Fact sheet: STEPPING UP INTERNATIONAL ACTION ON CLIMATE CHANGE
The Road to Copenhagen

Introduction

Climate change is today widely recognized as one of mankind's greatest challenges in the 21st century. If left unchecked, climate change can seriously harm economies, societies and eco-systems all around the world, especially in developing countries. Climate change is not restricted to national boundaries. Fighting it therefore only makes sense through concerted action on the international level. To this end the international community adopted the United Nations Framework Convention on Climate Change (UNFCC) at the historical Earth Summit in 1992 in Rio de Janeiro.

In December 1997 agreement was reached to add the Kyoto Protocol to the Convention. The Kyoto Protocol includes binding emission reduction targets for developed countries for the period 2008-2012.

The year 2007 brought again new momentum. In spring the Intergovernmental Panel of Climate Change (IPCC), the leading body to review climate change science, published its Fourth Assessment Report. The report gave a clear signal that climate change is happening and accelerating, that much of it is caused by the continued and increasing emissions of greenhouse gases from human activities and that it can have severe impacts.

The IPPC report injected a new sense of urgency into the UN climate change negotiations. At the Climate Change Conference in Bali in December all Parties to the UNFCCC -both developed and developing countries- agreed to step up their efforts to combat climate change and to this end adopted a number of decisions, which together made up the Bali Road Map. They agreed to advance ongoing work on key issues including technology, adaptation and reducing emissions from deforestation. Furthermore, Parties decided to launch formal negotiations on a deal on long-term cooperative action. These negotiations are set to be concluded by the end of 2009 at the Climate Change Conference in Copenhagen. The aim is that the Copenhagen deal would enter into force no later than by the end of 2012 when the first commitment period of the Kyoto Protocol expires.

This fact sheet consists of two parts. The first part provides an overview of the mechanics of the UN climate change negotiations and explains what the negotiating process leading up to Copenhagen looks like. The second part zooms in on the main issues in these negotiations; curbing emissions of green house gases (mitigation), dealing with the impacts of climate change (adaptation), finance and technology.

I. UN Climate Change negotiations

Regular meetings

Negotiations on the Convention and its Kyoto Protocol take place at a number of occasions throughout the year and culminate at the end of each year in the "UN Climate Change Conference". These yearly Climate Change Conferences have over the years grown in size and are attended by thousands of participants, including government representatives, participants from business and industry, environmental organizations and the media. The next Climate Change Conference will take place from 1-12 December in Poznan, Poland.

It is at the UN Climate Change Conference where the so-called Conference of Parties (COP) meet. This is the supreme body and highest decision-making authority of the Convention and includes all 192 countries that have signed and ratified the UNFCCC.

The supreme body of the Kyoto Protocol also meets at the Climate Change Conference every year. This body is referred to as the CMP (Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol) and is the association of those Parties to the Convention that have also signed and ratified the Kyoto Protocol.

To prepare for the major decisions made at the UN Climate Change Conferences, smaller UNFCCC meetings called "UN Climate Change Talks" are held. Under the Convention two permanent subsidiary bodies exist: the "Subsidiary Body for Scientific and Technological Advice" (SBSTA) and the "Subsidiary Body for Implementation" (SBI). These bodies meet twice a year (in June and December) and give advice to the COP. Each has a specific mandate. As its name suggests, the SBSTA's task is to provide the COP with advice on scientific, technological and methodological matters. The SBI gives advice on all matters concerning the implementation of the Convention.

Extra meetings

With the decision in Bali to launch formal negotiations on a new climate change deal, extra meetings are scheduled in the run up to Copenhagen. Between now and the clinching of the Copenhagen deal, a total of seven UNFCCC meetings will take place.

At each of the extra meetings, there are two working groups gathering which are of particular interest in the negotiations on a Copenhagen deal. They are the "Ad-hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA)" and the "Ad-hoc Working Group on further commitments for Annex I Parties under the Kyoto Protocol (AWG-KP)."

The "Ad-hoc Working Group on Long-term Cooperative Action under the Convention" (AWG-LCA) is established exclusively to conduct negotiations on a Copenhagen deal. The group was established at the Climate Change Conference in Bali and assembles all192 Parties to the UN Climate Change Convention. The group met for the first time at the Bangkok Climate Change

Talks last April where it adopted its work programme for 2008 (see Annex I). In 2008 it will meet three more times: at the Bonn Climate Change Talks (2 -12 June), in Accra (21-27 August) and in Poznan (1-12 December). In 2009 at least four other meetings will take place. The group decided to address at each of these the following five building blocks of a deal on stronger international action on climate change: a shared vision (including a long-term global goal for emission reductions) and enhanced action in the areas of mitigation, adaptation, technology and finance. In addition, each session will pay attention to specific subjects under these elements. For example, during the Bonn session there will be workshops on adaptation, technology and finance. In Accra, there are workshops planned on reducing emissions from deforestation and sectoral action.

The other group that is of particular interest to get to an agreed outcome in Copenhagen, is the working group under the Kyoto Protocol. Parties to the Kyoto Protocol initiated a process in 2005 in Montreal to consider further commitments of industrialised countries under the Kyoto Protocol for the period beyond 2012. The negotiations on further commitments of developed countries are also set to conclude in 2009.

II. Main issues on the road to Copenhagen

Mitigation

In accordance with the UNFCCC, all Parties are required to undertake efforts to stabilize greenhouse gas concentrations in the atmosphere at a level that will prevent dangerous human interference with the climate system. According to the principle of 'common but differentiated responsibilities and capabilities', the commitments for developed countries are different than those for developing countries.

To avoid the most dramatic impacts of climate change, the Intergovernmental Panel on Climate Change (IPCC) has indicated in its most ambitious scenario that the increase of worldwide emissions need to be halted within the next 10 to 15 years and be dramatically cut back by 50% in 2050 compared to 1990 levels. Currently the Kyoto Protocol includes emission reduction targets for industrialized countries (Annex I countries) for the period 2008-2012, the so-called first commitment period of the Kyoto Protocol. All these national targets together amount to a worldwide cut of around 5% from 1990 levels.

To monitor the progress made towards meeting the goals of the UNFCCC, all Parties have to periodically maintain national inventories to report on their emissions of greenhouse gases. Developed countries are required to do this every year. Furthermore, all Parties give a general description of the steps taken or envisaged by them to implement the Convention through national reports. The required contents of these reports are different for developed countries and developing countries (non-Annex I countries) but usually contain information on national circumstances, trends in GHG emissions, policies and measures (developed countries) or national and regional programmes (developing countries). Developing countries can get assistance in drawing up their national reports.

Work in progress

In 2005 the AWG-KP was established to discuss further commitments for Annex I countries under the Kyoto Protocol. At the Climate Change Talks in Vienna in August 2007, the AWG-KP concluded that these discussions should be guided by a range of a total cut by developed countries in between 25% and 40% in 2020. This range is based on the most ambitious scenario presented by the IPCC so far to keep the global temperature rise in between 2.0 - 2.4 degree Celsius.

In 2008 the AWG-KP will focus its work on an analysis of the possible tools and the rules available to developed countries to reach reduction commitments. It is important to first come to an agreement on the tools and rules, because the way in which countries can reach targets will determine for an important part their level of ambition when discussing new emission reduction targets for the period after 2012.

The tools under analysis include:

- emission trading and the so-called project based mechanisms (such as the Clean Development Mechanism that allows developed countries to meet part of their emission reduction target by investing in emission reduction projects in developing countries);
- land use, land-use change and forestry;
- greenhouse gases, sectors and source categories to be covered;
- possible approaches for targeting emissions from specific sectors (for example energy intensive industries, such as the steel, aluminium, cement and paper and pulp sector)

One of the main outcomes of the meeting of the group at the Bangkok Climate Change Talks was the agreement that the use of emission trading, the Clean Development and Joint Implementation should be continued. Furthermore, the group also agreed to continue the use of forest and land use-related activities as a means to achiever emission reductions. In Bonn discussions will continue. The AWG-KP is expected to get to an agreement on the 'rulebook' at its session in Climate Change Talks in Accra in August. In 2009 the working group will continue working on identifying possible emission reduction targets for developed countries. This work should lead to an agreed outcome in Copenhagen in 2009.

Long-term cooperative action

At Bali, Parties agreed that the negotiations on a long-term agreement should address the issue of a shared vision for long-term cooperative action, including a long-term global goal for emission reductions. Furthermore the future discussion should address enhanced national/international action, including the consideration of:

- measurable, reportable and verifiable nationally appropriate mitigation commitments or actions by all developed countries, and;
- nationally appropriate mitigation actions by developing country Parties, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner.

Other subjects for the future discussion, include the use of sectoral approaches, approaches to enhance the cost-effectiveness of mitigation actions, including market mechanisms, and the issue of reducing emission from deforestation and forest degradation in developing countries (see further under REDD).

For more detailed information on mitigation, see the separate press fact sheet 'The need for mitigation' in the press section of the UNFCCC website: www.unfccc.int

REDD

"Reducing emissions from deforestation in developing countries" (REDD) is a central issue in climate change abatement, given that deforestation contributes up to 20% of global CO2 emissions.

Work in progress

At Bali, Parties affirmed the urgent need to take further meaningful action to reduce emissions from deforestation and forest degradation. They adopted a work programme for further methodological work. That programme focuses, for example, on assessments of changes in forest cover and associated green house gas emissions, methods to demonstrate reductions of emissions from deforestation and the estimation of the amount of emission reductions from deforestation.

Parties are also encouraged to support capacity building and to undertake efforts, including demonstration activities, to address the drivers of deforestation. This is important to address the needs of local and indigenous communities who depend on forests for their livelihoods.

The Bonn Climate Change Talks in June will kick off this work. On the 25th of June a special workshop on methodological issues will take in Japan.

Long-term cooperative action

The work on the methodological issues will strongly inform discussions on how a new climate change deal can contribute to the reduction of emissions from deforestation and forest degradation in developing countries. These discussions will focus on policy approaches and positive incentives to reduce these emissions, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks. A special workshop on this issue will be held at the Accra Climate Change Talks in August.

For more detailed information on REDD, see the separate press fact sheet 'Reducing Emissions from Deforestation' in the press section of the UNFCCC website: www.unfccc.int

Adaptation

Besides mitigation, adaptation is the other central approaches in climate change abatement. Impacts of climate change are already being witnessed and will intensify over time as global temperature continues to rise. Droughts, floods, extreme weather conditions and sea level rise, can seriously harm economies and societies worldwide. Developing countries, especially the Least Developed Countries (LDC's) and Small Island Developing States (SIDS), are the most vulnerable to these risks.

Work in progress

The UNFCCC commits all Parties to formulate, implement, publish and update adaptation measures, as well as to cooperate on adaptation. By undertaking National Adaptation Programmes of Action (NAPA's) Least Developed Countries can assess their urgent adaptation needs. Based on these programmes, concrete proposals for adaptation projects can be developed that can apply for international funding. The five-year Nairobi Work Programme (NWP) on impacts, vulnerability and adaptation to climate change has the objective of assisting all countries in understanding and assessing impacts, vulnerability and adaptation

Under the Kyoto Protocol the Adaptation Fund was established to finance concrete adaptation projects in developing country parties that are also Parties to the Kyoto Protocol. The fund is not dependent on voluntary contributions from donors, but is filled by means of a 2% levy on projects for the Kyoto Protocol's Clean Development Mechanism. The estimated value of the fund is currently around 70 million USD. Considering the amount of CDM projects in the pipeline, this figure will rapidly increase to an estimated 80- 300 million USD in the period 2008-2012.

At the Bali Conference, governments agreed that a special Adaptation Fund Board representing developing and developed countries would supervise and manage the Adaptation Fund. The Adaptation Fund Board recently had its inaugural meeting in Bonn last February.

Long-term cooperative action

At Bali, adaptation was highlighted as one of the most important elements of a long-term climate change agreement. Parties agreed to look at ways to enhance global action on adaptation, including: international cooperation to support urgent implementation of adaptation actions; risk management and risk reduction strategies; and disaster reduction strategies. At the Bonn Climate Change Talks in June, advancing adaptation through finance and technology will be one of the particular subjects on which a workshop will be organised. In Poznan a special workshop will be dedicated to risk management and risk reduction strategies, including risk sharing and mechanisms such as insurance.

For more detailed information on adaptation, see the separate press fact sheet 'The need for adaptation' in the press section of the UNFCCC website: www.unfccc.int

Technology

Climate-sound technologies both for mitigation and adaptation are and will be at the heart of the solution to climate change. Technology transfer and cooperation is one of the key concerns of developing countries, as this enables mitigation and adaptation actions.

Work in progress

At Bali, Governments agreed to kick start a strategic programme to scale up the level of investment for the transfer of both the mitigation and adaptation technologies that developing countries need. The aim of that programme is to give an extra push to concrete demonstration projects, to create more attractive environments for investment, as well as to provide incentives to the private sector for technology transfer. The Global Environment Facility (the financial mechanism of the UN Framework Convention on Climate Change) will start setting up this programme together with international financial institutions and representatives of the private financial sector.

At Bali, Parties also agreed to extend the mandate of the Expert Group on Technology Transfer (EGTT) for a further five years. The Expert Group has been asked to pay particular attention to the assessment of gaps and barriers to the use of, and the access to, financing resources. Furthermore, the Expert Group will start working on performance indicators that can be used to regularly monitor and evaluate progress on the development, deployment and transfer of environmentally sound technologies. The work of the Expert Group provides important input into the discussions on technology transfer for the new post-2012 climate change deal.

Long-term cooperative action

Technology development and transfer have been identified as key items for attention in the negotiations of a new climate change deal. A special workshop on technology is planned at the Bonn Climate Change Talks in June. This workshop will for example look into ways to scale up and remove obstacles to the development and transfer of technology to developing countries technology transfer to developing countries. Furthermore it will focus on ways to speed up the deployment, diffusion and transfer of technologies.
Technology will also be one of the key issues at the Poznan Climate Change Conference at the end of this year.

For more detailed information on technology, see the separate press fact sheet 'Why technology is so important' in the press section of the UNFCCC website: www.unfccc.int

Finance

The current levels of funding available under the Convention are insufficient to address the climate change challenge. There is a clear need for additional investment and financial flows to green economic growth worldwide and to cope with the impacts of climate change. This is

particularly the case for developing countries. To enable them to make a meaningful contribution in the global fight against climate change, international support is needed. One of the key challenges in the upcoming year will therefore be the design of a clever architecture, consisting of a variety of financial mechanisms, that will spur financial and investments flows to support developing countries to take further mitigation and adaptation actions.

Required finances

In 2007, the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) conducted a review to analyse and assess the necessary investment and financial flows in 2030 to meet worldwide mitigation and adaptation requirements. (See separate fact sheet on 'Financing Climate Change'). One of the key findings of the 'Financial Flows Report' is that in 2030 additional investments and finances of USD 200-210 billion are required to return global greenhouse gas emissions to current levels by 2030. The review also found that additional investment and financial flows for adaptation in 2030 amount to several billions of USD . These figures should be seen as indicative rather than exact figures. Further work in assessing investment and financial flows is needed but it is clear that current investment and financial flows are insufficient. Another key finding was that private sector investments constitute up to 86% of investment and financial flows. It is therefore crucial to steer these private investments into a low carbon direction.

One way of enabling increased funding is by means of the carbon markets. The Kyoto Protocol's Clean Development Mechanism (CDM), which permits industrialized countries to invest in emission reduction projects in developing countries and thereby generate tradable emission credits, already shows a significant potential to leverage domestic and international investments. This potential will grow significantly with ambitious targets taken up by developed countries. Nevertheless, the market alone will not provide the solution. There is a clear need for additional public funding, both at the national and international level, particularly for sectors in developing countries that depend on public investment and financial flows.

Work in progress

The GEF is the financial mechanism under the UNFCCC. Contributions to the GEF are made on a voluntary basis. The GEF has established a number of dedicated funds, like the Adaptation Fund, the Special Climate Change Fund and the Least Developed Countries Fund. In August 2006, 32 donor countries pledged USD 3.13 billion to the GEF.

Every four years a review of the financial mechanism takes place. Currently the fourth review is underway. It is to be concluded at the United Nations Climate Change Conference in Poznan in December this year. In addition, the 5th replenishment of GEF is coming up. By the end of 2009 donors will have to indicate their new financial pledges for the period 2010-2014. To be able to provide timely input for this discussion, also on this matter a decision needs to be adopted at the Poznan Climate Change Conference by the end of this year.

Furthermore, the Ad Hoc Working Group on further Commitments for annex I Parties under the Kyoto Protocol (AWG-KP) will work on an analysis of the different tools and rules for developed countries to reach reduction targets and the way to enhance the effectiveness of tools such as the market mechanisms (see also under 'Mitigation').

Long-term cooperative action

Parallel to the ongoing work, finance has been identified as a key issue for the discussion on a post-2012 climate change agreement. In Bali, developing countries agreed to take on 'nationally appropriate mitigation actions […], supported by and enabled by technology, financing and capacity building in a measurable, reportable and verifiable manner'. The Bali decisions also points to the need for improved access to financial resources and positive incentives for mitigation, adaptation, technology transfer and the reduction of emissions from deforestation. At the Climate Change Talks in Bonn in June financing climate change will be one of the subjects that the AWG-LCA will pay special attention to.

For more detailed information on finance, see the separate press fact sheet 'Financing climate change' in the press section of the UNFCCC website: <unfccc.int>