

A voice of Russian environmental groups-observers at the UNFCCC negotiations Copenhagen, UNFCCC CoP-15, CMP-5, SBSTA-31, SBI-31, AWG-KP-10, AWG-LCA-8 No.34 (Monday, December 14, 2009)

## disadvantages of the awg-lca text

Surely, the AWG-LCA text is the central among the negotiating document being discussed now. At first glance, it might seem that the document is comprehensive.

However, this is not quite so. There are several points to focus on:

- 1. The so-called "peak and decline" principle is missing. Figures for the obligations are included to the text, but so many countries are against them that it will be very difficult (or impossible) to reach agreement on this issue. But the principle of "peak and decline" is exactly one of the real as suggesting that an amendment to options to achieve consensus. But for some reason it's missing in the text.
- 2. Emission cuts for the developed and the developing countries. The wordings for each of them are completely different, of different status. Emission reduction for the developing countries is "agreed", while for the developing ones it's "taken into account". This is a completely different most difficult issues off for the level of commitment. It's unclear what is behind it, but this should not be this way. We understand that the developing countries should have other pointed out in its statement as well. conditions, but the status still has to be the same.

**3.** The paragraph 14 states that the developed countries have to accept their obligations for the period 2013-2020. This is absolutely correct. Let us remind that for Russia, 25 per cent cut by 2020 actually means at least 30% on average for this period, as for now our emissions are about 37-40 per cent below the levels of 1990. Moreover, these 30 per cent should be no transfer of quotas from the period of 2008-2012.

The paragraph 15 should be noted the Kyoto Protocol already exists. A very compromising wording should be carefully found here.

However, perhaps the weakest section of the text is the one on finances. The weakness of this part is likely arising from an understandable desire to move forward quickly and put one of the future. But it's not possible to ignore this issue.

And this is what Russia has The sources of funding are not spelled out: it is unclear who will pay, who will receive, and under what conditions. The paragraph 39, though, even speaks of "the scale of contribution", which is to be approved by the Conference of the Parties. This is in fact a time bomb.

Again, in term of finances, countries with economies in transition are simply forgotten. This has also been mentioned by the representatives of Russia in their comments to the text.

Michael Cutajar, Chair of the AWG-LGA working group, noted that this issue will be consulted, so there is hope that no one is forgotten.

Hopefully, by raising the question of "countries with economies in transition", Russia was not referring to itself (our country has already reached a level of \$15,000 per capita). It has likely meant those countries that are developing ones, but not included in Annex 1 for example, nations of the Central Asia and Transcaucasia. If Russia cares about the states that are really non-wealthy, then it is the right approach.

"Below 2°C" was started by Russian environmental group Ecodefense in 2008. Presently, produced by a group of Russian activists from various organizations, observing the UN climate talks. This issue was produced by: Vladimir Slivyak, Olga Podosenova, Vladimir Chuprov, Galina Raguzina, Rashid Alimov.

Download it in Russian here: http://below2c.wordpress.com

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## the protocol or the quota?

Why Russian delegation is trying to, from one side, close the Kyoto protocol, while, from another, use it for transfer of its extra quota?

In previous issues, we wrote about the transfer of unused quotas of greenhouse emissions beyond the Kyoto Protocol valid period. Russia's delegation is very clearly in favor of the quotas transfer. "So one of the conditions is the transfer of quotas we will have by 2012. And it must be a principle," - said Russian President's Adviser on Climate Alexander Bedritsky during the briefing.

According to various estimates, the transfer to the next period may be about 6 billion tons of CO2 - the amount of unused quota for the 5-year Kyoto period. Is it much or too little? For comparison, current annual US emissions account for 7 billion tons, China emits the same.

On carbon markets, countries and companies can sell the unused emission quotas. A ton of carbon dioxide at such markets costs as high as 10 euro. The recent deal between Ukraine and Japan to sell 30 million tons of carbon dioxide enriched the Ukrainian treasury with 300 million euro.

The total value of the Kyoto Protocol "inheritance" for Russia, therefore, is estimated at 60 billion euro, or more than 3 per cent of Russia's annual GDP.

Nobody in the world expects such a number of unused quotas. Now even one-tenth of them do not see a buyer. But when the KP results are being summarized, Japan and Canada can't do without Russian quotas. However, it has no relation to the new agreement.

Furthermore, countries fear the collapse of the carbon markets. "Clearly, if Russia and Ukraine will enter the post-Kyoto period with their excess of the quota, then the market collapses, - Bedritsky said. - But in my opinion, we should try to check these mechanisms, to make them working so that there is no 'air trade'."

The experts and NGOs, in turn, fears that the real reduction will simply become juggling of Russia's quotas. Thus, in order to implement the IPCC recommendations, the developed countries must reduce their emissions by 25-40% OR 4.7-7.5 billion tons of CO2-equivalent per year by 2020 (including the US). If you distribute Russia's unused emissions for 8 years from 2013 to 2020, the intended 4.7-7.5 billion tons become 4-6.8 billion tons. In other words, as a result of such reallocation we get artificial reduction of targets by 15%! This will happen if Russia will sell all of its unused emission quotas after 2012.

Hopefully, such 'stuffing' in the carbon market will not happen. As we know, the Russia's Sberbank (Savings Bank)

is preparing the sale of unused quotas already now, within the period of the Kyoto Protocol. According to rumors, negotiations are going on with Spain, Italy and other countries. In parallel, we plan to start JI projects for 30 million tons of CO2-equivalent. This is not trading, as JI projects themselves generate additional emission reductions.

According to members of Russia's delegation, the quota would be a risk reserve which should guarantee the fulfillment of Russia's obligations to reduce emissions by 22-25% by 2020 from 1990 levels.

On the one hand, it turns out that Russia has a clear aim for termination of the Kyoto Protocol and stands for the so-called one-protocol approach in which the KP has no place. On the other hand, it wants to transfer its excess credits.

The fact that Russia's delegation did not like the Kyoto Protocol was clearly demonstrated on the third day of the conference, when it was stated that the declared by Russian President reduction by 22-25% by 2020 does not apply to the Kyoto Protocol and in no case will fall to the share of the KP working group. Correspondingly, the termination of the Kyoto Protocol means an end to the validity of Article 3.13 which allows transfer of quota. According to Bedritsky, "a legally binding agreement will be failed to be signed as now there is just no text. But the political one which would determine intentions will be signed. I can't imagine anything else."

In other words, the termination of the Kyoto Protocol for Russia is only a political declaration which definitely will not have a space for an article on the transfer of unused quotas.

There is a clear contradiction in it.

Duality of Russia's official position has already begun to show itself. If on the third day of the conference, the delegation rejected the Kyoto Protocol in its new goals, then on Saturday at the KP working group meeting, it made clear that the transfer of unused quotas under the Kyoto Protocol should be of no doubt. That is the Kyoto Protocol is such as not required now.

So far it is still unclear why Russia's delegation is so displeased with the Kyoto Protocol?

In its approach to shaping the purposes, the delegation uses the KP as a positive example in the negotiations on the new agreement, while the baseline year has given Russia a surplus quota.

Therefore, the Russian delegation's dislike to the Kyoto Protocol is doubly obscure. In fact, for Russia, "twoprotocol" approach would be the most advantageous tactic.

2° According to scientists, a cap on global warming of 2°C is seen as the minimum to prevent irreversible global warming.