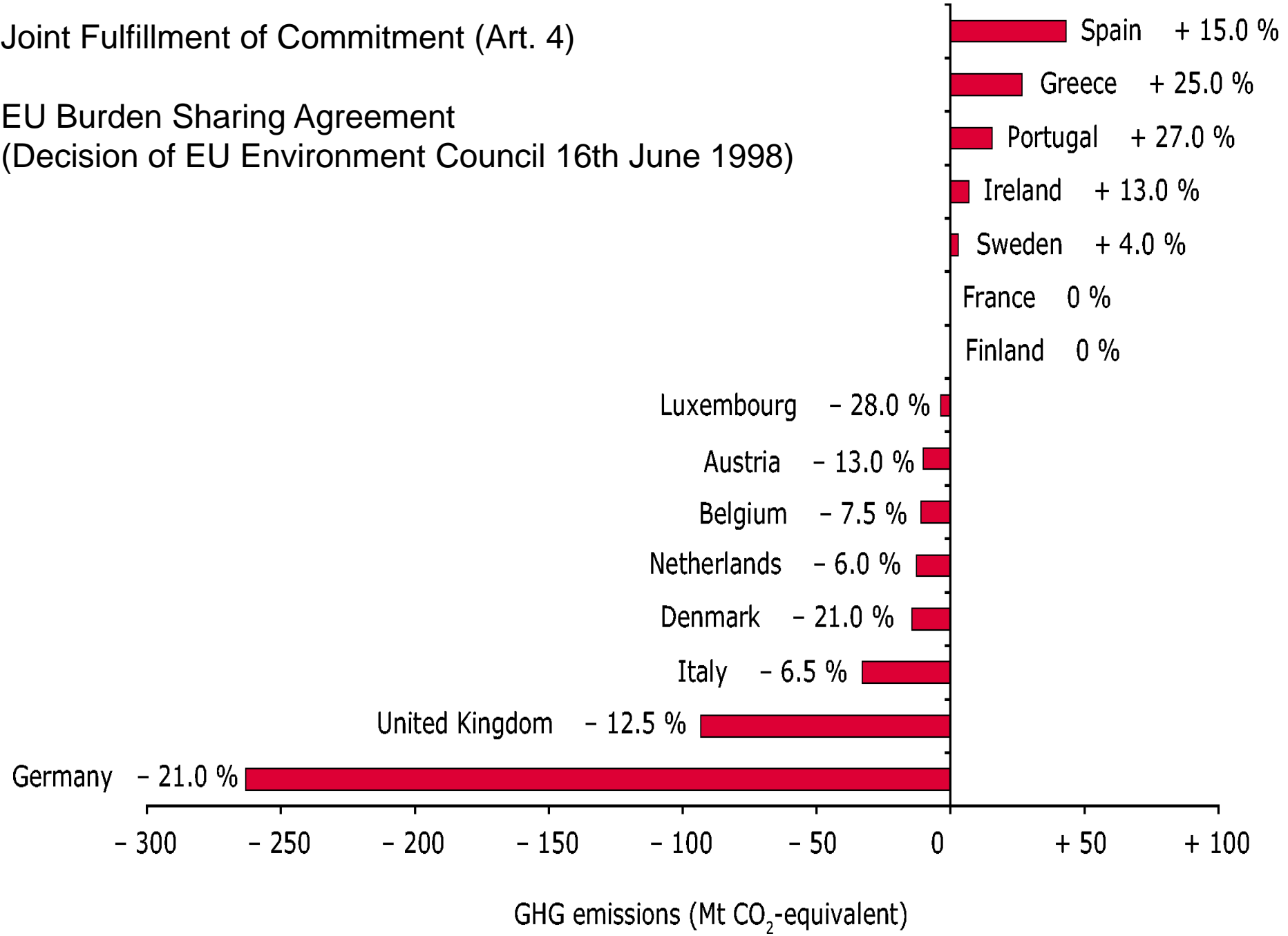
## 4 Types of Mechanisms:

- **Clean Development Mechanism (CDM)** Art. 12
  - Resulting in Certified Emissions Reductions – CERs
  - Non-Annex I/ Annex I Projects
- **Joint Implementation** (Art. 6)
  - Resulting in Emission Reduction Units – ERUs
  - Annex I /Annex I Projects
- **International Emissions Trading**, Art. 17 (allows for trade with AAUs, ERUs, CERs)
- **Joint Fulfillment of Commitment** (Art. 4)



# Joint Fulfillment of Commitment (Art. 4)

## EU Burden Sharing Agreement (Decision of EU Environment Council 16th June 1998)



# Flexibility Mechanisms

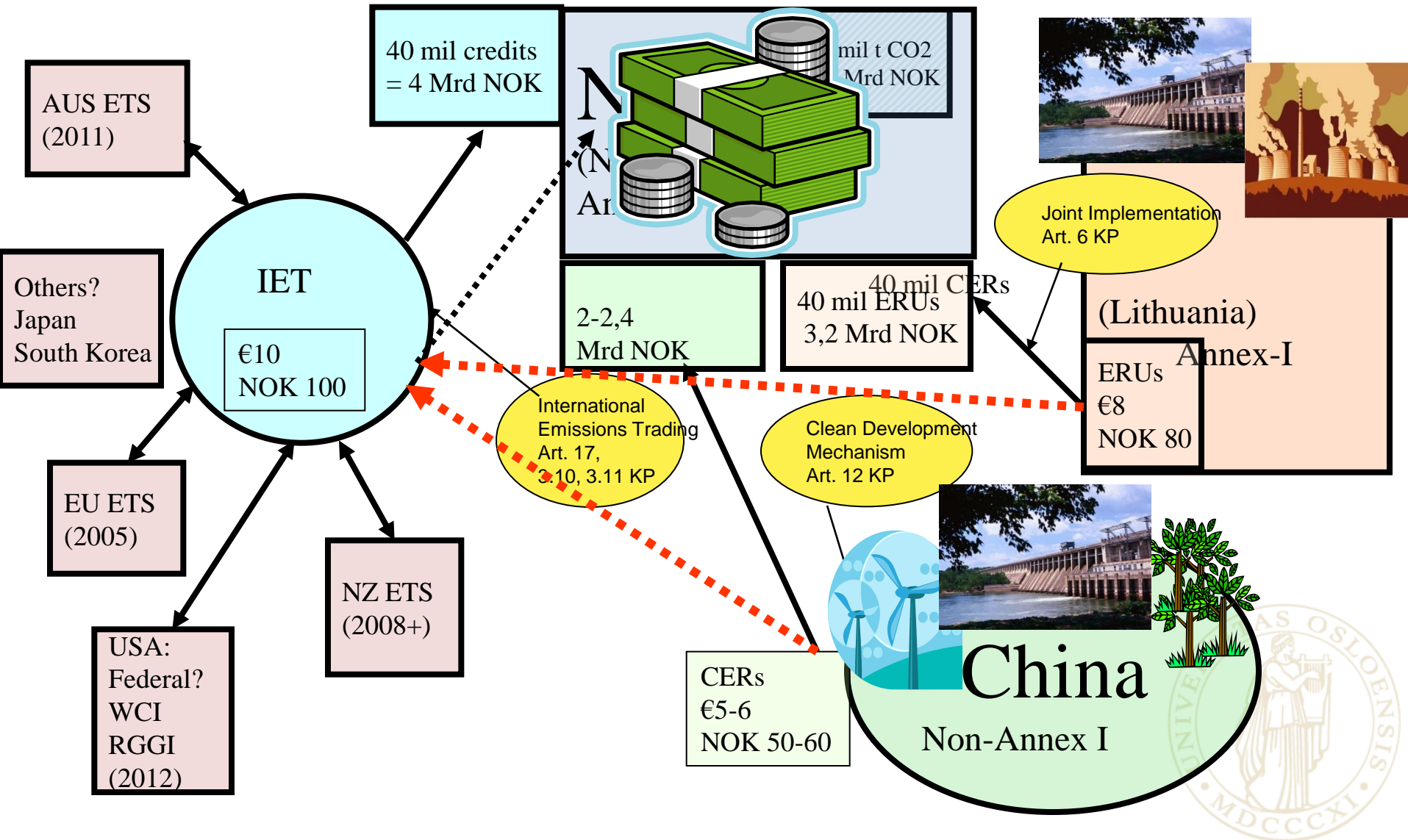
## Eligibility Requirements:

- Annex I Party
- Ratification of KP
- Compliance
- Methodological and reporting infrastructure in place
- Establishment of designated national entities and registries
- Inventories for accounting the tradable units





# The Global Carbon Market



# Copenhagen COP15/CMP5



# Copenhagen Accord

- 2 degree celsius target
- Deadline for submitting reduction targets (developed countries) and actions (developing countries)
- MRV
- Finance (fast-start and long-term)
- Copenhagen Green Climate Fund
- Technology mechanism
- Redd+ mechanism
- Adaptation
- Carbon market

But: CA was not adopted as a COP decision

# GHG emission reductions

Top down

(UNFCCC/KP)

Bottom up

(Copenhagen Accord/Cancun Agreements)

- Shared Vision: 2 degrees centigrade (review in 2013)
- Pledge and review: [tables with targets](#) (developed countries) [and actions](#) (developing countries)
- MRV: developed countries (international incl MRV of finance) for developing countries (national MRV, except for supported NAMAs – international MRV)
- REDD+ mechanism
- Establishment of Green Climate Fund

# GHG emission reductions

Top down

(UNFCCC/KP)

Bottom up

(Copenhagen Accord/Cancun Agreements)

- Creation of new Climate Adaptation Framework and an Adaptation Committee
- Technology mechanism (consist of Technology Executive Committee and the Climate technology Center and Network (CTCN))
- Legal form? "legal options with the aim to complete the agreed outcome" (legally binding agreement to complement the KP, include legally binding agreement for all countries, or cooperation through COP decisions rather than a new treaty or...?)

# Cancun COP 16/CMP6



...and the redefinition of "consensus"