Bangladesh's Final Arguments Summary

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Overview

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Architecture

- Founded on CDR principle
- > 2013-2053 with 10 year reassessment periods
- ▶ 4 Annexes based on HDI (0-1) and GHG Emissions Value (0-1)
 - Annex I (2 0.91) Developed Countries (US, EU, Japan)
 - Annex II (0.9 0.65) Advanced Developing Countries (Russia, China, Brazil, S. Africa, Egypt)
 - Annex III (0.64 0.5) Developing Countries (Bangladesh, some Small Islands, Nigeria, Kenya)
 - Annex IV (<0. 5) Least Developed Countries (some African and Small Island Countries)

Targets

- Annex I:
 - 80% reduction in 2000 GHG emissions levels by 2053 with 20% reductions in every 10 years (60%- 2043, 40%- 2033, 20%- 2023)
 - 50% increase in renewable energy use of total energy production by 2053 (40%-2043, 30%-2033, 30%-2023)
 - 50% reduction in transportation emissions by 2053 (40%- 2043, 30%- 2033, 30%- 2023)
 - 10% increase in Carbon Capture and Storage (CCS) by 2053 to be determined by each country in their national schedules
 - 10% use of Clean Development Mechanisms (CDMs) by 2053 as a soft target in ensure technology transfers to developing countries and secure another method of acquiring carbon credits
- Annex II:

- 40% reduction in 2007 GHG emissions levels by 2053 with 10% reductions in every 10 years (30%- 2043, 20%- 2033, 10%- 2023)
 - 2007 levels were selected as a fair baseline because 2007 was the year that China triumphed the United States in CO₂ emissions, thus giving Annex II countries a higher amount of emissions and less of a reduction target than Annex I 2000 level baseline
- 25% increase in renewable energy use of total energy production by 2053 (20%-2043, 15%-2033, 10%-2023)
- 25% reduction in transportation emissions by 2053 (20%- 2043, 15%- 2033, 10%- 2023)
- 25% increase in CCS by 2053 to be determined by each country in their national schedules, however, this Annex should focus on decreasing deforestation and using reforestation since they are still developing
- Voluntary use of CDMs, although it would be in their best interest to invest in a few projects for carbon credits

Targets

Annex III:

- Binding emissions targets should be determined based on economic output (income per capita) indexing to ensure that GHG limits do not constrain economic growth for these countries.
- Non-binding sectoral targets equal those of Annex II, with the exception of a binding sectoral target of 25% increase in CCS by 2053, as well as, a mandatory submissions of national schedules or "plans of action."
- Annex IV:
 - Non-binding emissions targets should be determined based on economic output (income per capita) indexing to ensure that GHG limits do not constrain economic growth for these countries.
 - Voluntarily submisisons of national schedules and adoptions of sectoral targets based on their vulnerability limitations

Annex Indexing

- Annex Transitioning and Re-Indexing:
 - Re-indexing for Annexes should occur at each reassessment period.
 - If a country qualifies to move up (or down) to a different Annex, that country must maintain a stable HDI above the Annex index limit for a minimum of 2 years, with 1 additional year to transition into the new Annex (3 years total).
 - When a country transitions to Annex I or Annex II, they should switch to a 2013 baseline, to allow for less harsh emissions reductions as they adjust to the financing and other binding sectoral targets of the new Annex.
 - Also, the country should begin a path of 20% emissions reduction targets from the new baseline of 2013 every 10 years for Annex I or a path of 10% emissions reduction targets from the new baseline of 2013 every 10 years for Annex II.

Trading

- Emissions trading can occur in the event that a country will not meet is emissions reduction levels.
- Countries can purchase emissions allowances from other countries that have reduced below emissions reduction levels instead of paying carbon tax for excess emissions.
- Price levels and market will be monitored and regulated by WEO Emissions Trading Sub– Organization

CDMs

- CDMs can only occur in Annex III and IV countries, and should be prioritized based on a country's Vulnerability Indexing and geographic feasibility based on national vulnerability mapping to avoid implementing projects in unsuitable areas.
- Countries can submit an Adaptation Needs Assessment (ANA) (similar to a Technology Needs Assessment) to the WEO sub-organization overseeing CDMs, so Annex I and II countries can see if their projects line up with other country's needs.
- The timeframe for CDMs should be 1-2 years for small projects and 2-4 years for large projects.
- When developed countries invest in CDMs, they should be taxed 2% levy on carbon credits generated, which will go to the WEO Special Climate Change Fund (SCCF) to fund climate change related mitigation and adaptation needs.

Adaptation

- Adaptation funding for each country should occur based on its Vulnerability Index Ranking, which is calculated using the Environmental Vulnerability Index and the country's GDP.
- Each country will then be placed in one of 4 categories from highest vulnerability ranking to lowest:
 - Most Vulnerable, Extremely Vulnerable, Highly Vulnerable, Vulnerable
- Only Annex III and IV qualify for Vulnerability categorizing since they are the only countries eligible for adaption funding and CDMs.

Adaptation

- Adaptation funding will occur in the following annual amounts for each Annex:
 - Annex I- 0.15% of GDP
 - Annex II- 0.08% of GDP
- With public and private financing providing an additional 20% each year for both annexes, yielding a total contribution of USD \$90 billion per year with \$71 billion guaranteed
- The WEO will control this funding and allocate it based on priority countries as defined by the Vulnerability Index and their ANAs and their feasibilities. If adaptation funding is not enough for some ANAs and the country's vulnerability to extremely high, then non-governmental organizations (NGOs) such as the Global Environment Facility can be used as an outside resource for funding if possible.
- This funding should be used for projects that are exacerbated by climate change since it if often difficult to establish what explicitly is caused by climate change.

Adaptation

- Special Climate Change Funding from CDM carbon credit taxes can be used for mitigation and adaptation projects directly related to climate change such as displacement or temporary climate refugees.
- Disaster Funding should occur in the form of a global insurance pool to cover premiums for disaster (meaning any natural, unanticipated catastrophe). To qualify for this funding, a country must first have national measures in place that "climate-proof" the country as much as possible prior to the disaster such as Bangladesh's early warning system for tsunamis and re-enforced seawalls and bulkheads. Claims for this fund can be prioritized by Vulnerability Index Rank in the event of multiple catastrophes or multiple countries in need at the same time.
- **Capacity Building** should occur between all stakeholders such as NGOs, academics, private sectors, ministries, intergovernmental organizations, etc. It should focus on helping human resource development (HRD) by education individuals, providing training, skills and information relative to sustainable development and technological growth, as well as encourage partnerships. Organizations such as the GEF, UNEP, World Bank, and UNDP should act as financial mechanisms to develop climate change educational programs, public awareness, national strategies and national communications. This can be accomplished similarly to measures taken in the past under Article 6 of the Kyoto Protocol through regional workshops to provide country representatives with information on how to achieve and implement these essential education components.

WEO

- The WEO will act as the governing body to this agreement.
- Each country that is Party to the post-Kyoto agreement will be a member of the WEO.
- To oversee the activities and duties of the WEO, a WEO Executive Board should be created, comprising an equal percentage of representation from each Annex (no more than 5 members being from Annex I).
- The Board will conduct 10 year reassessments, allowing for review to occur during the ninth year (1 year before the reassessment changes).
- Any changes to emissions targets, indexing, funding, compliance, adaption, technology or emissions trading will be voted on by the entire organization with a two-thirds majority to pass.
- Once changes are made, a country has one year from the end of the re-evaluation period to object to any said changes.

WEO

- The Board should be rotated after each reassessment period to allow for the participation by as many countries as possible, as well as, to eliminate biases.
- The WEO will also have six sub-organizations to design and manage different parts of the post-Kyoto structure. The six sub-organization are as follows:
 - Emissions Targets- set reduction levels, review national schedules
 - **Emissions Trading** set prices for emissions allowances and carbon tax, create market place for emissions transactions, monitor the market
 - Enforcement and Compliance- collect annual GHG inventories from all countries, monitor funding contributions, monitor CDMs and Jis
 - Re-Indexing- reassess HDIs for annexing every 10 years, reassess Vulnerability Indexing every 10 years, oversee Annex Transitions
 - Technology Transfers/CDMs and JIs- oversee all technology transfers, oversee CDM and JI applications, review all TNAs with technology transfers, review national vulnerability mapping, allocate funding for technology transfers from SCCF
 - Adaptation and Capacity Building- review ANAs, control and allocate Adaptation Fund based on ANAs and Vulnerability Indexing, manage capacity building measures and regional workshops between NGOs and countries, review claims for global disaster insurance pool and issue funds
- Funding for WEO will come from dues and the UN to equal costs projected to be around USD\$ 45 million based on Kyoto Protocol costs for core program budgets from 2008–2009 (\$27 million) and resources required for supplemental activities (\$19 million) in 2009 as outlined in the Bali Action Plan

Energy and Universal Standards

Transportation

Possible use of hybrid cars totaling 50% of auto fleet in Annex I countries by 2053 and 25% of fleet in Annex II countries by 2053 since the United States has already adopted 31.6 mpg standards for 2016 and most hybrid allow for 50+ mpgs (making a 50+ mpg fuel efficiency standard by 2053 for Annex I).

Aviation

 Bangladesh believes these standards should be determined domestically, especially because there has not been any consensus even in the United States on how to regulate aviation and aviation emissions.

Infrastructure

 Because Bangladesh is already making concerted efforts to switch bus systems and other public forms of transportation (rickshaws) from fossil fuel use to natural gas use, Bangladesh proposes the use of natural gas or another non-fossil fuel use to power 50% of public transportation systems in Annex I by 2053 and 25% by 2053 for Annex II.

Energy and Universal Standards

Renewables

- Bangladesh avidly supports an increase in CCS to curb deforestation and promote reforestation for Annex I, II, and III with a focus on retrofitting fossil fuel plants to capture carbon and reforestation in Annex I, and limiting deforestation and improving agricultural practices in Annexes II and III.
- Also, for specific sectors, each country will have to outline how they plan to improve their renewable sectors in their national schedules since most alternative energy possibilities are based on the climate and geography of a country. For developed countries, a focus on solar, wind, nuclear, and hydrogen fuel cell would appear most appropriate, accompanied by a focus on solar, wind, and biomass in most developing countries. Use of one major solar power project in Bangladesh alone has offset 48,380.75 tons of CO₂ per annum. Other projects of this sort in heavily rural countries with limited electricity capabilities would prove highly beneficial when trying to reduction GHG emissions.
- One area that is not feasible to Bangladesh is biofuels. Bangladesh opposes any increases in biofuel use because it generates more methane, decreases the food supply, negatively affects food security, increases the price of crops and animal feed, and can't sustainably support a large industry except in places where the base resources are abundant (such as Brazil).

Technology and Technology Transfer

- Each country from Annex III and IV should submit Technology Assessment Needs (TNAs) to the WEO for review.
- In return, the WEO Technology Transfers Sub-Organization should compile a literature review on Annex I and Annex II available technologies so that Annex III and IV countries have a basic knowledge of what is being currently used and what is available for transfer.
- Once TNAs are assessed and either Annex I or Annex II countries decide to commit to a technology transfer, the transferring country can decide what technology to provide to the developing country.
 - Bangladesh believes this is a good mechanism because it will spur domestic R&D by Annex I and II countries, causing those countries to comply with emissions reductions and provide developing countries with easier and more cost-effective ways to progress sustainably in the future.

Technology and Technology Transfer

- Mechanisms for technology transfer should be implemented by an "Expert Committee" as defined by the UNFCCC.
- This committee should have 20 members, with the following representatives:

- 7 Annex I members, 4 Annex II members, 3 Annex III members, 2 Annex IV members, and 4 NGOs members such as the GEF, UNEP, WB, Renewable Energy Fund, EU Energy Initiative, FAO, or Climate Technology Initiative.
- This committee can be rotated every 2 years with the half of the initial committee remaining for 3 years, as to only rotate half of the committee each year.
- Bangladesh believes this group will be able to most effectively allocate technology transfers between developing and developed countries in a fair and equitable manner.

Enforcement and Compliance

- Each country must submit an annual GHG inventory to the WEO Enforcement and Compliance sub-organization so that each country can be monitored annually for potential non-compliance and adequate noncompliance measures can be taken at the end of a budgetary period.
- Also, each country must contribute to the Adaption Fund annually as outlined above.

Enforcement and Compliance

If a country misses its emissions target:

- it must either pay the carbon tax on the extra emissions above its reduction limit, or buy allowances from another complying country below reduction levels at a slightly elevated price as outlined above.
- If a country misses its adaptation fund contribution:
 - its carbon credits from technology transfers and CDMs will be taken away in an amount equal to the money missing from the adaption fund contribution. Once the contribution has been fulfilled, the carbon credits will be returned for the next reassessment period.
- If a country fails to comply with emissions targets for two consecutive terms:

it will not be allowed to serve on the WEO Executive
<u>Board</u> for the following reassessment period.

Social Development

- Heavily support climate change education and public awareness.
- As outlined in the capacity building measures, Bangladesh would like to propose regional workshops for HRD and training to help country leaders implement climate change oriented national strategies, communications, education plans, and outreach programs.
- Bangladesh would also like to propose that social development and capacity building in this context become mandatory requirements in all national schedules

Displacement and Climate Refugees

- Environmentally Induced Migration As A Form of Adaption:
 - should be considered in this agreement, not necessarily for primary Adaption Fundings, but for at least a small portion of it for countries such as the Small Island Nations and Bangladesh which may have to relocate some, if not all, of its people in the future based on the success of emissions reductions.
 - Additional funding from NGOs under the direction of an organization such as the International Organization for Migration, which recognizes environmental migrants in the international arena, could allow for highly vulnerable nations to look for signals to begin migration prior to being displaced.
 - By incorporating migration as a form of adaption, we are taking a proactive approach to adaption rather than a reactive one of trying to negotiate climate refugees and mitigate national security issues.