

Fact Sheet No.2

COP16 and Co-benefits

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Introduction

There has been a steady interest in linking climate change and sustainable development since the United Nations Framework Convention on Climate Change (UNFCCC) was negotiated in 1992. The most discussed result of this interest was that promoting sustainable development in host countries was made one of the Clean Development Mechanism's (CDM) twin goals. By most accounts, the CDM has not achieved this second goal. Hence, over the past three years several proposals have been advanced to give sustainable development a greater role in a post-Kyoto framework.

These proposals, like many other suggested amendments to the climate change regime, were omitted from last year's Copenhagen Accord. However, the recently negotiated Cancun Agreements contains several clauses that provide greater support for sustainable development in general and co-benefits in particular. This concept note reviews some general observations, specific opportunities and remaining omissions related to the COP16 outcomes.



General Observations

The Cancun Agreements includes several passages that strengthen the relationship between climate change and sustainable development more than the previous climate agreements. These include:

- Frequent references to “social and economic development being overriding priorities for developing countries”
- Multiple references to “marginalized stakeholder groups (such as children and people with a disability) emphasizing some of the additional human dimensions of sustainability
- The linkage between elements of sustainable development and conceptual offshoots of sustainability such as sustainable production and consumption.
- References to integrated, coherent multi-level governance structures. Though not mentioned in the context of sustainable development per se, more integrated and coherent institutions can help enable more integration and coherence between climate change and development.

Specific Opportunities

NAMAs

“Nationally appropriate mitigation actions (NAMAs) in the context of sustainable development”-the Cancun agreements retain this language from the Bali Action Plan underlining that NAMA should not only mitigate greenhouse gases but also achieve other development goals.

MRV Guidelines

Supported NAMAs will be measured, reported and verified according to international rules; unilateral or domestically supported NAMAs will be MRVEd domestically with “general” guidelines. There may be an opportunity to provide inputs into the general guidelines for both GHGs and co-benefits.

Climate Green Fund

A funding mechanism will be created with thematic windows that could deliver resources to specific sectors. This may be important for sectors that generally have developmental benefits but that have been neglected by the CDM (i.e. transport and buildings). Note that the World Bank has been designated as the interim trustee of the Climate Green Fund.

Technology Mechanism

This is the only place in the agreements that there is specific reference to “co-benefits.” The clause reads “emphasizing the importance of contributing to sustainable development, including through technology transfer and other co-benefits...” It may be increasingly important to explore co-benefits through clean technologies.

Future Market Mechanism

Future market mechanism or project based mechanism is likely to continue. The mechanism will not only aim to reduce greenhouse gases but “further work on the consideration of information on potential environmental, economic and social consequences, including spillover effects....”

There is also a possibility that other warming agents may be covered based upon “greenhouse gases listed in Annex A for the second commitment period shall be those provided by the Intergovernmental Panel on Climate Change and agreed upon by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol together with other methodological issues based on the draft text contained in chapter IV of document FCCC/KP/AWG/2010/CRP.4/Rev.4”.

Specific Opportunities

Short-term forcers

Despite a considerable amount of attention in side events, short-term forcers did not receive much mention in the official text. This suggests the importance of looking for other avenues to capture these co-benefits.

Hard incentives

Despite the increased number of references to sustainable development, there are still no true incentives for integrating sustainable development and climate change in the current agreements. This suggests that there are still concerns about standardizing definitions of sustainable development and transaction costs of measuring co-benefits.