



## **IINAS - International Institute for Sustainability Analysis and Strategy**

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### **Response to EC DG CLIMA Consultation on the 2015 International Climate Change Agreement: Shaping international climate policy beyond 2020**

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?

The key is to make unsustainable options more expensive than “clean” ones, with a reasonable certificate price for CO<sub>2</sub> under the ETS as the most prominent option. Sound pricing measures would also “drive” the bio-based economy. For this, it is necessary to remove subsidies for fossil fuels and include taxes also for material use of especially fossil oil (e.g. for plastics).

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?

The principle of common but differentiated responsibilities should be applied. Funds committed by developed countries (and countries in transition) should be effectively mobilized. Furthermore, international carbon taxes with border adjustments should be implemented, at least in bi- and multilateral arrangements.

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?

Core of any 2015 Agreement must be a cap on all GHG emissions for all sectors, and an incentive scheme to award achievement of GHG reduction targets (including sink enhancements). Incentives should be offered also for the private sector and civil

society activities. The budget of the GEF should be increased especially in the “climate” segment.

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 fundamental issue here is to **reflect equity**. One “boundary” is to consider the total amount of CO<sub>2eq</sub> emissions that may be emitted to restrict temperature increase below 2°C, and the total amount that each country has already emitted since the pre-industrial times. Furthermore, one has to take into account that the total per capita amount emitted since pre-industrial time should be equal for all citizenships worldwide. From that, the remaining amount allowable per capita could be calculated, and adjusted for basic needs, and GHG reductions already committed, respectively. This would establish a sound basis for any negotiation.

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?

IINAS does not work on adaptation, so no response here.

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?

Regarding finance, funds from other sectors such as cooperation and development should not be “diverted”. Still, synergies between the various sectors and coherent policies should be promoted. The role of the GEF has been mentioned before.

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?

Transparency and accountability should use the UNFCCC inventory process of Annex I countries as an example, i.e. it should be harmonized based on agreed methodologies, and respective responses of countries should be subject to peer review. Public access to submissions and review results should be available through the internet.

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?

As an element of trust-building, less formal but more effective measures under the convention should be allowed, paralleled by joint monitoring & review (as in the UNFCCC inventory process). The Convention could serve as an umbrella where bilateral or multilateral agreements could be inserted as long as they meet a list of minimum requirements.

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?

First, identifying and screening the various measures that at different levels could be put in place and elaborating a roadmap. Second, by creating a variety of effective alliances with key stakeholders. The EU should be more supportive to the UN Secretary General's Sustainable Energy for All Initiative, as renewable energy and energy efficiency are key to climate policies. Furthermore, the EU should take a leading role in promoting sustainable forestry, especially by forwarding the Forest Europe process.

Yet, key to any relevant negotiative power of the EU is an EU 2030 commitment to indicate its clear will to move along. A 30% reduction target would be the minimum for this.