EN(13)4445:3 –AA/sd Brussels, 28th June 2013

# COPA-COGECA'S CONTRIBUTION TO THE EUROPEAN COMMISSION'S CONSULTATION ON THE 2015 INTERNATIONAL CLIMATE CHANGE AGREEMENT: SHAPING INTERNATIONAL CLIMATE POLICY BEYOND 2020

## INTRODUCTION

In order to meet future challenges, Copa-Cogeca believes that it is indispensable for society to become more sustainable and for the economy to become more low-carbon. In many ways, the agricultural and forestry sectors are clear examples of a circular economy, because their sustainably managed production systems provide renewable raw materials. These sectors are ideally suited to achieving a bio-based and low-carbon economy and can therefore contribute to climate change adaptation and mitigation.

There are both challenges and solutions to be found within these sectors and they have an important role to play in meeting future needs for food, water and energy. In order to fulfil this role, support from governments, the private sector, NGOs, the public and the media is crucial.

Sustainable, productive agricultural and forestry practices, including efficient management of land and water, will contribute to climate change mitigation and adaptation. Increasing productivity is critical in many ways, for example:

- to improve the ability of both rich and poor farmers to adapt,
- to enhance food security, and
- to reduce pressure on natural ecosystems.

Globally, farming and forestry are the result of centuries of human intervention to influence and manage ecosystems; a process which is constantly, albeit slowly, changing. These sectors remain vital for people's livelihood, especially in rural areas, but they also create a varied landscape, which is positive for living conditions as well as tourism and recreation.

However, policy instruments need to be simple and effective in the long term, as well as robust in order to prevent carbon leakage and exporting harmful effects. It is important and useful to show how dependent we are on the rest of the world and that commitments are made at roughly the same pace globally. Therefore, it is of the utmost importance to consider exports of environmental and climate impacts.

The consultative paper frequently mentions the word 'urgent'. However, changing agricultural practices can take time and investment, and requires sound scientific evidence to prove why new production methods are needed. In addition, the global recession has had a detrimental effect on the progress made in tackling climate change, which has further limited the necessary long-term, significant investments that are available.

**Copa - Cogeca |** European Farmers European Agri-Cooperatives
61, Rue de Trèves | B - 1040 Brussels | www.copa-cogeca.eu
EU Transparency Register Number | Copa 44856881231-49 | Cogeca 09586631237-74

Currently, both global and EU agriculture and forestry are seriously suffering from economic hardship, due to changing weather patterns, high cost inputs and the desire for cheap food. All of these factors have significantly affected farm profitability, which is driving young people out of the industry as their returns cannot match the needs of a 21st century lifestyle. This slows down progress, efficiency gains and investment.

Therefore, a strong CAP is imperative for farmers in the EU; a CAP that delivers profitable returns in a global marketplace. This will ensure that farms remain profitable and it has been proven that successful farmers will always reinvest to improve their business and the local economy.

Finally, Copa-Cogeca believes that agriculture and forestry have a crucial role to play in climate change adaption and mitigation beyond 2020. In order to encourage these sectors, it is imperative that policy makers support profitable farming and forestry, which will allow farmers and forest producers to invest in more efficient technology and best practices, to meet the challenges ahead.

## QUESTIONS

1. ***How can the 2015 Agreement be designed to ensure that countries can pursue sustainable economic development while encouraging them to do their equitable and fair share in reducing global GHG emissions so that global emissions are put on a pathway that allows us to meet the below 2°C objective? How can we avoid a repeat of the current situation where there is a gap between voluntary pledges and the reductions that are required to keep global temperature increase below 2°C?***

- We should continue to pursue the goal to put global emissions on this pathway, even though the current situation with a gap between voluntary pledges and reductions may be repeated. There is no alternative to a truly global agreement. However, given the difficulty of balancing these goals in previous rounds of climate talks, it is important to use all options at our disposal to keep the global temperature increase below 2ºC. Namely bilateral agreements, as well as support from the international business community and targeted support to develop the renewable energy market, thus enabling low-carbon technologies to out-compete fossil fuels in the near future.

- The agreement must be extensive and cover the vast majority of global emissions and all major emitters. All parties have to contribute to the reduction target in a fair and accountable manner. However, there should be a legally binding agreement to cement all parties' commitment to the convention to reduce emissions according to their individual capabilities. The concept of Common But Differentiated Responsibilities (CBDR) should be further developed and modernised to reflect current circumstances, and the annex 1/annex 2 country divide should be deleted. At the same time, the agreement has to be flexible and incorporate different tools to achieve the main target, which is to reduce greenhouse gas emissions. This means that varying national circumstances, such as weather and soil conditions, or production sectors including different agricultural crops and forest types, must be taken into account and respected, in order to enable countries to define the most suitable mitigation and adaptation tools at national level. JI and CDM should be continued. Furthermore, countries or regions, such as the EU, should ensure a higher degree of reciprocity for goals and commitments both multilaterally and bilaterally. This would improve the reduction of greenhouse gas emissions globally and close the 'ambition gab' between existing pledges and required reductions.

2. ***How can the 2015 Agreement best ensure the contribution of all major economies and sectors and minimise the potential risk of carbon leakage between highly competitive economies?***

- Please also see the answer to question 3.

- With a robust work programme on agriculture, the Subsidiary Body on Scientific and Technical Advice (SBSTA) should be able to develop an approach that integrates the need to guarantee both food security worldwide and the production capacity of farmers. Farmers and foresters worldwide need to have the basic resources of sufficient land, investment in inputs, infrastructure and research, in order to double food production by 2050, while adapting to climate change and managing their impact on the environment.

- An SBSTA work programme on agriculture would lay the foundations to exploit the sector's potential to adapt and mitigate. Additional science and knowledge is needed before the agricultural sector would be fully included in an international comprehensive agreement. This could be the main priority of the SBSTA work programme and countries should therefore adopt it as soon as possible. A work programme on agriculture is a prerequisite to any additional step being taken. Once adopted, implementing the work programme should guarantee strong support for individual sectors.

- It would also be useful to highlight how agricultural greenhouse gas emissions differ from other sectors in the global economy, such as electricity generation, transport, the chemical industry, etc. The agricultural sector is characterised by processes that are not directly controllable by human intervention, and which are subject to seasonal and annual variability depending on the weather or crop yield and so on.

- In terms of mitigation and adaptation, enhanced soil carbon sequestration probably constitutes the majority of the technical mitigation potential of global agriculture, mostly in developing countries, alongside on-farm use of renewable energy technologies.

- Furthermore, the SBSTA work programme could contribute to sustainable forest management, which is often intrinsically linked to agriculture. In the EU in particular, both the forest area and carbon stocks in forests are increasing and by applying active sustainable forest management, yield will also increase in a manner which complies with good environmental consideration. Only two thirds of annual growth is harvested each year in the EU and harvesting possibilities could improve with more active management, for example active forestry which takes into account water as well as cultural heritage and natural, recreational and outdoor values. A large part of the annual growth could contribute to the bio-based economy by providing carbon sinks in society, for example as harvested wood products (HWP). Strategies including carbon sequestration in forests, carbon storage in wood products and substituting fossil fuels and energy-intensive materials should be combined, bearing in mind that unattended forests will reach a balance where the volume of carbon released from the ecosystem is equal to or larger than the volume taken from the atmosphere.

- In order to further contribute to mitigation and avoid carbon leakage, there is a vast potential to increase the production of renewable energy and fuels, especially from forests and from abandoned arable land. A clear plan on how to use and develop this sector is needed.

- A work programme on agriculture should consider the option of developing a system where livestock producers in the industrialised world would be credited for transferring efficient technologies to sustainably growing meat and dairy sectors in emerging economies.

- A work programme on agriculture should focus on improving production efficiency. It is crucial to scale up and replicate successful climate-friendly practices that improve production efficiency and yields, in order to adapt to a changing climate. National and global policies should therefore draw inspiration from existing sustainable farming practices.

- Conflicts between different policy objectives should be avoided. A work programme on agriculture can only succeed if it is comprehensive. Global policies should provide the agricultural community with a coherent framework, which encourages climate-friendly agricultural practices and takes into account all relevant related policies that are linked to the agricultural sector, such as trade and market access, environmental policies and/or land tenure.

- In parallel, the most effective way for the agreement to encourage mainstreaming is to create tools/methods which provide incentives to include climate aspects in all relevant policies, for example by incorporating climate aspects in development policies as a prerequisite to project support and incentives.

- Mainstreaming does not mean a one-size-fits-all solution and the characteristics of different sectors must be respected. Mainstreaming should therefore not lead to universal requirements, rules and implementation across all sectors, but should rather allocate different measures to different sectors to ensure implementation occurs in the most reasonable and cost-effective way.

### *3. How can the 2015 Agreement most effectively encourage the mainstreaming of climate change in all relevant policy areas? How can it encourage complementary processes and initiatives, including those carried out by non-state actors?*

- Please also see the answer to question 2.

- The UNFCCC process and work towards 2015 must include relevant stakeholders from all sectors. Knowledge and experience from relevant sectors should be included in the negotiations to a greater extent than is currently the case. It is commendable that the EU wishes to acknowledge and reinforce a broader sustainable development agenda, but the focus on climate change should not be lost. If the EU wishes to follow on from Rio+20, the Millennium Development Goals, Sustainable Development Goals and the Convention on Biological Diversity, it should also look to other relevant conventions such as the United Nations Convention to Combat Desertification, the work of UN Women, etc. Complementary initiatives are important when it comes to achieving mitigation, but it is important for the focus to be on achieving a comprehensive legally binding agreement by 2015. Furthermore, the UNFCCC should avoid duplicating efforts undertaken elsewhere, such as under the UNEP Climate and Clean Air Coalition, and at the same time should support these initiatives and ensure that they continue.

- Moreover, the 2015 agreement should focus on climate change adaptation and in particular adapting to the needs of global agriculture in 2050. The impact of estimated

population growth during this period, ergo the necessity to guarantee increased food supply, should be examined. Additionally, the FAO's call for greening the economy should be promoted in the agricultural sector through green growth measures, aiming to achieve the dual benefit of increasing food supply and improving resource efficiency and environmental benefits. In this respect, it may be the case that key indicative resource efficiency indicators could be developed.

- Furthermore, commitments must be extensive (no free riders making rules for others), fair and flexible in order to guarantee national implementation. Fulfilling commitments should be enhanced by providing various incentives, which provide rewards and motivation to adhere to said commitments. For example, the calculation methods for emissions and removals in the LULUCF sector should be revised, in order to make it possible for the circumstances and characteristics of forested countries to be taken into account. The calculation methods should be based on biological realism and it should not be possible to turn a biological sink into theoretical emissions, as is now the case in some forested countries. Carbon sinks should have a limited role in the new agreement, but calculation methods should provide incentives to increase their number, for example by permitting a certain share of a country's carbon sinks to be included in their carbon balance.

- These principles should also apply to the agricultural sector, should the sector be covered by the new agreement. If this is the case, the agreement should recognise the principles of climate smart agriculture, where secure food production and climate change mitigation go hand in hand.

***4. What criteria and principles should guide the determination of an equitable distribution of mitigation commitments of Parties to the 2015 Agreement along a spectrum of commitments that reflect national circumstances, are widely perceived as equitable and fair and that are collectively sufficient avoiding any shortfall in ambition? How can the 2015 Agreement capture particular opportunities with respect to specific sectors?***

- The Common But Differentiated Responsibilities principle should be updated to reflect current circumstances, especially the development of some emerging economies. Additional science and knowledge is needed for the agricultural sector. This could be the main priority of an SBSTA work programme on agriculture.

***5. What should be the role of the 2015 Agreement in addressing the adaptation challenge and how should this build on ongoing work under the Convention? How can the 2015 Agreement further incentivise the mainstreaming of adaptation into all relevant policy areas?***

- The 2015 agreement should ideally be a comprehensive framework that avoids the silo mentality. A new working method is becoming increasingly necessary and agriculture, for example, could benefit from being considered as a sector where food security, adaptation and mitigation issues can be treated in a comprehensive manner, working in synergies.

- The 2015 agreement should therefore focus on the adaptation needs of global agriculture towards 2050, taking into account the impact of estimated population growth during this period. Consequently, the FAO's call for greening the economy should be promoted

in the agricultural sector through green growth measures, aiming to achieving the dual benefit of increasing food supply and improving resource efficiency and environmental benefits.

### *6. What should be the future role of the Convention and specifically the 2015 Agreement in the decade up to 2030 with respect to finance, market-based mechanisms and technology? How can existing experience be built upon and frameworks further improved?*

- The EU's experience with a regional Emissions Trading System demonstrates the need to invest in successful processes that can then be replicated around the world.

- Financing, market-based mechanisms and technology transfer are crucial elements for an upcoming agreement, and the Convention is well placed to address and mainstream these issues. Market-based mechanisms should be further developed and broadened both nationally and internationally, in order to enable the most reasonable and cost-efficient mitigation measures possible and for these to be implemented across sectors and countries. Experience under the Kyoto Protocol should be utilised, including experience from other countries. If appropriate, market mechanisms should be global, to reflect the global challenge of climate change. Furthermore, in the context of the UN, the EU should reconsider the 2030 focus, as this is not mentioned in the Durban agreement.

### *7. How could the 2015 Agreement further improve transparency and accountability of countries internationally? To what extent will an accounting system have to be standardised globally? How should countries be held accountable when they fail to meet their commitments?*

- In order to reach a global agreement, countries must contribute in a fair and accountable manner. So as to reliably measure greenhouse gas emission reductions and compare efforts between parties to the Convention, a globally standardised accounting system would be useful to secure parties' trust and willingness to strive towards national commitments. Priority should be given to rapidly developing accounting systems, especially in developing countries.

- Whilst emissions from agriculture cannot be directly measured, it is important that reliable estimates of emissions, based on the latest scientific developments and reflecting national and regional circumstances, are utilised within a standardised system.

### *8. How could the UN climate negotiating process be improved to better support reaching an inclusive, ambitious, effective and fair 2015 Agreement and ensuring its implementation?*

- One way to ensure that an agreement is reached by 2015 could be to revisit the structure of holding annual technical meetings and the COP, so as to work more efficiently and thereby make progress more likely. Also, decision-making procedures based on a unanimous consensus are not necessarily efficient. Successful implementation could be increased by strengthening the inclusion of stakeholders in the process and making use of bilateral agreements and support from the international business community. In addition, targeted support to develop the renewable energy market, thus enabling low-carbon technologies to out-compete fossil fuels in the near future would greatly facilitate the process.

9. ***How can the EU best invest in and support processes and initiatives outside the Convention to pave the way for an ambitious and effective 2015 Agreement?***

- Only the EU and a few other countries have committed to a second period under the Kyoto Protocol, but this only covers a small percentage of global emissions. Leading by example can be successful, but not if this is at the expense of European industry and businesses. EU investment in and support of green growth measures in European and world agriculture to increase food supply, resource efficiency and other environmental benefits and low-carbon energy would be ambitious and effective. Therefore, a way of adding pressure is by making sure that a 2015 agreement includes all parties to the Convention.

_____