

MÉXICO-UNIÓN EUROPEA

HACIA UN ACUERDO GLOBAL SOBRE CAMBIO CLIMÁTICO



“On the way to Paris – COP21 Negotiations from a German Perspective”

Franz Josef Schafhausen, Director General Climate Policy, European and International Policy at the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety



Federal Ministry for the
Environment, Nature Conservation,
Building and Nuclear Safety



G7 GERMANY

2015 | Schloss Elmau



Content

1. Political context of the climate change negotiations under the Convention (UNFCCC)
2. In the run up for a new agreement
3. Germany's perspective regarding the Paris Protocol
4. Germany's climate change ambition in decarbonization of the German society
5. G7's leadership in climate change



Content

- 1. Political context of the climate change negotiations under the Convention (UNFCCC)**
2. In the run up for a new agreement
3. Germany's perspective regarding the Paris Protocol
4. Germany's climate change ambition in decarbonization of the German society
5. G7's leadership in climate change



The political context of international climate change negotiations under the UNFCCC aims for keeping anthropogenic global warming below a 2 degree Celsius increase compare to pre-industrial times.

- New legally binding agreement applicable to all Parties that will put the world on track to achieve the below 2°C objective.
- Agreement should address in balanced manner mitigation, adaptation, means of implementation and transparency, to be finalized in Paris December 2015 and to be implemented from 2020.
- All parties to communicate their intended nationally determined contributions (INDC) towards achieving the objective of the Convention; invitation to consider adaptation; well in advance before Paris.
- Commitment of developed countries: mobilise jointly US\$ 100 billion/year by 2020 from various sources for mitigation and adaptation in developing countries from various.
- Pledges to the GCF: \$10,3 bn; Germany: €750 million.

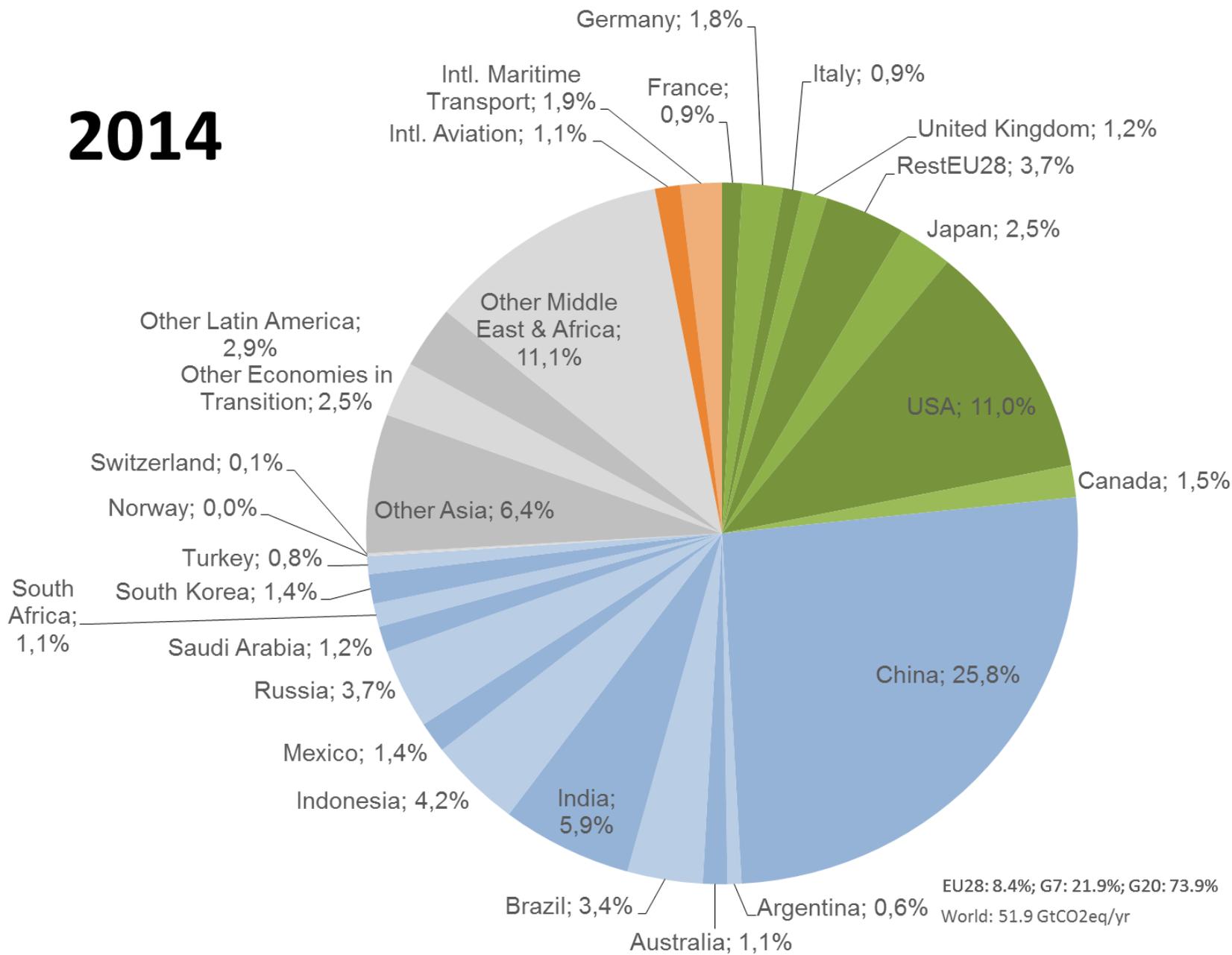


The pie chart on the following slide shows that the world of 2014 GHG emissions can be divided into four almost equal parts :

- Approx. 25 % of 2014 GHG emissions are from the G7 nations
- Approx. 25 % of 2014 GHG emissions are from China
- Approx. 25 % of 2014 GHG emissions are from the rest of the G20 nations except G7 and China
- Approx. 25 % of 2014 GHG emissions are from the rest of the world except G20

Source of the chart: Malte Meinshausen (2015), PIK

2014





Content

1. Political context of the climate change negotiations under the Convention (UNFCCC)
- 2. In the run up for a new agreement**
3. Germany's perspective regarding the Paris Protocol
4. Germany's climate change ambition in decarbonization of the German society
5. G7's leadership in climate change



Six years, six cities and six COPs later after Copenhagen – And why it looks likely that we will achieve a new robust and durable climate change agreement under The Convention.

- COP15 in COPENHAGEN: the Parties failed to agree on a new protocol text which was meant to replace the KP after the first commitment period. But Parties agreed “to take note” of The Copenhagen Accord and extended the mandates of the negotiations until COP16/CMP6 in 2010.
- COP16 in CANCUN: In The Cancun Agreement the Parties recognized for the first time the need for deep cuts in global emissions in order to limit the global average temperature rise to 2 °C above pre-industrial levels and established a wide range of institutions like the GCF (Green Climate Fund).
- COP17 in DURBAN: The Durban Outcome covered a second commitment period under the KP (2013-2020); Parties launched the ADP (Ad-hoc Durban Platform) to “develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties”. The ADP is scheduled to complete these negotiations by 2015, with the new instrument entering into force in 2020.



Why all the COPs since Copenhagen were targeting to achieve a robust and durable new climate agreement for the world at the end of 2015.

- COP18 in DOHA: the Doha Climate Gateway ensured the second commitment period of the KP while terminating the AWG-KP. This self bonding decision is now forcing Parties to come to an agreement in 2015.
- COP19 in WARSAW: Parties decided to invite all parties to bring forward their intended nationally determined contributions (INDCs).
- COP20 in LIMA: Negotiations focused on outcomes under the ADP to advance toward an agreement at COP21 in Paris in 2015. Parties elaborated on the INDC process and asked to bring forward INDCs “as early as possible” in 2015. Parties also discussed the elements of a draft negotiating text. Additionally Parties adopted the Lima Call for Climate Action which includes the negotiations toward the 2015 agreement, the process for submitting and reviewing INDCs, and addresses enhancing pre-2020 ambitions of the Parties.



The 2015 final spurt for achieving a robust, modern, and durable climate change agreement under the Convention.

- ADP 2-8 in GENEVA, February 2015: as mandated by COP20 the Parties developed the Geneva Negotiation Text (GNT) based on the elements for a draft negotiation text from the Lima Call for Climate Action.
- ADP 2-9 in Bonn, June 2015: the Parties streamlined and consolidated, clustered and conceptualized the GNT. The Parties agreed on “an additional tool” for the preparation of ADP 2-10 and requested the co-chairs of the ADP to prepare a “non-paper” which is supposed to present a “fully streamlined, consolidated, clear and concise” version of the GNT. This will be presented 24th July.
- ADP 2-10 (AUG/SEPT) and ADP 2-11 (OCT): Parties will work to reconcile the co-chairs non-paper and the GNT, hopefully dividing the text in a relatively short agreement text with legally binding force and a set of COP decisions.
- COP21 in Paris: Parties will agree on a robust and durable climate change agreement which keeps global warming below the 2 degree Celsius threshold.



Why we most likely will remember the year 2015 as being a very important year in the history of the design of mankind.

- In 2015 two significant global many years long negotiations are culminating in the second half of the year. :
 - Sustainability Development Goals Negotiations aiming for an aspirational goal how our societies should look like, and how we want to live in 20-30 years from now, and what are the characteristics of those societies.
 - Climate Change Negotiations under The Convention are supposed to agree a binding treaty.



Content

1. Political context of the climate change negotiations under the Convention (UNFCCC)
2. In the run up for a new agreement
- 3. Germany's perspective regarding the Paris Protocol**
4. Germany's climate change ambition in decarbonization of the German society
5. G7's leadership in climate change



Germany expects a robust, durable and ambitious new Climate Change Agreement in Paris which will ensure the mechanism to prevent the world from global temperature increase above dangerous levels of 2 degree Celsius.

- Investors around the world need a **clear signal** that the global economy will shift towards a low-carbon and climate friendly future. This will ensure diverging global finance to redirect from fossil fuels towards **decarbonization**.
- To find a strong and facilitating **mechanism** which ensures that all Parties could raise their mitigation ambitions if aggregated reductions of GHG emissions will not **keep global temperature increase below the 2 degree Celsius** threshold.
- The use of **market mechanisms** opens the door for higher ambition beyond the domestic targets. For host countries, markets could support emission reduction activities, which could be implemented in international cooperative manner only.
- Market mechanisms would work for buying countries as a mean of raising **ambition beyond their domestic target** with explicit numbers of international engagement on markets. (EU's INDC of "at least" 40% let the door open for more.)



Germany expects a robust, durable and ambitious new Climate Change Agreement in Paris which will ensure the mechanism to prevent the world from global temperature increase above dangerous levels of 2 degree Celsius.

- The Paris Agreement has to have enough **flexibility** to make it **long lasting for decades to come** while ensuring the freedom for Parties to raise ambitions in the light of the 2 degree Celsius level.
- Include **ambitious pre-2020 actions** right away on mitigation and adaptation to enhance the stated pathway of decarbonization.
- Taking specific emission reduction potentials as for **example the Nitric Acid** sector to specific international programs, is an option to raise pre-2020 ambition already, which however should be **combined with transformational change** and host countries self-regulations.
- Includes an **ambitious component for adaptation**, making sure that the international community stands strong helping the most vulnerable people.



A robust rules base and the necessary support for the transformation of pathways from fossil fuels dependency towards a low-carbon, climate friendly world goes hand in hand.

- To ensure **fairness and trust** the Paris Agreement must enshrine **clarity and transparency** about actions and support. This will require a **legally binding core text** with the provisions for a **robust rules base**, while ensuring the necessary flexibility to accommodate the self-selected national targets of each party. This will make sure that the provision of CBDR-LNC (common but differentiated responsibilities in the light of national capabilities).
- The international community has to come to terms how to **support the transformative change** of economic development pathways. The decoupling of GHG emissions and GDP growth will be key to ensure that global GHG emission will keep below the indicated global “carbon budget”.



Content

1. Political context of the climate change negotiations under the Convention (UNFCCC)
2. In the run up for a new agreement
3. Germany's perspective regarding the Paris Protocol
- 4. Germany's climate change ambition in decarbonization of the German society**
5. G7's leadership in climate change



Germany is shifting its society from the use of fossil fuels and nuclear towards renewable energy and low carbon systems.

- Long tradition and **strong public support for Climate Policy** (National Climate plans, implementation of Kyoto Protocol).
- 2007: **Integrated Energy and Climate Package** – 2020 climate target (minus 40% re 1990).
- 2010: **Energy concept** - Long-term climate and energy policy up to 2050 aimed at fundamentally restructuring the energy system, but also other sectors -> 2011: **Energiewende**.
- Transition towards a highly efficient **renewable energy** system also as an economic and social opportunity.
- Focus on **innovation and advanced technologies**, on effective and cost-efficient measures in line with market and competition principles.



Germany has a 25 years tradition in building the institutional framework for shifting the society towards low-carbon production and climate friendly living.

- **Domestic climate targets** set out in government decisions, supported by legislation on individual climate and energy policies.
- Latest coalition agreement (Dec 2013) confirms 2020 and 2050 targets, interim targets for 2030 and 2040 confirmed through monitoring process for the **Energiewende**.
- **EU legislation** includes overall cap for emissions under emissions trading scheme (about 50% of GHG emissions in Germany).
- **Legally binding target for 2020** for non-trading sectors in Germany in EU effort sharing scheme.

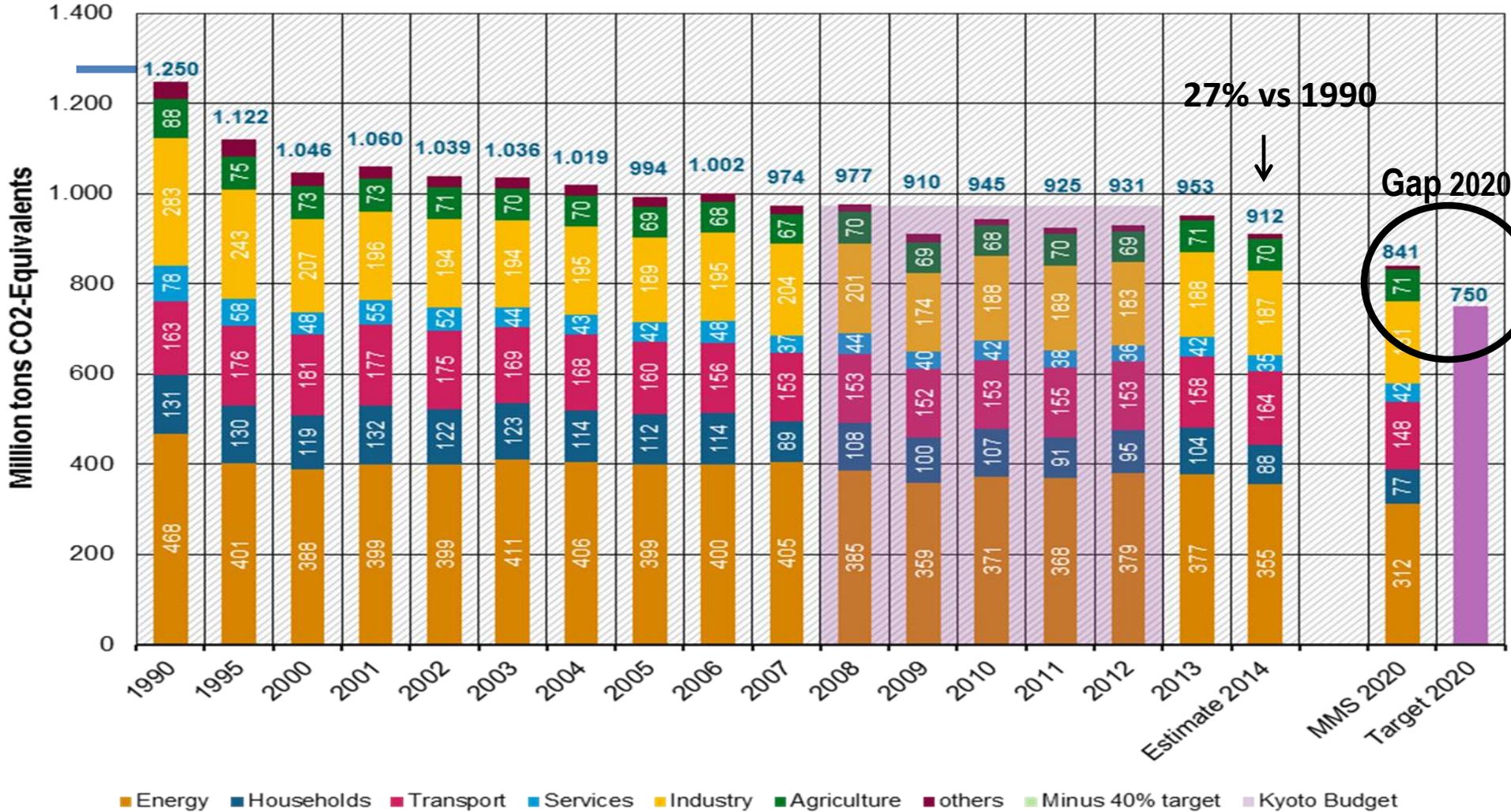


Germany is dedicated to phase out GHG emissions in the range of 80-95% until 2050.

		2020	2030	2040	2050
Climate	Greenhouse gases (vs. 1990)	- 40%	- 55%	- 70%	- 80 to - 95%
	Share of electricity	35%	50%	65%	80%
Renewable energies	Overall share (Gross final energy consumption)	18%	30%	45%	60%
	Primary energy consumption	- 20%▶		- 50%
Efficiency	Electricity consumption	- 10%			- 25%
	Energy consumption in buildings	20% heat demand		80% primary energy	



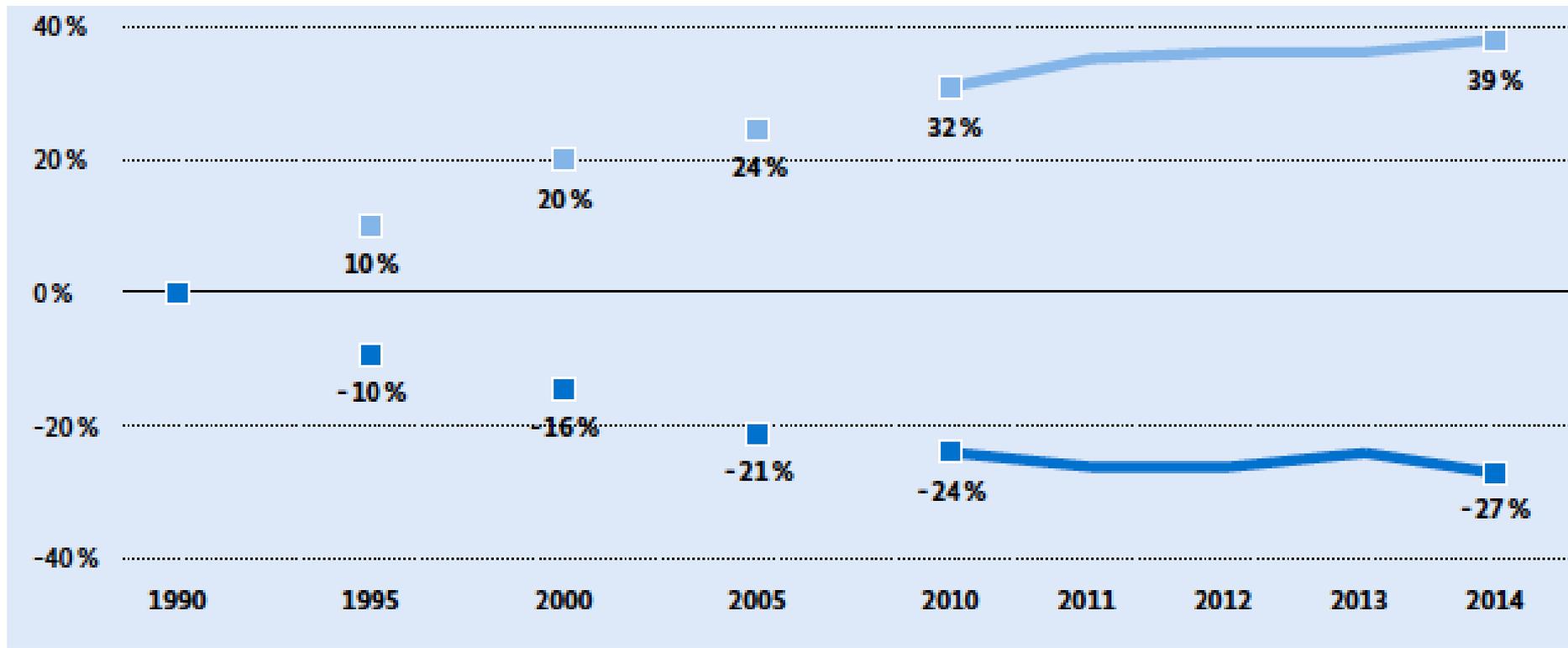
In five years Germany has to reduce GHG emission in the range of 162mio t/CO₂eq with a gap of 91mio t/CO₂eq between MMS and binding target.





Germany managed to decouple its international competitive industry production and high living standard increase from GHG emissions.

■ Percentage change in CO₂ equivalents compared to 1990 ■ Percentage change in GDP compared to 1990



Source: <http://www.umweltbundesamt.de/presse/presseinformationen/treibhausgasausstoss-im-jahr-2013-erneut-um-12> and Working Group on Energy Balances (Arbeitsgemeinschaft Energiebilanzen): Selected efficiency indicators for Germany's energy balance

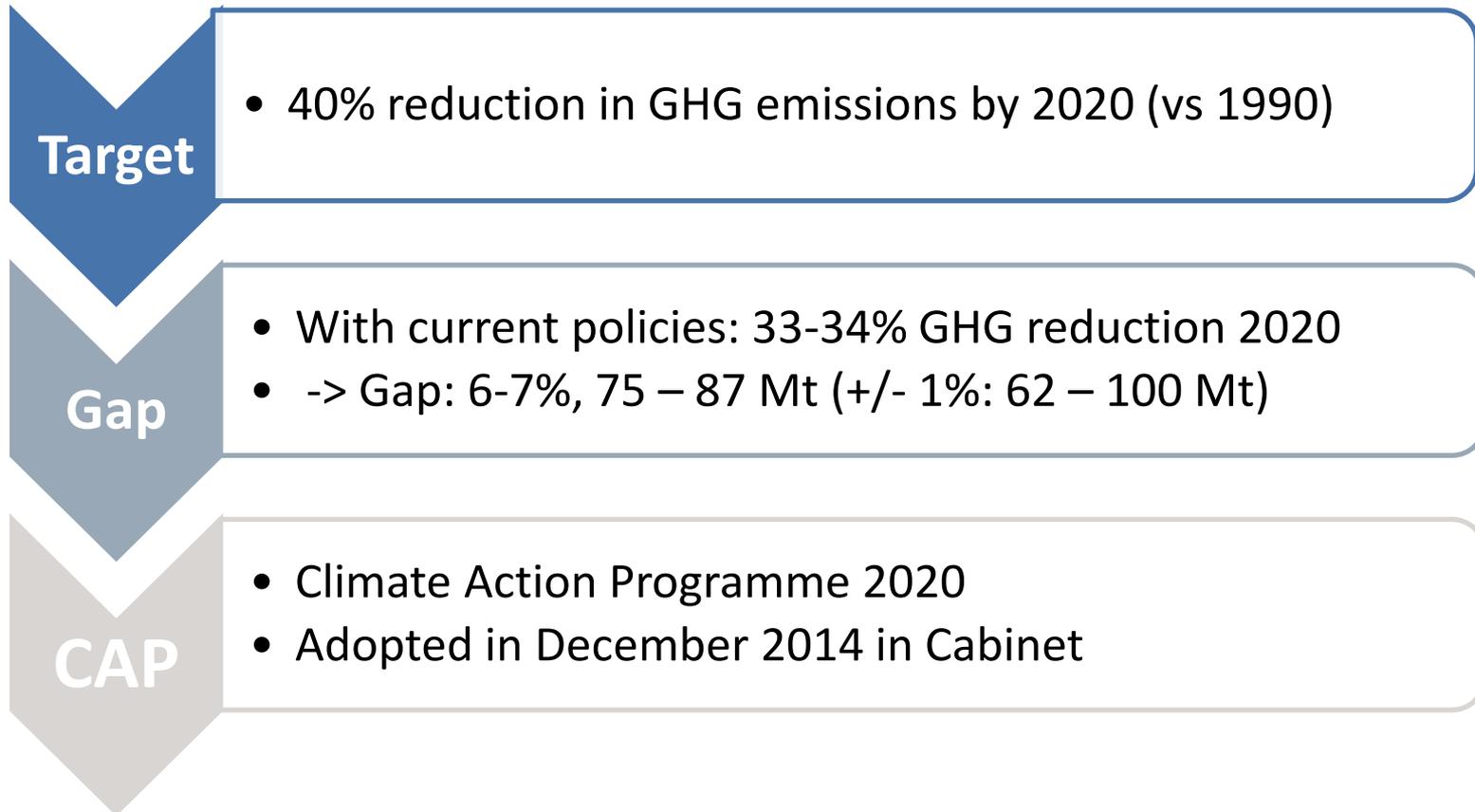


Germany has managed to beat its Kyoto target but lacks behind its current ambitions towards 40% reduction in 2020 vs. 1990 levels.

- **Decoupling** growth from emissions
- **Kyoto target** during 1st commitment period was 21% for Germany, actual reduction was 23,6% (2008-2012 on average)
- Most recent figures show **27% reduction vs 1990 levels** in 2014 (estimate)
- Projection shows about **33% reduction by 2020** based on existing measures (without Climate Action Programme 2020)



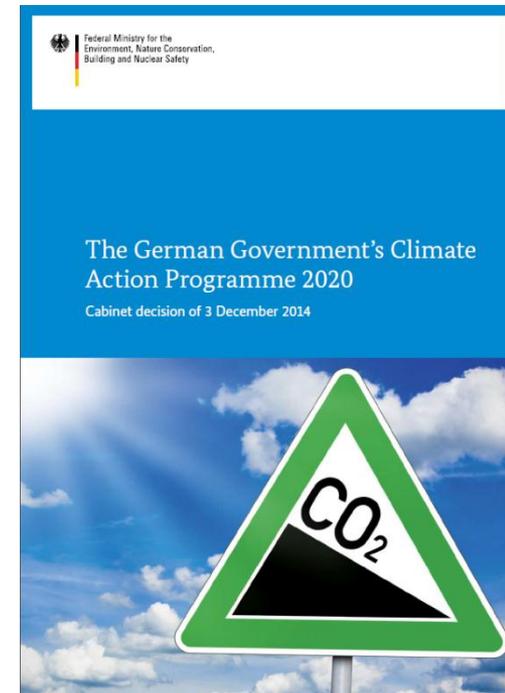
Germany has adopted measures to close the gap of ambitions and current trend.





Germany has taken very ambitious steps to close the gap while ensuring general public support.

- Start April 2014: starting point, identification of gap
- Broad invitation: Identification of measures and suggestions
 - Federal Government / ministries, agencies
 - Länder and municipalities
 - Civil society
 - environmental and business NGOs
- over 500 external proposals
- sectoral grouping, Clustering
- quantification, if possible





While Germany is increasing ambitions to close the gap until 2020 the 2050 targets stays insight.

- Climate Action Programme 2020 is an important milestone for reaching **2050 climate target**
- Coalition agreement: describe next reduction steps up to 2050 and support them with measures developed in a broad-based dialogue process
- BMUB tasked to draw up Climate Action Plan 2050
- To be adopted in 2016 by the federal cabinet
- Climate Action Plan 2050 will be updated at regular intervals (to be defined)
- Participation also in implementation and review



Content

1. Political context of the climate change negotiations under the Convention (UNFCCC)
2. In the run up for a new agreement
3. Germany's perspective regarding the Paris Protocol
4. Germany's climate change ambition in decarbonization of the German society
5. **G7's leadership in climate change**



While Parties prepare for the Paris Agreement the G7 has taken leadership in climate ambition and action.

- Commitment to below 2° C goal and emphasis on the need for **decarbonisation over the course of this century**; supporting global goal of upper end of IPCC recommendation minus 40-70% by 2050 vs 2010
- Commitment to strive for a **transformation of the energy sectors by 2050** and to develop longer term national low-carbon scenarios
- Strong determination to adopt a **legal agreement applicable to all that is ambitious, robust, inclusive** and reflects evolving national circumstances
- Agreement should have **binding rules to enhance transparency and accountability** and promote **increasing ambition** over time
- Call upon all countries to **submit INDCs** well in advance of COP21





G7 taking leadership in commitment for global support for the transformation towards decarbonization and decoupling from GHG emissions.

- Re-affirm strong **commitment to Copenhagen Accord (USD 100 bn)** Provide and mobilize increased finance and demonstrate that we are well on our way to meet USD 100 bn; call on multilateral development banks (MDBs) to contribute
- Call for progress in OECD on how **export credits** can contribute to address climate change
- Eliminate **inefficient fossil fuel subsidies**
- Committed to continued efforts to **phasing down HFCs**
- **Incentivize investment towards low-carbon growth opportunities** by applying effective policies, including carbon market-based instruments





Summing it up, from a German perspective the Paris Agreement will have four pillars to ensure that anthropogenic global warming caused by GHG emissions will stay well below 2 degrees Celsius compare to pre-industrialized levels.

- 1. The legally binding Paris Agreement itself.***
- 2. Binding mitigation targets by all parties (no back sliding).***
- 3. Ensure the necessary support for climate finance and technology transition.***
- 4. Increased climate change actions through multilateral cooperation and non-state actors.***



Thank you for your attention!

