

Summary of the UNFCCC Climate Change Conference in Doha, Qatar, 26 November – 7 December 2012

Over two weeks starting 26 November, the 18th Conference of the Parties (COP) to the UN Framework Convention on Climate Change (UNFCCC) and the 8th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 8) were hosted by the Government of Qatar in the Qatar National Convention Centre in Doha. The 9,000 participants included government representatives, intergovernmental and non-governmental organizations, academia, the private sector, indigenous peoples and the media. The negotiations lasted an entire extra day before Parties finally adopted a package of decisions called the ***Doha Climate Gateway***.

Two of the most important achievements of the ***Doha Climate Gateway*** are the formal adoption of the second commitment period to the Kyoto Protocol to cover the 8 years from 1 January 2013 to 31 December 2020, and continued momentum toward a new legally binding agreement for 2020.

Some of the key outcomes of the Doha Climate Gateway:

- On **shared vision**, countries confirmed their agreement to limit global temperature rise below 2 degrees by 2050, and for the peaking of emissions to happen as soon as possible and in line with the latest science, on the principles of equity, common but differentiated responsibility, and providing support to developing countries.
- Developed countries participating in the second commitment period of the Kyoto Protocol (Annex I Parties) have committed to **reduce their overall emissions** by at least 18% below 1990 levels over the period 2013-2020. These countries are to 'revisit' their emission reduction targets for the second commitment period by April 2014, and *may* increase their targets in line with aggregate emissions being reduced by 25-40% below 1990 levels by 2020 (the level required to limit global temperature to the agreed 2 degree limit).
- Annex I Parties who did not sign up to the second commitment period will not be able to use the **carbon trading** mechanisms of JI and CDM.
- Countries agreed that **carry-over** of surplus emission budgets ('AAUs') is permissible between the first and second commitment periods, but strict limits on the quantities of purchases of these will be applied.
- The **mid-term finance** agreement was very low, with developed countries merely encouraged to provide at least the amount provided over 2010-2012 (~\$30 billion) over 2013-2015.
- On **NAMAs**, a Work Programme over 2013-14 will be established in order to understand the diversity of NAMAs with a view to facilitating the preparation and implementation of NAMAs. Regional workshops will be organized, and technical materials developed, to build capacity in preparation, submission and implementation of NAMAs and LEDS. Developing countries are also encouraged to develop LECRDS.
- On **adaptation**, further guidance on the National Adaptation Plans (NAPs) has been provided by the Least Developed Country Expert Group (LEG), and the decision includes guidance to the GEF to provide funding for Least Developed Countries (LDCs) through the Least Developed Country Fund (LDCF), to "meet the agreed full cost, as appropriate, of activities to enable the preparation of the national adaptation plan process." This wording leaves the door open for

developing countries to request funding for all NAP related work. The decision also urges developed countries to provide funding for non-LDCs to develop National Adaptation Plans through the GEF Special Climate Change Fund.

- On **loss and damage**, developing countries were pleased with the agreement to establish institutional arrangements, '*such as* an international mechanism, including functions and modalities' to address loss and damage (**L&D**), at COP 19 (December 2013). In the interim, technical papers and expert meetings will be held to consider future needs to address slow onset events, non-economic losses and gaps in existing institutional arrangements within and outside of the convention to address L&D. Despite these gains, however, the idea that these achievements would create (legal) liability of Annex I countries for loss and damage is unacceptable to the USA and others.
- On **REDD**, a Work Programme will also be established on results-based finance in 2013 with aim to scale up and improve effectiveness of finance, to look at: payments for results-based actions; incentivizing non-carbon benefits; and improving coordination of results-based actions. Countries also committed to strengthen non-markets based approaches.
- On **technology**, the relationship between the TEC and the CTCN is to be decided at COP 19 (December 2013), and the relationship between technology and the financial mechanisms (including the Green Climate Fund) – i.e. how technology will be financed – is to be decided at COP 20 (December 2014).
- On **capacity building**, there is strong disagreement between developing countries and developed countries on whether capacity building should remain focused on sharing information and exchanging views between Parties (as the current Durban Platform on Capacity Building facilitates) or whether the focus should move towards implementation of activities. Developed countries worry that focusing on implementation will have funding implications. No agreement was reached in Doha with discussions tabled for the next Subsidiary Body on Implementation (SBI) scheduled for May 2013.

The Doha Climate Gateway package has been criticised on the one hand for its lack of ambition in terms of emission cuts by developed countries, and on the other for the low commitments of funding to assist developing countries to respond to climate change, in particular mid-term finance. While the COP President emphasized repeatedly that no country will be fully pleased with this package, that sentiment certainly seems more apt for developing countries than developed.

From a process perspective, one successful outcome of Doha is that the negotiations will now be more streamlined. Previously, issues were discussed separately under two parallel working groups – one on the Kyoto Protocol (for developed countries except for the US) and the other on long-term cooperative action under the Convention (for developing countries, and all developed countries). In Doha, both of these working groups were closed, meaning that the working group on the Durban Platform – i.e. the working group established in Durban to decide upon the new “protocol, another legal instrument or an agreed outcome with legal force” after the second commitment period of the Kyoto Protocol expires in 2020 – will be the sole negotiating forum for all countries to decide upon the details of the future agreement. The UN Secretary-General has announced his intention to convene a summit of world leaders on climate change in 2014 to give added political momentum to this work. Before that, COP 19 will be held next year in Warsaw, Poland.

This Conference was the first to attempt to be paper free (Papersmart), and all documents, including the daily programme, were published on the web. However, because of intermittent connectivity, delays in posting and whether or not delegates had smart devices, together with the large number of negotiating

bodies, agenda items and meeting venues, this was problematic at times, especially for small delegations. It is hoped that the lessons learnt from this experience can be utilised so that this works more seamlessly in future.

Ambition/Mitigation

The lack of ambition to genuinely avoid dangerous climate change demonstrated by developed countries was a point of much contention in Doha. There is a looming gap between what is required to stay below the two-degree global temperature rise by 2050 that countries agreed to and the specific pledges to reduce greenhouse gas emissions that each country has made.

While the adoption of the Kyoto Protocol's second commitment period is a significant achievement, this will cover just 15 % of global emissions collectively. The USA has never been a Party to the Kyoto Protocol, Canada has left, and Russia, Japan and New Zealand have not signed up to the second commitment period. Belarus and Kazakhstan have announced their intention to join the second commitment period, giving a total of only 35 developed countries and countries with economies in transition left to make legally binding commitments in the second period. The agreed aggregate emission reductions of these countries for the second commitment period are only 18% below 1990 levels by 2020.

This commitment is an improvement on the ambition of the first commitment period, which was to reduce emissions by 5% below 1990 levels by 2008-2012, however, this is still far short of the required 25-40% reduction below 1990 levels by 2020 (in order to stabilise emissions below a 2 degree rise). Countries have agreed to revisit their original targets and to increase their commitments by 2014, in line with an aggregate goal of a 25-40% reduction below 1990 levels by 2020.

In addition, while countries agreed that carry-over of surplus emission budgets ('AAUs') is permissible between the first and second commitment periods, strict limits on the quantities of purchases of these will be applied. Moreover all of the potential 'buying' countries – Australia, EU, Japan, Liechtenstein, Monaco, Norway and Switzerland – have formally stated that they will not purchase AAUs carried over from the first commitment period, making this practically unnecessary.

Annex I Parties who did not sign up to the second commitment period will not be able to benefit from carbon trading mechanisms of JI and CDM or international emissions trading, but these mechanisms will continue to be available for those Parties who have signed up.

Although the carbon market is currently experiencing a number of challenges, not least an over-supply of allowances/credits and resulting low carbon prices, it is generally regarded as one of the substantive successes of the international climate process. Placing a monetary value on a tonne of CO₂-equivalent has transformed the way that firms and consumers look at greenhouse gas emissions. As negotiations on a new climate agreement have evolved, a number of Parties (notably the EU) have advocated that new approaches and/or mechanisms are needed to match the new, scaled-up level of ambition. In Durban, under a provision included in the Durban text under the AWG LCA, it was agreed that a **new market mechanism (NMM)** would be created in the UNFCCC context, which “defines a new market mechanism operating under the guidance and authority of the COP”. In Doha, Parties agreed to create a Work Programme to elaborate modalities and procedures for the NMM over 2013, with a view to recommending a draft decision to COP-19. Assuming there is sufficient and reliable demand for new sources of carbon credits (a key and rather uncertain assumption), the NMM could mobilise additional and significant financial resources with development co-benefits.

Also of note regarding emissions trading, 2% of the proceeds on CDM (CERs) will continue to go to the Adaptation Fund, aside from those allocated for CDM projects in LDCs (as per previous decision). In

addition, the decision text also commits 2% of proceeds from JI projects (ERUs) and international emissions trading (AAUs) to go to the Adaptation Fund.

The issue of a common method to MRV progress toward achieving the target and ensuring comparably of efforts amongst developed countries was resolved for the moment by the decision to establish a Work Programme on this issue.

Finance

Funding commitments was one of the key sticking points throughout the negotiations in Doha. As part of the agreements reached in Cancun in 2010, developed countries had promised to provide Fast-Start Finance of \$30 billion over the 3 years from 2010-2012, as well as a Long-Term Finance commitment to mobilise \$100bn/year by 2020. In Doha, the question of mid-term finance – i.e. funding commitments for the period between 2012 and 2020 – was high in developing countries' minds, with a proposal of \$60bn/year by 2015 pushed for strongly. However, the mid-term finance agreement was very low, with developed countries merely encouraged to provide at least the amount of the Fast-Start Finance over 2013-2015 (i.e. ~\$30bn over the period).

A handful of developed countries did pledge funds in Doha – UK, Germany, France, Denmark, Sweden and the EU Commission announced concrete finance pledges in Doha for the period up to 2015, totaling approximately \$6 billion US – and these pledges were welcomed by developing countries.

Parties agreed to continue work over 2013 to identify how to mobilize the scaling up of climate finance to the promised 100bn USD/year by 2020 from public, private and alternative sources, as well as on ways to enhance the enabling environments and policy frameworks to facilitate the mobilization and effective use of climate finance in developing countries. Separate discussions were also agreed to on appropriate methodologies and systems to measure and track climate finance, however, these will not get underway properly until 2014, so it will be sometime before such systems will be in place.

On the Green Climate Fund (GCF), countries endorsed the decision of the GCF Board to select Republic of Korea as the host country for the Fund. Work will continue over 2013 on the operational details of the GCF so that the interim arrangements can terminate at COP19. Thus far, \$10 million in contributions and pledges for administration and secretariat costs have been made. Importantly, the need for funds to flow to adaptation as well as mitigation continues to be well-recognised within the negotiations, and countries reiterated their desire that a significant share of new funding for adaptation should flow through the GCF, and that there should be a balanced allocation of resources between adaptation and mitigation within the GCF. In addition, the GCF Board will explore the means through which countries will directly access finance from the GCF.

Loss and Damage

The issue of residual risk and damages for which there are no real adaptation options – that is, the area of Loss and Damage (L&D) – was a critical discussion topic for some of the most vulnerable countries in Doha. The Loss and Damage work refers to the impacts of both extreme events caused by climate change, as well as “slow onset” disasters, risks and damages, including gradual mean sea level rise and saline water intrusion. The main controversy is what to do with both the economic and non-economic losses and damages caused by these different types of events, and most importantly who should pay for them.

Parties agreed that Loss and Damage must be addressed under the Convention, and not only for the SIDS (who have historically led the charge on Loss and Damage, given the threat of sea level rise). A work Programme on Loss and Damage was agreed in Cancun (2010), and in Doha was agreed to continue this work which will cover: enhancing knowledge and understanding of the issue, strengthening dialogue and coordination between stakeholders, and enhancing action and support on Loss and Damage, including finance, technology and capacity-building. Parties also agreed in Doha that a heavy load of work should be undertaken over 2013, including an expert meeting to consider future needs associated with possible approaches to address slow onset events and the development of several technical papers, one on non-economic losses and one on gaps in institutional arrangements.

The critical concept that countries differ over is whether developed countries responsible for historic emissions should also be financially responsible for these losses and damages that cannot be addressed through adaptation, thus whether countries that will suffer climate impacts should be eligible for “compensation.” Developing countries are arguing for the development of an international mechanism, which would address loss and damage as a separate issue from adaptation, introducing potential insurance schemes at the regional or global level, and could lead to a separate funding window under the GCF. Countries were unable to agree on institutional arrangements for Loss and Damage in Doha, agreeing instead that they will establish “institutional arrangements, such as an international mechanism’ at COP 19 next year, to be held in Warsaw, Poland.

While developing countries have pushed hard for the creation of an institutional mechanism – i.e. a fund/bank/insurance body, developed countries do not want to set precedent for (legal) liability of Annex I countries for loss and damage. Most developed countries, particularly the USA, would rather have the loss and damage issue (agreed to be important) addressed through existing mechanisms such as the Adaptation Committee, LDC Expert Group, Technology Executive Committee, Nairobi Work Programme, etc. Nonetheless, there is now explicit text requesting developed country parties “to provide developing country Parties with finance, technology and capacity-building...”

The Durban Platform

Both of the working groups that were scheduled to close in Doha – i.e. one on the Kyoto Protocol and the other under the Convention – concluded their work, and are now closed. Established in Durban in 2012, the working group on the Durban Platform will continue until 2015. This now means that instead of having two parallel forums for discussions, the negotiations will all take place under one forum, which it is hoped will allow for more streamlined and coherent discussions for the future.

In the ADP forum countries reiterated that they are determined to adopt the new “protocol, another legal instrument or an agreed outcome with legal force” under the Convention at its 21st session (i.e. December 2015), to come into effect from 2020. The Durban Platform has a dual mandate; on vision – to draw up a new global climate agreement that will cover all countries, to be adopted in 2015, and on ambition – to identify ways to achieve more ambitious global emission reductions for 2020 in order to close the gap between current emission pledges and what is needed to hold global warming below 2°C by 2050.

The ADP is at the beginning of its work, and real progress must be made in 2013 on the scope of the future agreement on both vision and ambition. There is a great deal of knowledge and understanding about the barriers to mitigation by the local authorities, private sector and NGOs / IGOs that must be studied, discussed, and utilized effectively under the Convention. These stakeholders must be engaged in roundtables under the ADP.

One point of contention that can already be seen as deliberations on the new agreement to cover all countries move forward is the question of how all countries will be covered. China, India and other developing countries want to retain the Annex I (developed) vs. non-Annex I (developing) split as in the Convention, especially based on historical responsibilities, but developed countries stress differentiation and changing circumstances. Given the rising emissions from countries like India and China, developed countries argue that the emission profiles, and hence the causes of climate change, of countries now are very different from what they were when the UNFCCC first came into being, and that the new agreement will need to reflect this new context.

However, countries did agree that the existing principles of the Convention will guide the work – i.e. the principles of equity and common but differentiated responsibilities (CBDR) and respective capacities. Countries also agreed that developing countries need incentives to participate in mitigation, including finance, technology, and capacity building, and that “Means of Implementation” must be central to increasing ambition.

A significant number of meetings and workshops are to be held in 2013 to prepare the new agreement and to explore further ways to raise ambition. Elements of a negotiating text are to be available no later than the end of 2014, so that a draft negotiating text is available before May 2015.

REDD+

For REDD+ the outcomes of Doha are pretty modest. Going into the COP, it was expected that Parties would reach agreement on methodological issues related to forest monitoring systems and measuring, reporting and verification (MRV), by continuing to work on the draft decision text that had been developed previously. However, Parties could not agree on the final text, and agreed to continue to discuss these issues.

A Work Programme will be established on results-based finance in 2013 with the aim to scale up and improve effectiveness of finance, to look at: payments for results-based actions; incentivizing non-carbon benefits; and improving coordination of results-based actions. Countries also committed to strengthen non-markets based approaches.

On Governance, an issue that was hotly debated at this COP, the final decision is to consider existing institutional arrangements or potential governance alternatives including a body, a board or a committee during 2013, and to make recommendations on these matters to COP 19.

Developing country mitigation/NAMAs

On Nationally Appropriate Mitigation Actions (NAMAs), a Work Programme during 2013-14 will be established, to understand diversity of NAMAs with a view to facilitating the preparation and implementation of NAMAs. In addition, the Secretariat, together with inter-governmental organizations (e.g. UNDP), is to organize regional workshops and technical materials to build capacity in preparation, submission and implementation of NAMAs and LEDS. The agreements also encourage developing countries who haven't yet submitted NAMAs, to voluntarily submit information on their intention to implement NAMAs under the Copenhagen Accord. Developing countries who wish to develop low emission and climate resilient development strategies are also encouraged to do so.

A web-based UNFCCC registry will match developing country NAMAs to funding sources, as well as to available technological and capacity building support. The prototype will be deployed by April 2013, with

feedback sought over the course of the year such that the final registry can be operational before COP 19. Parties will get information and technical assistance on using the registry.

Gender

In Doha, Parties agreed to text to promote gender equality in the UN climate negotiation process. The decision, *Promoting gender equality through improving the participation of women in UNFCCC negotiations and in the representation of Parties in bodies established pursuant to the United Nations Framework Convention on Climate Change and the Kyoto Protocol*, is in fact a re-affirmation of a decision already taken more than a decade ago. During COP7 in Marrakech, the Parties agreed to adopt Decision 36, which recognized the importance of gender equality in climate decision making; urged the Parties to nominate women to elected UNFCCC positions; and requested the Secretariat to keep information on the gender composition of UNFCCC bodies with elective posts.

Despite this decision, participation of women in UNFCCC bodies has remained disappointingly low. With that in mind, the EU delegation submitted this new decision to remind COP participants of the importance of gender equality. In many ways, the new draft decision is similar to the old one: it recognizes the importance of women's participation in achieving effective and equitable climate policy; requests the Secretariat to keep information on women's participation in the conferences; and sets a goal of gender balance in all UNFCCC bodies.

Adaptation

The main discussions on adaptation in Doha centered on the National Adaptation Plans (NAPs). While agreements were made in Cancun (2010) for developing countries to develop NAPs – both LDCs (required) and non-LDCs), the discussions now focus on how to implement NAPs. The significant outcome from these discussions Doha is that Parties have requested the GEF to provide funding for Least Developed Countries (LDCs) through the Least Developed Country Fund (LDCF), to “meet the agreed full cost, as appropriate, of activities to enable the preparation of the national adaptation plan process.” This wording leaves the door open for developing countries to request funding for all NAP related actions. The decision also urges developed countries to provide funding for non-LDCs to develop National Adaptation Plans, through the GEF Special Climate Change Fund.

Further, the Adaptation Committee (which met for the first time in Bangkok during the intersessionals in Fall 2012), developed a workplan which was endorsed by the COP. This workplan includes support for other elements being discussions under the Convention, such as guidelines for NAPs for non-LDCs (guidelines for LDCs have been developed by the LDC Expert Group), and support on Loss and Damage. Other issues of interest include an analysis of current institutions/arrangements on adaptation inside and outside of the Convention, identifying gaps and needs, and also issues of monitoring and evaluating adaptation.

The Decision also gives consideration to issues relating to the engagement and role of regional centres and networks and requests the Adaptation Committee to consider establishment of annual Adaptation Forum. The Adaptation Forum will provide a venue for the countries from the region to express their experiences and needs and defining possible means of implementation. The countries should work towards establishment of an annual Adaptation Forum.

Technology

The Cancun Agreement decided to formally establish a Technology Mechanism under the Convention. The mechanism has a Technology Executive Committee (TEC) as well as a Climate Technology Centre

and Network (CTCN). The TEC replaced the Expert Group on Technology Transfer under the Convention from 2011.

The existing technology transfer work under the UNFCCC—mainly through the GEF—will now be reviewed with a view to harmonizing work between the new mechanism and GEF programming. However in Doha the relationship between TEC and CTCN were still not defined; this will have to be decided at COP 19. The relationship between the technology mechanism and the financial mechanisms under the negotiations (including the GCF) (i.e. how technology will be financed) will be decided at COP 20 in December 2014.

The selection process of the host of the Climate Technology Centre and its associated Network (CTCN) was finalized in Doha, with UNEP as a leader of the consortium of partner institutions selected. The Advisory Board of the CTCN was established and the composition of the Advisory Board agreed.

The Board will comprise 24 member as follows: 16 governmental representatives (8 from Annex I Parties, 8 from non-Annex I Parties); Chair and Vice-Chair of the TEC; one Co-Chair or designated member of Green Climate Fund; the Chair or Vice-chair or designated member of the Adaptation Committee; one Co-Chair or designated member of the Standing Committee; the Director of the CTCN; and one representative each from Environmental NGOs (ENGOS), Business and Industry NGOs (BINGOs) and Research and Independent NGOs (RINGOs).

The report of the Technology Executive Committee (TEC) was well received and among other things the COP stressed the need for the implementation of the technology needs assessment (TNAs) results and agreed that the TNAs process should be integrated with other related processes under the Convention, including nationally appropriate mitigation actions (NAMAs), national adaptation plans (NAPs) and low-emission development strategies (LEDS). Parties in Doha agreed that the TEC should elaborate a Work Programme which will include enabling environments and removal of barriers for technology transfer.

Intellectual property rights (IPRs) continue to be a point of contention, with developing countries wanting to have discussion on some kind of international mechanisms or other arrangements to assist in supporting tech transfer overcoming the barrier of IPRs. Developed countries do not want the discussion within the UNFCCC referring to other fora such as WTO, WIPO etc. Nothing was agreed in Doha.

Capacity Building.

The Durban Forum for in-depth discussion on capacity building was held for the first time in Bonn during the sessions in June 2012. Countries agreed that this forum was successful in providing an opportunity to share experiences, best practices and lessons learned on capacity building. However, there is strong disagreement on how the issue of capacity building should be dealt with moving forward. Developing countries feel strongly that work should move towards implementation of activities. China was a strong voice on this position, representing G77 and China. Developed countries, on the other hand, want to keep discussions at a level of knowledge sharing, since implementation would have implications for funding support. The United States and Japan were strong voices on this position. In Doha, an agreement was not made on how to move forward, and instead the discussion was tabled for the next meeting of the Subsidiary Body on Implementation, to be held in June 2013, which will “explore potential ways to further enhance the implementation of capacity-building at the national level.” Meanwhile, Parties and organizations are invited to make submissions by February 2013 on activities they have undertaken related to capacity-building, information on needs, gaps, experiences and lessons

learned, and views on potential enhancements for the Durban Platform and specific issues to be considered at the second meeting of the Forum in 2013.

Other issues

Certain Parties under the Convention have argued that 'response measures' undertaken by countries to mitigate against climate change and reduce emissions would have a socio-economic consequences and adverse effects on their countries. They argue that these impacts should be assessed and eventually compensated for. With the announcement of Qatar as host for COP18, response measures were expected to become a more and more prominent issue in the negotiations. However, nothing was agreed upon in Doha aside to continue the Forum for discussions established in Durban.

Article 6 of the Convention focuses on education, training and public awareness of climate change. In Doha, countries adopted an eight-year Work Programme on Article 6. A UN alliance on Climate Change Education, Training and Public Awareness, including FAO, UNICEF, UNEP, UNESCO, UNITAR and WMO, to support efforts to implement activities under Article 6 through their Work Programmes was launch.

Finally, a new GHG was added under the Kyoto Protocol for the second commitment period: Nitrogen trifluoride (NF₃).