

US Policies: Domestic Actions and International Vision

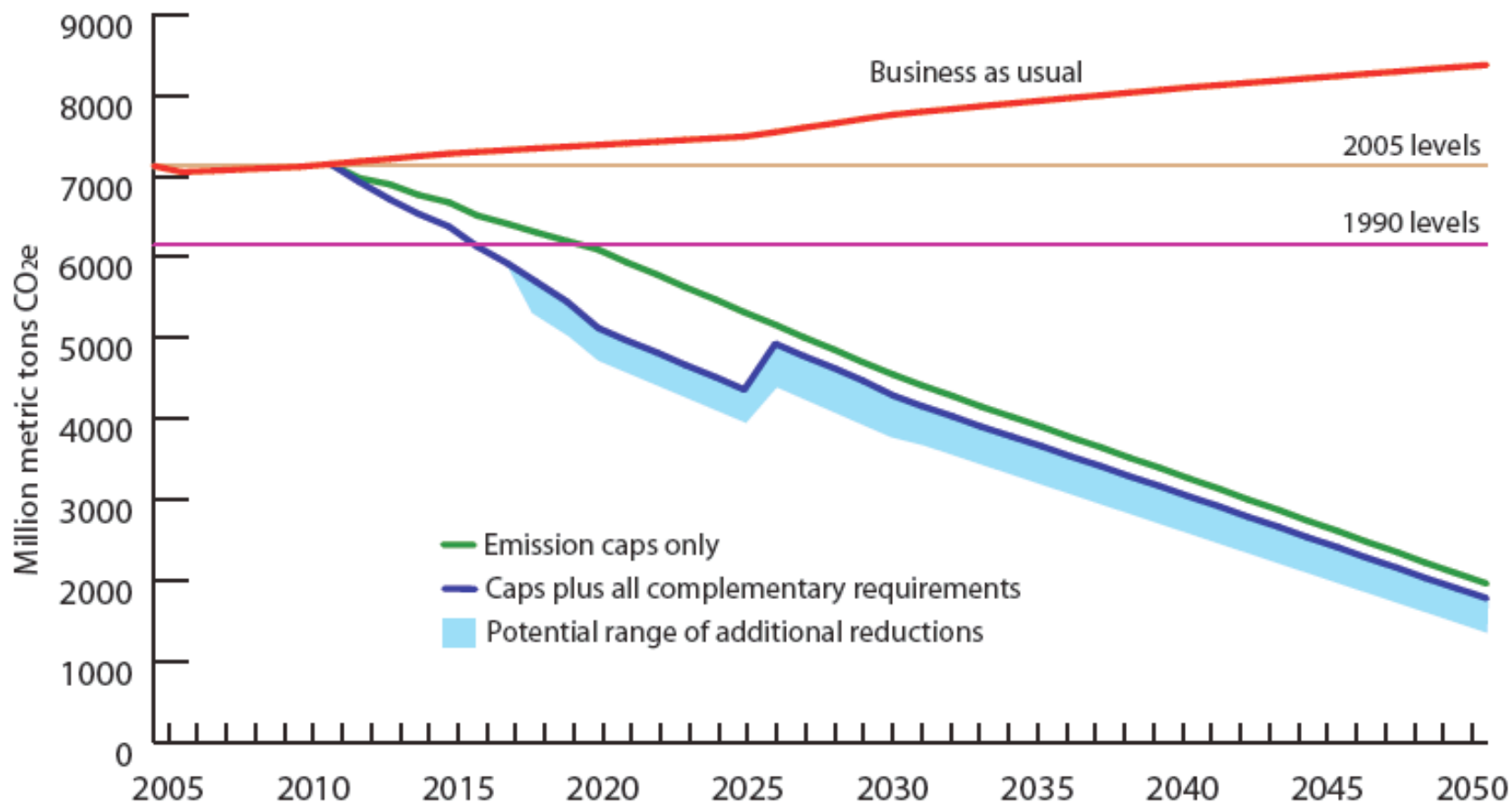
UNFCCC Subsidiary Body Sessions,
Bonn, Germany
June 2009

US Domestic Actions

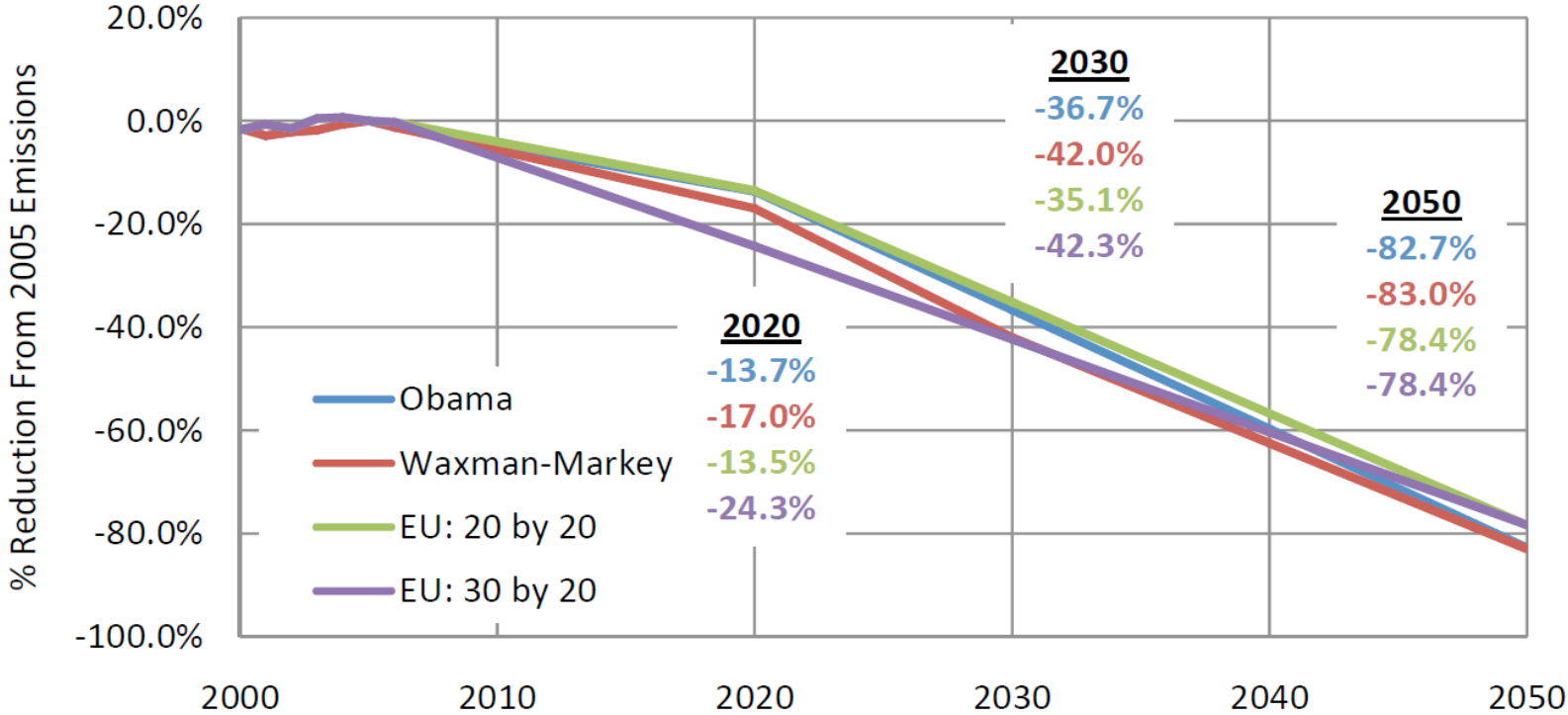
American Clean Energy and Security Act (Waxman-Markey): Emissions Reductions

- Cap and trade: covers 87 percent of total U.S. GHG emissions by 2016
- Capped sources:
 - 17 % below 2005 levels by 2020
 - 83 % below 2005 levels by 2050
- Complementary measures: further reductions

Emissions from American Clean Energy and Security Act (Waxman-Markey)



US and EU Emissions Relative to 2005 Baseline



American Clean Energy and Security Act (Waxman-Markey): Offsets

- Total: 2,000 million metric tons CO₂ equivalent per year
- Up to 1,500 million international
- After 2018, 1.25 to 1 turn-in ratio for international offsets

American Clean Energy and Security Act
(Waxman-Markey):
U.S. Spending Abroad Through 2030 – EPA Projections

- reductions in tropical deforestation
- international offsets
- deploying clean technology
- helping vulnerable populations to adapt
- EPA projections: > \$465 billion total

EPA Activities: Backdrop

- U.S. Supreme Court (2007):
 - GHGs are “air pollutants” under Clean Air Act
 - EPA may (must?) regulate them
 - regulate if endanger public health or welfare
 - cannot decline meaningfully to engage with scientific evidence in deciding on endangerment

EPA Activities (proposed)

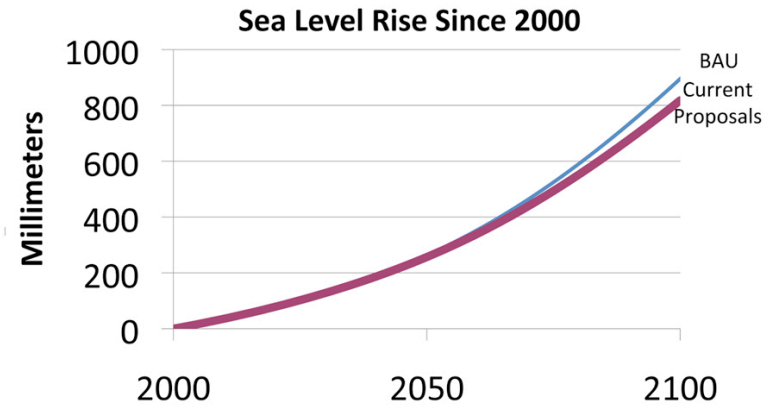
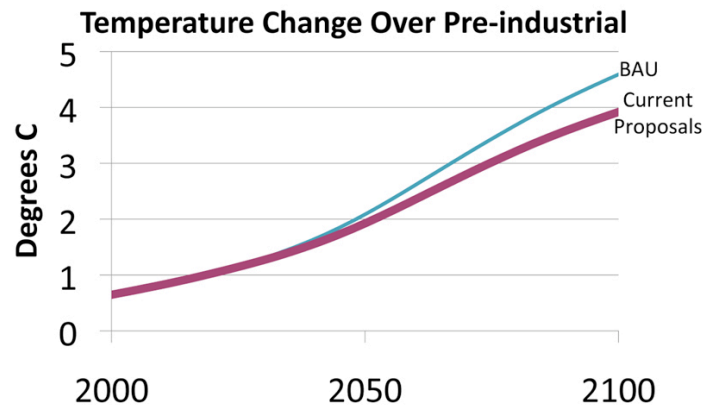
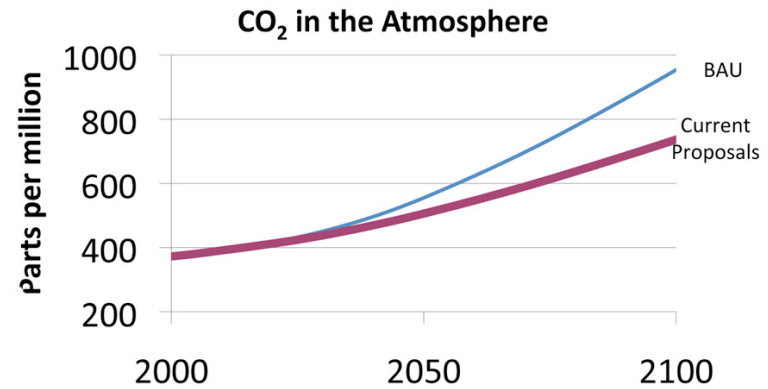
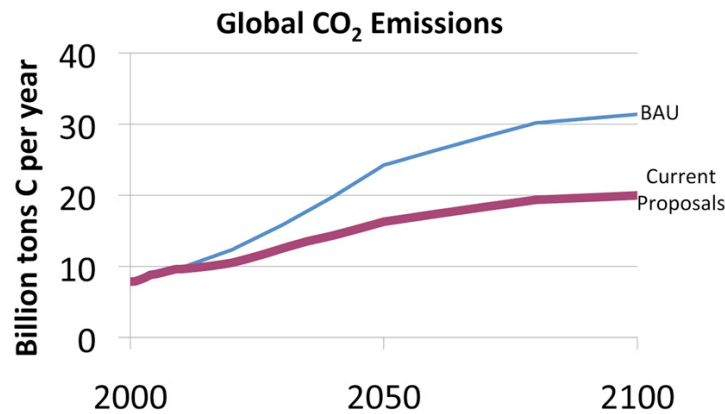
- Mandatory reporting rule
 - facility-level reporting
 - 85-90 % U.S. GHG emissions
 - data collected beginning January 2010
- Renewable fuels standard
 - volume mandates (36 billion gallons by 2022)
 - lifecycle GHG analysis
- Endangerment finding
 - “Kyoto basket”
 - reasonably anticipated to endanger public health and welfare
 - “not a close case”
 - Clean Air Act trigger

EPA Activities (proposed)

- GHG standard for automobiles and light trucks
 - 35.5 mpg by 2016
 - multi-stakeholder agreement
 - > 800 million-ton GHG reduction
- Regulatory framework for CCS

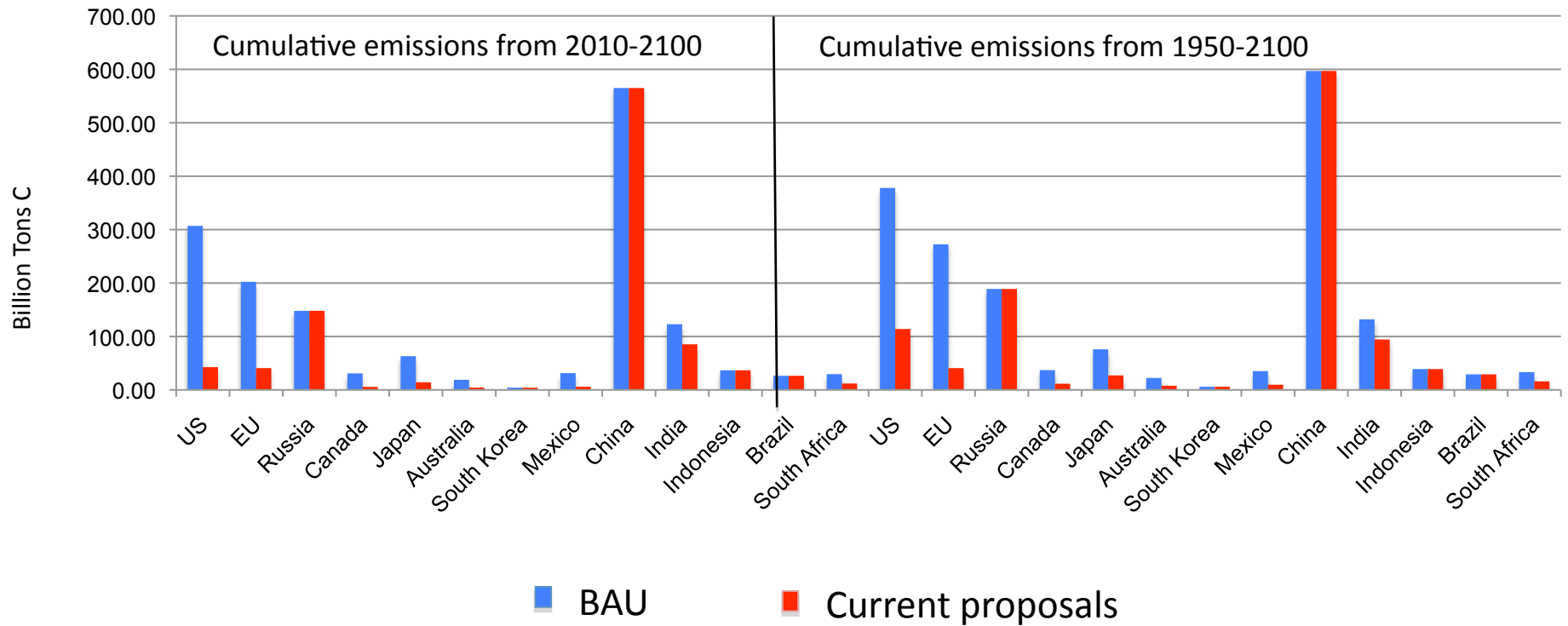
US Submission

Some Background



Source: C-ROADS Simulation, Climate Action Initiative

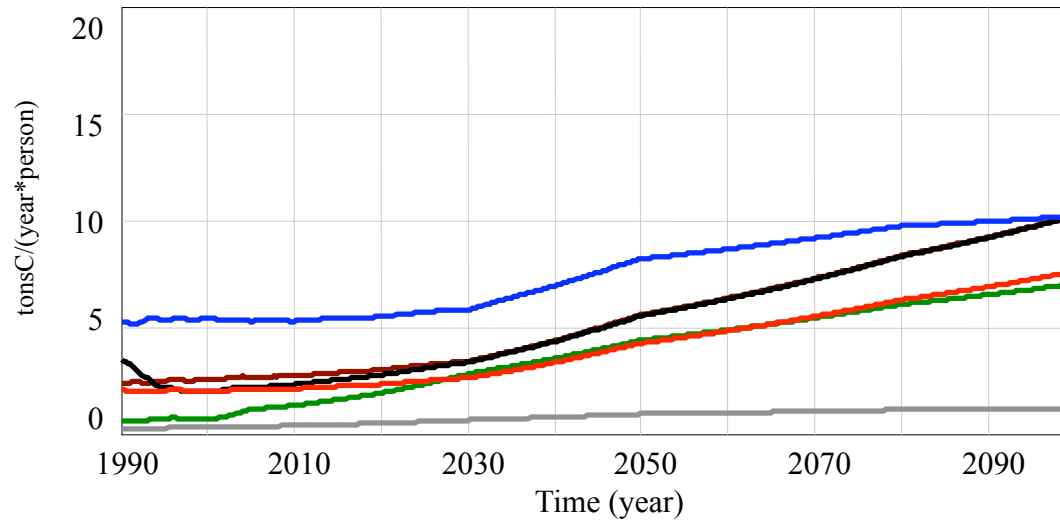
More Background



Source: C-ROADS Simulation, Climate Action Initiative

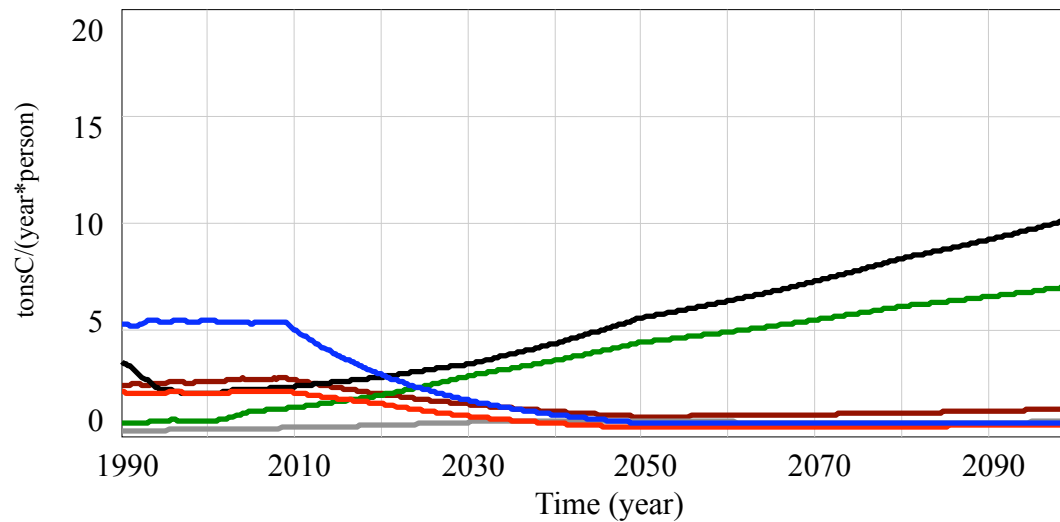
Additional Background

Emissions capita
"Business As Usual"



- Russia
- China
- US
- EU
- India
- Japan

Emissions per capita
"Current Proposals"



Source: C-ROADS Simulation, Climate Action Initiative

Key Elements of the US Submission

- Comprehensive and integrated: covers all key elements for a new agreement (though leaving a number of details to be resolved through further discussion)
- Built on UNFCCC: provides for enhanced implementation of Convention
- Updated to reflect changing world circumstances
- Addresses efforts by all Parties

Structure

Copenhagen
COP Decision

Mid-century
reference points

+

Implementing
Agreement

Mitigation

Adaptation

Technology

Financing

Other

Copenhagen Decision

- Recognizing evolving science
- Frame mid-term reference (e.g., 2050)
- Guide longer term efforts on mitigation
- Useful for evaluating progress on global problem
- Provide summary of agreement elements and establishing a shared vision
- Serve as a preamble/chapeau to implementing agreement

Implementing Agreement:

Section 1: Mitigation

- Article 1: Frame common efforts, building on UNFCCC Article 4.1(b)
 - Implement nationally appropriate mitigation actions (to be reflected in Appendix 1)
 - Formulate low carbon strategies
 - Subject actions to measurement, reporting and verification (and establish guidelines to do so, per Appendix 2)

Implementing Agreement:

Section 1: Mitigation

- Article 2: Frame differentiated efforts, building on UNFCCC Article 4.1 (including chapeau (“... *taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances*”))
- For developed country parties:
 - Quantitative emissions reductions/removals, in conformity with domestic law
 - Formulate and submit a low carbon strategy for long-term net emissions reductions of a specific amount by 2050

Implementing Agreement:

Section 1: Mitigation

- For developing country parties whose national circumstances reflect greater responsibility or capability:
 - Quantified nationally appropriate mitigation actions in the 2020/[*or other*] timeframe, consistent with levels of ambition needed to contribute to meeting the objective of the UNFCCC
 - Formulate and submit a low-carbon strategy consistent with levels of ambition needed to contribute to meeting the objective of the UNFCCC
 - Provide date by which Party will commit to quantitative emissions reduction/removals

Implementing Agreement:

Section 1: Mitigation

- For other developing countries:
 - Implement nationally appropriate mitigation actions and develop low carbon strategies, consistent with their capacity
- Evolution of national circumstances:
 - Based on objective criteria, as national circumstances evolve, Parties shall include in appendix 1 quantitative emissions reductions/removals
- Financing, technology and capacity building support will be provided (per provisions in the financing section)

Implementing Agreement:

Section 1: REDD-Plus

- Parties may elect to participate
- The COP shall develop a framework for REDD+
- Elements include:
 - Use of most recent IPCC guidelines
 - Comprehensive accounting
 - Staging toward market based approaches
 - Consistency with approaches to MRV
 - Consideration of biodiversity, local/indigenous communities, other benefits/risks
 - Encouragement to relieve demand pressure on forests/landscape

Implementing Agreement:

Section 2: Adaptation

- Common elements:
 - Parties agree to enhance implementation of common obligations under UNFCCC Article 4.1(e)
 - Parties agree to adopt a robust adaptation framework, including its policy strategy designed to stimulate actions to support domestic adaptation
- Differentiated elements:
 - Developing country adaptation efforts will be supported as outlined in Financing section

Implementing Agreement:

Section 2: Adaptation

- Key objectives of adaptation framework (as contained in separate appendix)
 - Catalyze attention to adaptation at all levels
 - Galvanize national and international support for adaptation in a range off sectors
 - Promote climate-resilient development that is practical, informed by science and is environmentally sound, economically efficient and promotes on-the-ground results

Implementing Agreement:

Section 3: Technology

- Specific provisions still to be elaborated
- Elements include:
 - National and cooperative actions to promote development, deployment and diffusion of environmentally sound technologies
 - Efforts to promote greater public and private sector investments in technology research, development and deployment

Implementing Agreement:

Section 4: Financing

- Specific provisions still to be elaborated
- Elements include:
 - Reaffirmation of Annex II Parties' obligations under UNFCCC Article 4.3 and 4.4
 - Provisions for a new function: technical assistance to help countries “ready” themselves to access larger pools of domestic and international capital, including creating low-carbon development strategies, and MRV
 - Provisions to establish a means to draw on public/private expertise, including to further mobilize financing/investment
 - Provisions for transparency and appropriate participation of Parties

Implementing Agreement: Section 5: Other Provisions

- Specific provisions still to be elaborated
- Elements include:
 - Review of implementation and progressive development of Agreement
 - Provisions for amendment of Agreement
 - Provisions for ratification/acceptance/approval/ accession
 - Provisions for entry into force

Some Comments

- We base framing on UNFCCC
- We explicitly acknowledge key issue of common but differentiated responsibilities and respective capabilities of Parties
- We tie our vision to the longer term: interim efforts are seen as milestones to longer term emissions efforts
 - We see low carbon development strategies as a means to this end; they combine development priorities with climate mitigation efforts
- We prioritize need for adaptation
- We recognize critical importance of financing to help implement our recommendations, including that:
 - the needs for such public financing will be greatest in least developed nations; most others can access private capital and investment