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The Paris Agreement – an important step in facing climate change challenges

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Introduction

At the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 21), which was held in Paris, France, in December 2015, 195 countries reached an historic agreement to combat climate change, and to accelerate and intensify the actions and investments needed for a sustainable, low carbon future.

The central aim of the Paris Agreement is to strengthen the global response to the threat of climate change, by keeping the global temperature rise in this century to below 2°C above pre-industrial levels, and to pursue efforts to limit the temperature increase even further, to 1.5°C. Additionally, the agreement aims to strengthen the ability of countries to deal with the impacts caused by global warming. To reach these ambitious goals, it was agreed that appropriate financial flows,

new technology and an enhanced capacity building framework should be put in place, to support the most vulnerable countries.

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Four months later, on 22 April 2016 at the high-level signature ceremony convened by the Secretary General at the United Nations headquarters in New York, the Paris Agreement was opened for signature. It will remain open for one year. Altogether, 174 countries, plus the European Union (EU), have signed the Agreement. The ceremony had a

strong symbolic function, but it only represented the first step. One more separate act is required by the countries, the deposit of an instrument of ratification. Fifteen countries had already deposited their instruments of ratification at the signature ceremony in New York, accounting for 0.03% of total global greenhouse gas emissions in the world. For the Agreement to enter into force, at least 55 countries, accounting in total for at least 55% of total global greenhouse gas emissions, have to deposit their instruments of ratification. Thirty days after that threshold is reached, the Paris Agreement will enter into force. The Agreement must be ratified by at least one or two major world polluters, such as the United States, China, the EU, Russia, or India.

This brief gives an overview of the accords to fight climate change, at the global level, over the last 24 years, focusing on climate change agreements negotiated and signed so far; the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol, and the Paris Agreement. It also focuses on Croatia's commitments within these global agreements, and the positions of, and pledges given, by major world polluters in facing climate change challenges in the years to come.

Historical background

Global climate change combat started with the adoption of the UNFCCC at the Rio Earth Summit in 1992. Since 1994, when the Convention entered into force, 197 member states have deposited their instruments of ratification, so today the Convention has near

universal membership. The overall aim was to prevent dangerous human interference with the climate system, with a specific goal of stabilising greenhouse gas concentrations, at a level that would prevent dangerous anthropogenic (human induced) interference with the climate system. The Convention determined that 'such a level should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened, and to enable economic development to proceed in a sustainable manner.'

The Convention also committed so called Annex I countries, i.e., the members of the Organization for Economic Cooperation and Development (OECD) plus countries from Central and Eastern Europe with 'economies in transition', to lead the way, since they were seen as the source of most past and current greenhouse gas emissions. Their obligation was to reduce their emissions by the year 2000 compared to 1990 levels, and many of them have taken significant action to do so. Croatia was one of the Annex I countries with 'economies in transition', together with Belarus, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Russian Federation, Slovakia, Slovenia, and the Ukraine. Annex II countries (OECD members of Annex I, without countries with 'economies in transition') additionally agreed to support climate change activities in developing countries by providing financial support for actions on climate change, as well as sharing their technology with less advanced nations. The Convention recognised developing countries, so called Non-Annex I countries, as being especially vulnerable to

the adverse impacts of climate change. They include those with low-lying coastal areas and those prone to desertification and drought, as well as those that rely heavily on income from fossil fuel production and commerce, leaving them more vulnerable to the potential economic impacts of climate change response measures. Since this planned financial support was above and beyond any financial assistance already provided to these countries, a system of grants and loans has been set up, establishing a new institution, the Global Environment Facility.

As the Convention itself only encouraged countries to act, and did not compel them to do so, another agreement was adopted in 1997 in Japan, which operationalised the Convention; the Kyoto Protocol. Due to a complex ratification process, it entered into force in 2005, and set binding emission reduction targets for 37 industrialised countries and the EU in its first five-year commitment period, 2008 to 2012. These targets add up to an average of 5% emissions reduction compared to 1990 levels. The EU accepted the highest reduction target among the major industrialised countries (a reduction of 8%), but the reduction emission targets were negotiated individually. Countries that were member states of the EU before 2004 agreed that they would collectively reduce their greenhouse gas emissions by 8% between 2008 and 2012, and the ones that joined the EU after that date, such as Bulgaria, Romania and Slovenia, had individual reduction targets of 8% each.

Croatia signed the Kyoto Protocol in 1999, and ratified it eight years later in 2007, due to

ongoing negotiations over the base year. After the decision of the Conference of Parties (COP 12) in Nairobi in November 2006 to allow Croatia 3,500 Gg CO₂ emissions to the 1990 base year, the Kyoto Protocol was ratified in the Croatian Parliament. Its obligation was to reduce greenhouse gas emissions by 5% in the first commitment period of 2008 to 2012.

Looking at Croatia's greenhouse gas emissions, it can be noted that, after an initial sharp decline in both gross domestic product (GDP) and greenhouse gas emissions (in the period 1990 to 1995), which was mainly the consequence of the war in Croatia and the decline in industrial production, the emission trends followed the pattern of GDP development. GDP and emissions projections before the economic crisis indicated that Croatia would not be able to meet its commitments without flexible mechanisms.

Kyoto Protocol countries were expected to meet their targets mainly through domestic policies and measures. They were allowed to meet part of their emission reduction targets through 'market-based mechanisms'. They could invest in emission-reducing projects in developing countries via the Clean Developing Mechanism, or in developed countries via Joint Implementation. It was a recognition that it does not matter where emissions are reduced, as long as they are removed from the planet's atmosphere. This stimulated the formation of a carbon market, based on the trade of emissions permits. Greenhouse gas emissions, most prevalently carbon dioxide, became a new commodity. It stimulated green investments in developing countries and encouraged the private sector to cut greenhouse gas emissions

and hold them steady at a safe level. It also prompted governments to put in place legislation and policies to meet their commitments.

Croatia submitted its initial report on reducing greenhouse gas emissions in 2008. The report included the assigned amount for the period 2008 to 2012, and was questioned by the compliance committee, which declared Croatia as non-compliant. As a consequence, the country could not participate in the flexible mechanisms and was required to submit a plan to address its non-compliance within three months. Instead of providing this plan, Croatia submitted an appeal against the final decision of the enforcement branch, but withdrew it in 2011.

In the period after 2008, the recession and the related economic downturn, and to some extent the implementation of emission reduction measures, resulted in a significant reduction in greenhouse gas emissions in Croatia. Thus, according to the available data from 2012, the country seems to be on the track in meeting the Kyoto target.

The biggest problem with the Kyoto Protocol was the fact that the most significant polluters, such as China and the United States, never signed the original agreement, while Canada, New Zealand, Japan, and Russia withdrew from it. To avoid a collapse of 20 years' worth of effort by the United Nations to reduce greenhouse gas emissions, an agreement was reached that a second commitment period, starting in 2013 and lasting until 2020, would be launched. The Doha Amendment to the Kyoto Protocol was adopted in December 2012, but it became evident that the countries which have committed to participate in the second

commitment period emit only 15% of greenhouse gases, and that is not enough to stop climate change.

The importance of the Paris Agreement

Scientists have been warning the public for years that if greenhouse gas emissions continue to rise, the world will pass the threshold beyond which global warming will become catastrophic and irreversible. Some of these warnings have been heard: in 2007 an Intergovernmental Panel on Climate Change was awarded the Nobel Peace Prize, jointly with Albert Arnold Gore Jr, 'for their efforts to build up and disseminate greater knowledge about man-made climate change, and to lay the foundations for the measures that are needed to counteract such change'. The irreversible threshold was estimated as a temperature rise of 2°C above pre-industrial levels and, according to information from an American scientific agency, the National Oceanic and Atmospheric Administration, world temperature is rising. April 2016 was 1.10°C above the twentieth century average for global land and ocean surfaces and had the highest temperature for April since global records began in 1880. If we add that 2015 was the warmest year since measurements began, it becomes evident that there is no more time to waste.

Senior politicians and their government delegations met again, this time in Paris, to discuss a possible new agreement on climate change that would cover the period beyond 2020. The opening of COP 21 involved 150 heads of state, including the President of the United States, China, India and the EU member states, i.e., the countries responsible for the

highest levels of greenhouse gas emissions. After the politicians departed, negotiating teams remained to seek a common position, in often dramatic and exhausting negotiations. They succeeded, and a global agreement to combat climate change was reached.

This time, the key climate change players agreed at the highest political level to help global efforts to limit climate change...

If the Paris Agreement had brought hope, then the high-level signature ceremony in New York, on 22 April 2016 brought the beginning of a real initiative. Sixty heads of state, including Croatian President Kolinda Grabar-Kitarović, signed the Paris Agreement in New York and, by the end of the day, there were 171 signatures in total. Never in history have so many countries signed an international agreement in just one day. The two largest polluters in the world, the United States and China, also stated that they would be signing the agreement on climate change by the end of the year. This time, the key climate change players agreed at the highest political level to help global efforts to limit climate change and 'save the world'.

China has pledged to have its emissions of carbon dioxide reach a plateau or decline 'around 2030'. By that year, 20% of their energy should come from nonfossil fuel sources. It also announced that it will 'strictly control public investment flowing into projects with high pollution and carbon emissions both domestically and internationally', and that it

will set up a national market for greenhouse gas quotas by 2017.

The United States pledged that it will cut greenhouse gas pollution by between 26% and 28% from 2005 levels by 2025. However, its ability to meet that goal was thrown into question in February, when the Supreme Court unexpectedly put a hold on implementing major environmental regulation aimed at curbing greenhouse gas emissions from coal-fired power plants. The next presidential elections also present a question mark for the United States' Paris commitment, since the leading Republican candidates question the established science of human-caused climate change and have forcefully criticised the Paris Agreement. On the other hand, the Democratic candidates support President Obama's climate change policies, which include greater use of renewable energy sources, such as wind and solar.

The EU has announced, in addition to its target of cutting greenhouse gas emissions by 20% by 2020, an even more ambitious goal of cutting down by 40% by 2030, compared to 1990 levels. It also declared at least a 27% share of renewable energy consumption by 2030.

India has pledged to increase solar power generation to 100 gigawatts by 2022, up from about three gigawatts generated in the last year. The country announced that it would double its tax on coal and, since the Paris Agreement, the government has toughened emissions standards for existing and new coal-based power plants. It also committed to increase its forest cover.

Russia has yet to make any binding pledges to reduce greenhouse gas emissions. A preliminary plan, announced by Russia's

president, Vladimir Putin, during the Paris conference, implies lowering emissions to 70% of the baseline set in 1990. While many countries pledge to reduce their greenhouse gas emissions using 2005 as a baseline year Russia pledges cuts from 1990, a baseline year in the Kyoto Protocol. Since 1990 was the year when the country's emissions saw a steep spike, ahead of a plunge in industrial activity, this plan seems to be 'very close to business as usual.'

The Brazilian president, at the time Dilma Rousseff, committed to an ambitious plan of reducing the country's emissions by 43% from 2005 levels by 2030. This would make Brazil the only major developing economy to commit to absolute emissions reductions. However, the President's recent impeachment could throw the Brazilian plan into question.

Indonesia pledged to cut its emissions by 29% from a business-as-usual scenario by 2030 or by 41% if it receives substantial assistance from the developed world. In its initial Paris pledge, Indonesia laid out a plan to make those cuts by producing 23% of its energy from renewable sources by 2025. It also announced to extend through to 2017 a short-term moratorium on

issuing new deforestation licenses to palm oil producers, which is significant, since Indonesia is one of the world's largest greenhouse gas polluters due to mass deforestation.

Crucial issues will be related to finance and technology transfer...

Whether these key players in climate change, together with the rest of the countries that signed the Paris Agreement, will make good on their pledges to slow greenhouse gas emissions will depend in large part on their actions in the years ahead. Crucial issues will be related to finance and technology transfer, as well as the way these issues will be carried out in the political arena. The solidarity and responsibility shown by the countries that reached a climate deal has already demonstrated the will to follow the right path, but their further actions will determine the direction in which this global fight against climate change will go. For now the Paris Agreement remains an historic first step and the rest remains to be seen in the years to come.

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