

A Pacific Perspective on Burden Sharing

Dr. Graham Sem
Sustainable Environmental Management Ltd
Auckland

Post-2012 Burden Sharing Symposium
National Library Auditorium, Wellington
July 29 2008

Outline

1. Introduction – Pacific Islands Region
2. Principles and commitments
3. Burden sharing – mitigation and adaptation
4. Issues, concerns, needs and priorities
5. Conclusions

1. Introduction

- o 7 million people living on 26 island nations and territories/dependencies
- o High population densities (over 300 to less than less than 12 per square km)
- o Differing levels of development – aid-dependent, fragile/open economies, poor infrastructure
- o Lack of capacity – finance, technology, human, institutional, legal/regulatory and policy frameworks
- o Priority to enhance the well-being of populations – development
- o Suffer from adverse impacts of climate change – low adaptive capacity

1. Impacts of CC on Pacific Island Countries (a)

- o Small islands are especially vulnerable to effects of climate change, sea level rise and extreme events
- o **Sea level rise** is expected to exacerbate inundation, storm surge, erosion and other coastal hazards infrastructure, settlements and **facilities that support livelihood of island communities**

1. Impacts of CC on Pacific island Countries (b)

- o **Water resources** in small islands are likely to be seriously compromised
- o CC is likely to heavily impact **coral reefs, fisheries and other marine resources**
- o It very likely that subsistence and commercial **agriculture** will be adversely affected by climate change
- o Effects of climate change on **tourism** are likely to be direct and indirect, largely negative
- o Climate change is likely to impact **human health** in adverse ways

Pacific Islands (c)

Key future Impacts and Vulnerabilities

- o Water resources
- o Coastal systems and resources
- o Agriculture, fisheries and food security
- o Biodiversity
- o Human Settlements and well-being
- o Economic, financial and socio-cultural impacts
- o Infrastructure and transportation

2. Principles and Commitments

Five principles, but (Article 3)

- o Parties should protect the climate system, on the **basis of equity and in accordance with common but differentiated responsibilities and respective capabilities**. Accordingly, developed country Parties should take the lead in combating climate change and the adverse effects thereof.
- o The specific needs and special circumstances of developing country Parties, **especially those that are particularly vulnerable to the adverse effects of climate change**, and those Parties, especially, **developing country Parties**, that would have to bear a disproportionate or abnormal burden under the Convention, should be given full consideration.

2. Principles and Commitments (a)

- o Article 4.3 – Developed country Party and other developed Parties included in Annex II Parties **shall provide new and additional financial resources to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12.1.** They shall also provide such financial resources , including for technology transfer, needed by developing country Parties, **to meet the agreed full incremental costs of implementing measures that are covered by paragraph 1 of this Article and that are agreed between a developing country Party and the international entity or entities referred to in Article 11, in accordance with that Article.** The implementation of these commitments shall take into account the **need for adequacy and predictability in the flow of funds and the importance of appropriate burden sharing** among developed country Parties.
- o Article 4.4 – The developed country Parties and other Parties included in Annex II **shall also assist the developing country Parties that are particularly vulnerable to the adverse effects of climate change in meeting costs of adaptation** to those adverse effects.

2. Principles and Commitments (b)

- o Article 4.7 – The extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to **financial resources and transfer of technology** and take fully into account that economic and social development and poverty eradication are first and overriding priorities of developing country Parties.

- o Article 4.8 – In the implementation of the commitments in this Article, the Parties shall give full consideration to what actions are necessary under the Convention, including actions related to **funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change** and/or the impact of the implementation of response measures, especially on:
 - (a) **small island countries, (b) countries with low-lying coastal areas, and others**

3. Burden Sharing

- o The most serious threat to PICs well-being is **climate change and sea-level rise** (as recognised at the highest levels of governments)
- o Commitment to global reduction of GHGs – national communication process
- o Most identifiable impacts in PICs include occurrence and intensity of **tropical cyclones – storm surge, coastal erosion, inundation/land loss** – well-documented in NatComs and NAPAs

3. Burden Sharing Mitigation

- o Committed to mitigation of climate change but with no timeframes and targets
- o Contributes 0.06% of global emissions
- o Mitigation is **sustainable development issue** – changing to low carbon technology, reduce dependence on fossil fuel combustion, alternative energy sources and renewable energy technologies
- o Business-as-usual concentrations of GHGs is **already too high for PICs.**
- o 450 ppm by 2020/2050 would be considered dangerous for PICs. Even with 379ppm in 2005 already (18% change)

3. Burden Sharing

Adaptation (a)

- o Climate change risk in PICs is **three times bigger than** in industrialized countries
- o Adaptation is inevitable but faced **with low adaptive capacity**
- o Adaptation will require financial, technical/technological, human, institutional, legal/regulatory and policy frameworks
- o Adaptation funding – GEF Trust Fund (resource allocation framework determines national/group allocations), Special Climate Change Fund, Least Developed Countries Fund – require co-financing.
- o Adaptation Fund (Kyoto Protocol Fund) – share of proceeds from CDM projects and voluntary contributions from Annex II countries.

3. Burden Sharing Adaptation (b)

- o Estimates of a minimum of US\$50 billion per year (US\$10-40 billion by World Bank)
- o Funding support only on studies/assessments with no real implementation of adaptation measures, policies/strategies.
- o Accessing adaptation funding is difficult – incremental cost, additional cost, high co-financing ratios requirements
- o Bilateral support (including ODA) to adaptation is minimal

3. Burden Sharing Adaptation (c)

- o Convention Adaptation Fund or similar linked to GHG emissions
- o Insurance – AOSIS proposal or similar – provides opportunities to reduce burden of climate change on the poor and most vulnerable
- o Proceeds from Joint Implementation and Emissions Trading – auctioning of Assigned Amounts units

4. Issues, Concerns, Needs and Priorities

- o Opportunity to mitigate climate change is low
- o Opportunity to adapt to climate is of high priority and is urgent
- o Differentiation could work for PICs with respect to mitigation and adaptation
- o Financial resources and technology transfer are key to adequate adaptation to climate change
- o Actions to meet specific needs and concerns arising from adverse impacts of climate change include hard and soft options – “**forced displacement**” of populations (climate change refugees??).

4. Issues, Concerns, Needs and Priorities (a)

- o Any burden sharing arrangement should be based on fair allocation of resources/emissions – “**distributive justice**” and **procedural justice**
- o Question of how allocations should be distributed?
 - a) **Equity** – in proportion to emissions (per capita) or adverse impacts of climate change/vulnerability
 - b) **Equality** – equal allocation of emission targets??
 - c) **Need** – adaptation and mitigation
- o **High priority/focus on adaptation and adaptation funding** for countries that are particularly vulnerable to adverse effects of climate change.

4. Issues, Concerns, Needs and Priorities (b)

- o Focus on measures to develop and transfer technology for mitigation and adaptation
- o Bilateral/regional actions may increase chances for burden sharing
- o Insurance and insurance-related issues to be included in the new CC regime (post 2012 arrangements)

5. Conclusions

- o Negotiations on the Second Commitment Period will be very difficult -
- o Lack of or low adaptive capacity
- o Adaptation and global integration
- o Risk-sharing and insurance
- o Emigration and resettlement
- o Use of traditional knowledge and past experience for enhancing adaptive capacity
- o Capacity-building