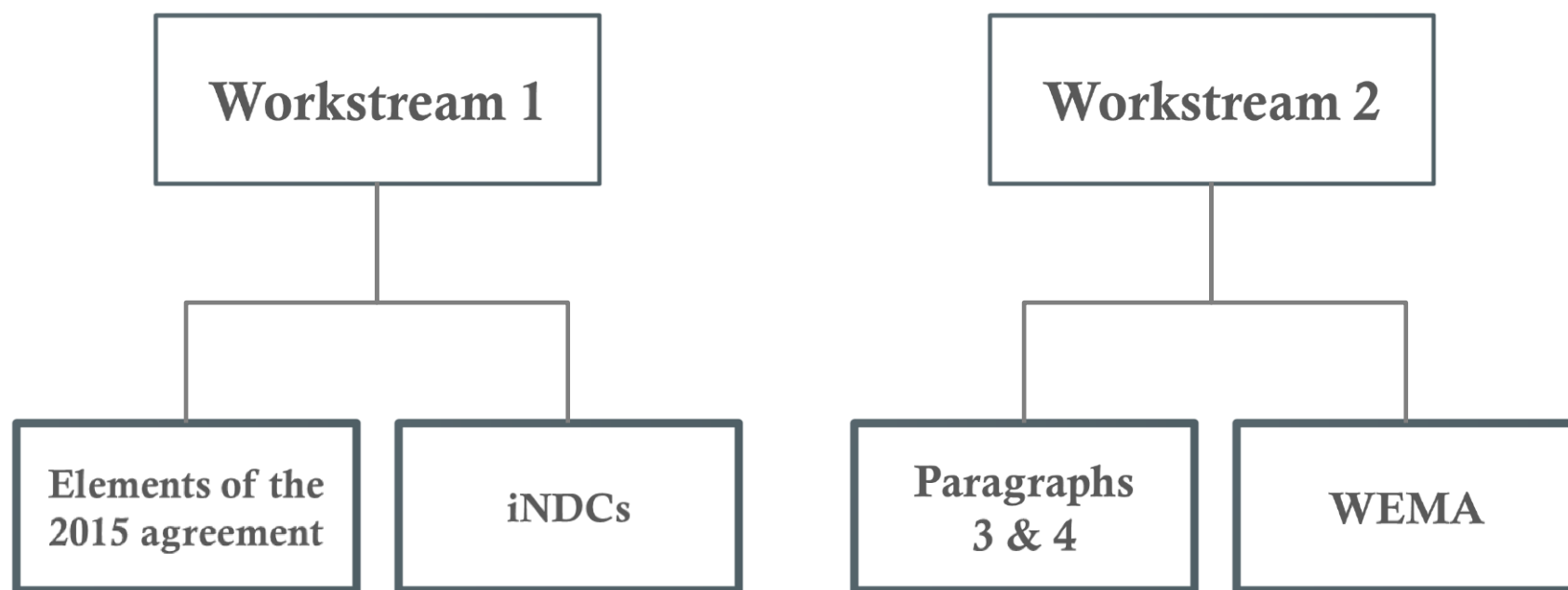


Caribbean Regional INDC Workshop

WINDREF Grenada
September 15th, 2015

Potential benefits from using and integrating international
crediting mechanisms into the INDCs from Caribbean countries –
Presented by Hugh Sealy, Ph.D., M.Sc., B.Eng.
(Chem.)

Structure of the ADP negotiations



Workstream 1 – The new agreement

Mandate from the Durban Platform

- Develop a protocol, another legal instrument or an agreed outcome with legal force
- Under the Convention
- Applicable to all Parties
- Adopt at COP21 in 2015 (Paris)
- Come into effect and be implemented from 2020
- Includes mitigation, adaptation, finance, technology development and transfer, transparency of action and support, and capacity-building (Loss and Damage not included as a separate element)

Intended Nationally Determined Contributions (iNDCs)

Warsaw decision 1/CP.19

- Without prejudice to their legal nature, invites Parties to communicate intended nationally determined contributions well in advance of COP21 in a manner that facilitates clarity, transparency and understanding;
- Requests ADP to identify by COP20 the information that Parties will provide when putting forward their contributions

Intended Nationally Determined Contributions (iNDCs)

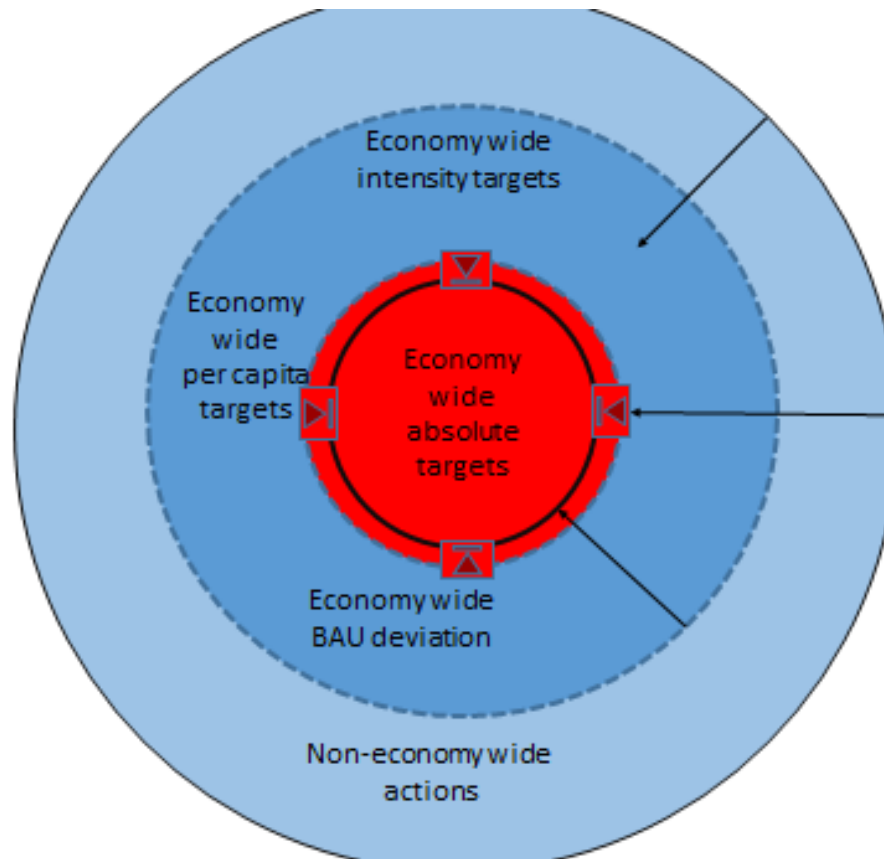
Lima decision 1/CP.20

- Information provided by Parties *may* include:
 - quantifiable information on the reference point (including, as appropriate, a base year),
 - time frames and/or periods for implementation,
 - scope and coverage,
 - planning processes,
 - assumptions and methodological approaches including those for estimating and accounting for anthropogenic greenhouse gas emissions and removals,
 - how it is fair and ambitious,
 - how it contributes towards achieving the objective of the Convention.

Different Types of iNDCs Contemplated

1. A quantified, economy-wide, absolute emission limitation or reduction target in relation to a baseline year;
2. A quantified, economy-wide, emission limitation or reduction target relative to a projection of its emissions
3. A quantified, economy-wide, emission limitation or reduction target relative to unit of GDP in relation to a previous year
4. A quantified, economy-wide, emission limitation and reduction target per capita
5. A non-economy wide actions

Brazil's Concentric Circles



NDC differentiation with regards to mitigation:

- All Annex I Parties should be in the center at the outset;
- All Parties should move towards the center over time, in accordance with CBDR-RC;
- Parties cannot move from the central circle to the outer circles;

Arrows represent ambition flows over time

What should Caribbean SIDS include in their iNDCs?

- INDCs from SIDS should contain two distinct and separate components:
 - An unconditional component, which the country is prepared to commit to achieve without any assistance or use of market instruments.
 - A conditional component, for which the country explicitly specifies the types (capacity building, technology transfer, climate finance including revenue from crediting mechanisms) and amount of support it would require to achieve the target(s) in this component.

5 years or 10 years?

- The iNDCs are meant to come into effect in 2020. However, the time frame or period of implementation is to be specified by each country.
- AOSIS is currently split on whether the iNDCs should be submitted over a 5 or a 10 year cycle.

iNDCs already submitted by SIDS

- Singapore
- Marshall Islands
- Trinidad and Tobago
- Dominican Republic
- <http://www4.unfccc.int/submissions/INDC/Submission%20Pages/submissions.aspx>

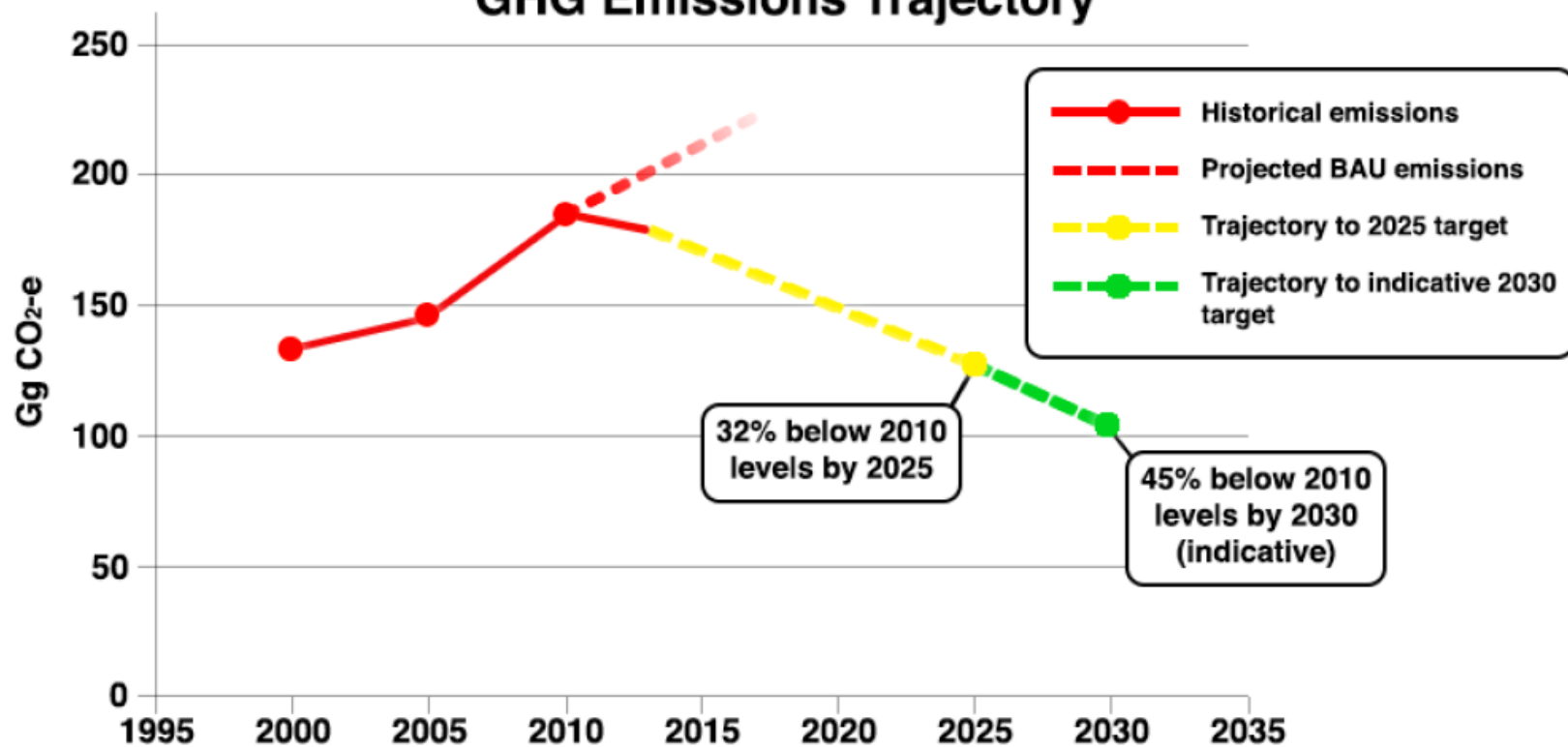
Singapore's iNDC

- Emissions Intensity in 2005: Singapore's greenhouse gas (GHG) emissions per S\$GDP (at 2010 prices) in 2005 is **0.176** kgCO₂e/S\$.
- Projected Emissions Intensity in 2030: Singapore's GHG emissions per S\$GDP (at 2010 prices) in 2030 is projected to be **0.113** kgCO₂e/S\$.
- Economy-wide. 2021 - 2030
- All unconditional. No intended use of markets.

Marshall Islands' iNDC

- RMI commits to a quantified economy-wide target to reduce its emissions of greenhouse gases (GHG) to **32% below 2010 levels by 2025.**
- RMI communicates, as an indicative target, its intention to reduce its emissions of GHGs to **45% below 2010 levels by 2030.**
- Excludes LULUCF and use of markets
- All unconditional

Republic of the Marshall Islands GHG Emissions Trajectory



T&T's iNDC

<u>Unconditional:</u>	30% reduction in GHG emissions by December 31, 2030 in the public transportation sector compared to a business as usual (BAU) scenario (reference year 2013). ¹
<u>Conditional:</u>	Additional reduction achievable under certain conditions which would bring the total GHG reduction to 15% below BAU emission levels by December 31, 2030.
<u>Financial Requirements:</u>	The estimated cost of achieving the reduction objectives is USD 2 billion, which is expected to be met partly through domestic funding and conditional on international climate financing including through the Green Climate Fund.

T&T's iNDC cont.

- “Trinidad and Tobago's aim is to achieve a reduction objective in overall emissions from the three sectors by 15% by 2030 from BAU, which in absolute terms is an equivalent of one hundred and three million tonnes (103,000,000) of CO₂e.
- The estimated cost of meeting this objective is USD 2 billion, which is expected to be met partly through domestic funding and conditional on international financing including through the Green Climate Fund.
- In this regard, Trinidad and Tobago will commit to unconditionally reduce its public transportation emissions by 30% or one million, seven hundred thousand tonnes (1,700,000) CO₂e compared to 2013 levels by December 31, 2030.”

T&T's iNDC cont.

- Based on three sectors:
 - Transport (1.7 million tonnes)
 - Power
 - Industrial
- Unconditional in transport sector but conditional in the other two sectors (103 million tonnes).
- Therefore, T&T's iNDC is 1.7% unconditional and 98.3% conditional.

Dominican Republic's iNDC

- All conditional. Specific reference to use of markets.

The reference point	The base year is 2010. Base year estimated emissions are 3.6 tCO ₂ e <i>per capita</i>
Quantifiable emissions reduction target (conditional)	Reduction of 25% of base year emissions by 2030. This reduction is conditional upon favorable and predictable support, feasible climate finance mechanisms, and corrections to the failures of existing market mechanisms.
Time frames and/or periods for implementation	The implementation period is 2010-2030, with a review every five years. The post 2030 contributions will be established at the end of the NDS period.

Other INDCs from Developing Countries

- <http://www4.unfccc.int/submissions/INDC/Submission%20Pages/submissions.aspx>
- Columbia

Benefits from integrating international crediting mechanisms into iNDCs from SIDS

- Sends a clear signal that SIDS support the use post 2020 of market mechanisms like a reformed CDM.
 - Clear eligibility criteria
 - KP-like transparency and accounting rules
 - Achieves net mitigation benefits
 - Share of proceeds to adaptation funding for developing countries
 - Supplemental

Benefits from integrating international crediting mechanisms into iNDCs from SIDS

- Allows Caribbean countries to submit ambitious but conditional iNDCs that have the potential to transform their economies from being dependent upon imported fossil fuels.
- iNDCs from Caribbean countries should emphasise the economic and sustainable development co-benefits that could be derived from the decarbonisation of their economies.

Benefits from integrating international crediting mechanisms into iNDCs from SIDS

- Takes advantage of the significant differences in mitigation costs (cost to reduce a tonne of CO_{2e}) between some developed and developing countries.
- Tradable permits establish a price for carbon and harness the power of market forces.
- Can be a significant source of potential capital for small islands.

Thank you