



COP17/CMP7

UNITED NATIONS

CLIMATE CHANGE CONFERENCE 2011
DURBAN, SOUTH AFRICA



Summary and Analysis of COP17- The UN Climate Change Conference at Durban



In Durban, governments decided to adopt a universal legal agreement on climate change as soon as possible, but not later than 2015. In order to adopt this protocol, legal instrument and agreed outcome to come into effect with legal force and be implemented from 2020, work will begin immediately under a new group called the **Ad Hoc Working Group on the Durban Platform for Enhanced Action**.

Background - The United Nations Climate Change Conference (UNFCCC)ⁱ in Durban, South Africa, was held from 28 November - 11 December 2011. The conference involved a series of events, including the seventeenth session of the Conference of the Parties (COP 17)ⁱⁱ to the UN Framework Convention on Climate Change (UNFCCC) and the seventh meeting of the Conference of the Parties serving as the Meeting of Parties to the Kyoto Protocol (CMP 7).

Key objectives of Conference:

COP17 had three key objectives:

- to decide fate of Kyoto Protocol
- to agree to a roadmap for emission reduction targets to fortify the overall global climate regime and pave the foundations for a new treaty
- to operationalize the various processes and manage the financial resources that had been established at last year's meeting in Cancun such as the commencement of Green Climate Fund.

Who Attended - The Conference was attended by over 12,480 participants, including over 5400 government officials, 5800 representatives of UN bodies and agencies, intergovernmental organizations and civil society organizations, and more than 1200 members of the media.



Outcome - The meetings resulted in the adoption of **19 COP** decisions and **17 CMP** decisions and the approval of a number of conclusions by the subsidiary bodies. These outcomes cover a wide range of topics, notably

- the establishment of a second commitment period under the Kyoto Protocol, Governments, including 35 industrialized countries, agreed a second commitment period of the Kyoto Protocol from January 1, 2013. To achieve rapid clarity, Parties to this second period will turn their economy-wide targets into quantified emission limitation or reduction objectives and submit them for review by May 1, 2012.
- a decision on long-term cooperative action under the Convention,
- the launch of a new process towards an agreed outcome with legal force applicable to all parties to the Convention, and
- the operationalization of the Green Climate Fund.

What next? - The next major UNFCCC Climate Change Conference, COP 18/CMP 8, will take place during 26 November to 7 December 2012 in Qatar, in close cooperation with the Republic of Korea. Key aspect to watch out for would be decision on market mechanism and quantification of emissions reduction targets.

Details of key decisions that emerged from COP17 in Durban

[Establishment of an Ad Hoc Working Group on the Durban Platform for Enhanced Action](#) - The Ad Hoc Working Group, a subsidiary body under the Convention, 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;

[Launching of the Green Climate Fund](#) - Decides to designate the Green Climate Fund as an operating entity of the Financial Mechanism of the Convention, to support projects, programmes, policies and other activities in developing country Parties;

Countries have already started to pledge to contribute to start-up costs of the fund, meaning it can be made ready in 2012, and at the same time can help developing countries get ready to access the fund, boosting their efforts to establish their own clean energy futures and adapt to existing climate change.

A Standing Committee is to keep an overview of climate finance in the context of the UNFCCC and to assist the Conference of the Parties. It will comprise 20 members, represented equally between the developed and developing world.

A focused work programme on long-term finance was agreed, which will contribute to the scaling up of climate change finance going forward and will analyse options for the mobilisation of resources from a variety of sources;

National Adaptation Plans

The national adaptation plan process should not be prescriptive, nor result in the duplication of efforts undertaken in-country, but should rather facilitate country-owned, country-driven action;

Agreed that the objectives of the national adaptation plan process are as follows:

- (a) To reduce vulnerability to the impacts of climate change, by building adaptive capacity and resilience;
- (b) To facilitate the integration of climate change adaptation, in a coherent manner, into relevant new and existing policies, programmes and activities, in particular development planning processes and strategies, within all relevant sectors and at different levels, as appropriate;

Adaptation

The Adaptation Committee, composed of 16 members, will report to the COP on its efforts to improve the coordination of adaptation actions at a global scale.

The adaptive capacities above all of the poorest and most vulnerable countries are to be strengthened. National Adaptation Plans will allow developing countries to assess and reduce their vulnerability to climate change.

The most vulnerable are to receive better protection against loss and damage caused by extreme weather events related to climate change.

Technology

The Technology Mechanism will become fully operational in 2012.

The full terms of reference for the operational arm of the Mechanism - the Climate Technology Centre and Network - are agreed, along with a clear procedure to select the host. The UNFCCC secretariat will issue a call for proposals for hosts on 16 January 2012.

Support of developing country action

Governments agreed a registry to record developing country mitigation actions that seek financial support and to match these with support. The registry will be a flexible, dynamic, web-based platform.

Other key decisions

A forum and work programme on unintended consequences of climate change actions and policies were established. Under the Kyoto Protocol's Clean Development Mechanism, governments adopted procedures to allow carbon-capture and storage projects. These guidelines will be reviewed every five years to ensure environmental integrity.

Governments agreed to develop a new market-based mechanism to assist developed countries in meeting part of their targets or commitments under the Convention. Details of this will be taken forward in 2012.

Draft decision -/CMP.7

Second Commitment Period under Kyoto Protocol - Decides that the second commitment period under the Kyoto Protocol shall begin on 1 January 2013 and end either on 31 December 2017 or 31 December 2020, to be decided by the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol at its seventeenth session;

Invites Parties included in Annex I listed in Annex 1 to this decision to submit information on their QELROsⁱⁱⁱ for the second commitment period under the Kyoto Protocol by 1 May 2012 for consideration by the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol at its seventeenth session;

Emissions trading and the project-based mechanisms –

The conference decided that the second commitment period will start on 1 January 2013 and run until 2017 or 2020. The end date and the emission targets for developed countries taking part will be fixed at the UN climate conference to be held at the end of 2012 in Qatar.

New Market based mechanism - Governments agreed to develop a new market-based mechanism to assist developed countries in meeting part of their targets or commitments under the Convention. Details of this will be taken forward in 2012.

Text –

Reconfirms that the use of the mechanisms shall be supplemental to domestic action and that domestic action shall thus constitute a significant element of the effort made by each Party included in Annex I to meet its quantified emission limitation and reduction commitments under the Kyoto Protocol

Decides to review at its eighth session, and revise as appropriate, the design of the commitment period reserve for the subsequent commitment period to support the effective operation of emissions trading, taking into account, inter alia, the relevant rules, modalities, guidelines and procedures for measuring, reporting, verification and compliance.

Implications

- New life for Project based mechanisms - *Indications* of CDM and JI getting a new life as nations commit to legally binding targets. It is observed, though not finalized, that project based mechanism would continue playing a role for meeting out to quantified reductions targets. However, the translation of these targets into real quantifiable and measurable instruments is yet to be decided and further clarity should emerge in the COP 18.
- Globally Binding Treaty - Participating Nations of the COP-17 agreed to work on a Globally Binding Climate Change treaty and decide on its modalities by 2015. Implementation is planned from 2020 onwards. This means India, China and USA will have legally binding emission reduction targets post 2020.
- A legally binding reduction target – Who takes what reduction targets, should again be of important consideration for market based mechanism to further mature and translate the benefits of such policy advancements towards development of project based emissions reductions.
- Prices of CERs / ERUs – The border convergence on emissions reduction targets paves way for a strategic adoption of project based mechanism to reduce in emissions reductions that would find a continued use for reaching to quantified reduction targets. So, broad term outlook from policy aspect turn positive on CERs / ERU prices . Rest for the factors like – Demand – Supply, Quantitative restrictions, market forces and inter-linkage with other commodities and economic state to govern the prices.
- Climate Fund – To throw open important opportunities, especially in areas of national adaption plan to utilize the funds to made available as per modalities to be made clear in coming COP 18.
- RE - The outcomes are likely to force governments invest more heavily on renewable energy generation
- Inclusion of China, India, US - A key aspect of this treaty is that it will include India and China (both developing nations), and the USA- three of the biggest emitters of GHG in the world, but without a binding emission reduction target under the Kyoto Protocol.
- Stricter Targets - There is also a possibility of countries increasing their emission reduction targets.
- NAMAs^{iv} - In future, a mechanism for mitigating GHGs could come into play that is based on Nationally Appropriate Mitigation Actions (NAMAs). In this regard, The Nordic Partnership Initiative (NPI) was launched at the
- Weak link - Japan, Russia and Canada's stance - These countries have already refused to accept any targets under the 2nd Phase of the Kyoto Protocol. Canada has also withdrawn from the Kyoto protocol post the Durban round of COP.

Question Still Unanswered:

Kyoto lives on, will CDM too?

- No decision regarding the GHG mitigation mechanism during the 2nd Commitment of Kyoto Protocol has been made yet.
- It has been decided that there will be a new market mechanism that would be conceived at COP-18 in Qatar, however, it's still unclear if this new mechanism would be a continuation of CDM or a totally new mechanism. There is also no word yet from the EU council concerning the acceptability of the CERs from CDM projects registered post 2012.
- EUETS – Acceptance of CERs from project registered post 2012 under the Kyoto protocol still unclear.
- Qualitative and Quantitative restriction - On acceptance of CERs from certain types of project and certain countries is still unanswered.

ⁱ The **United Nations Framework Convention on [Climate Change](#)** (UNFCCC or FCCC) is an international environmental [treaty](#) produced at the [United Nations](#) Conference on Environment and Development (UNCED), informally known as the [Earth Summit](#), held in [Rio de Janeiro](#) from June 3 to 14, 1992. The objective of the treaty is to stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous [anthropogenic](#) interference with the climate system.

ⁱⁱ COP – Conference of parties has 194 parties that are categorized as
Annex I countries – industrialized countries and economies in transition
Annex II countries – developed countries which pay for costs of developing countries
Non- Annex I countries - Developing countries.

ⁱⁱⁱ QUANTIFIED EMISSION LIMITATION AND REDUCTION OBJECTIVES

^{iv} Nationally Appropriate Mitigation and Actions

Basics

U.N. Framework Convention on Climate Change was negotiated in 1992 to deal with the great environmental concerns of the day. Parties to the Convention agreed that the world's rich and developed countries, having caused the substantial emissions responsible for the problem of excessive global warming, should be leading the path in solving it. It was only in 1997 at the meeting held in Kyoto, Japan, that the first material, legally binding agreement for reducing the carbon emissions was signed: the **Kyoto Protocol**. The Protocol required the world's richest countries to reduce emissions an average of 5 percent below 1990 levels by 2012, while developing nations also to take steps in the direction of reducing emissions without being subject to obligatory targets as they continued to raise their standard of living. With the first commitment period of Kyoto Protocol coming to an end in 2012, arose a need to decide its future, which was upheld as one of the main agenda of the COP-17 held at Durban from 28th Nov 2011 – 9th Dec 2011.

For more information and interpretation of the Durban COP you may contact the author at birjendra@emergent-ventures.com