

# PARIS COP21: KEY ISSUES FOR THE NEW CLIMATE AGREEMENT

**CLIMATE COUNCIL**  
BRIEFING PAPER



## Paris COP21 Influential Issues for the New Climate Agreement

### Climate Council Briefing Paper

Today, 195 countries from around the world will have acted together to address the threat posed to humanity from climate change.

This [agreement](#) signals the end of the fossil fuel era as the world rapidly replaces coal, oil and gas with clean energy sources.

All countries, big and small, rich and poor, have acknowledged they have to act, and almost all are already doing so. The stakes could not have been higher but countries came with a strong spirit of cooperation which has helped achieve the first universal climate agreement.

It is clear that more must be done. Alone, these commitments are not enough to tackle climate change. But the agreement can set in motion a chain reaction in which businesses accelerate the transition to a new economy and governments increase their action.

This briefing paper works off the Paris Agreement, issued on Saturday, 12 December, outlining key issues from the Agreement. The analysis provides top line advice on what was concluded. This is in no way comprehensive but canvases some important issues. This agreement is available here: <http://unfccc.int/resource/docs/2015/cop21/eng/l09r01.pdf>.

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#### SUMMARY OF THE AGREEMENT

- 1. The agreement is universal.** This is a universal agreement involving countries the world over. All countries are part of the agreement and the majority have contributed positively to the process.
- 2. The agreement is strong and referenced to science.** The agreement is more aligned with the latest science recognising that catastrophic and irreversible impacts of climate change may well occur below the 2°C threshold and recognising the need to do everything possible to stay below 1.5°C of global warming. But achieving this target is challenging and this is why ramping up ambition and periodic reviews are vital. The agreement acknowledges that countries current commitments as insufficient and includes a mechanism to accelerate action over time.
- 3. The agreement is broadly fair.** The developing countries have made it clear for years that this agreement needs to reflect the fact that the developed countries, and the fossil fuels they have burned, have caused most of this problem to date. But every country now acknowledges that all countries, big and small, rich and poor, have to act if we are to avoid further dangerous interference with the climate system. Climate financing has been one of the key issues in the negotiations and

gets to the heart of the tension over who is most responsible for climate change. The final agreement includes the provision of finance (at least US\$ 100 billion per year) from developed countries to support developing countries in the transition towards low greenhouse gases and climate resilient development. And by 2020, developed countries are strongly urged to scale up their financial support in order to meet this target.

### **THREE TOP ISSUES DURING THE PARIS CLIMATE TALKS:**

#### **1. The long-term goal.**

Any plan for the future needs a clear, credible and well-justified goal. At the core of the goal discussed at the climate talks is what level we should limit the Earth's temperature rise. Warming of almost 1°C has already occurred, and with it, significant increases in the intensity and frequency of many types of extreme weather – longer and hotter droughts, more heatwaves, longer bushfire/wildfire seasons, and inundation of low-lying coastal areas. These events have put people and the environment at risk. As global temperatures continue to rise, the risks will escalate. We must keep global temperature rise to a minimum.

Over 100 countries have made statements supporting limiting global temperature rise to below 1.5°C. That may not sound like much but for Pacific Island and other low lying nations a rise of 1.5°C could see whole nations wiped off the map due to sea level rise. Limiting global temperature rise to 1.5 degrees would reduce the profound risks that climate change poses to humanity and the environment that supports us.

Importantly, the Paris agreement enshrines that countries must: “pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels”.

The commitment to pursuing all efforts to stay below 1.5°C of warming is perhaps one of the most significant and important aspects of the agreement. It is an acknowledgement from countries that climate change is happening more quickly and with larger and more devastating impacts than we first thought.

**The long-term goal is a very important step forward. This agreement spells the end of the fossil fuel era and will further accelerate the growth of clean energy.**

#### **2. Scaling up action over time:**

Almost all countries have submitted pledges to reduce their emissions over the next 10 – 15 years. The Paris agreement notes that the current pollution reduction targets are insufficient to meet the long-term goal and efforts will need to be increased.

The Paris agreement incorporates a “ratchet mechanism” so these targets can continually be reviewed and strengthened. The formal review and updating of targets will be every five years starting in 2023, with a facilitative dialogue in 2018. This is critical to the integrity of the agreement and governments will have to dial up their ambition over time.

#### **3. Supporting poor countries to cope with the impacts of climate change and transition away from polluting sources of power.**

As mentioned above, this has been one of the toughest issues facing negotiators in Paris. The agreement states that developed countries are to provide financial resources to help developing countries move away from fossil fuels and adapt to the impacts of climate change. US\$ 100 billion per year is to be provided and developed countries are urged to scale up their financial support over the next few years, with a clear plan to collectively meet the target.

The agreement follows two weeks of significant announcements on renewable energy from business, local leaders and civil society.

#### **OTHER SIGNIFICANT ANNOUNCEMENTS DURING THE TALKS INCLUDE:**

- 1000 mayors and local leaders from cities including Paris, Las Vegas, Vancouver and Stockholm [announced](#) that they would go 100% renewable.
- Indian Prime Minister Modi and French President Hollande together launched an international [Solar Alliance](#) between over 100 developed and developing countries, as well as industries, laboratories and institutions. India will host this initiative and contribute approximately US\$ 30 million over the next 5 years to build it up. Prime Minister Modi also confirmed that India will add 100 GW of solar power by 2022, from a total capacity of 4 GW at present.
- Member nations of the [Climate Vulnerable Forum](#) (including countries like Bangladesh, Philippines Sri Lanka and our neighbours, Pacific Island Countries) called for the world to move to 100% renewable energy by 2050 and a complete phase out of fossil fuels by mid-century.
- African nations have created an [African Renewable Energy Initiative \(AREI\)](#) to help Africa leapfrog into low-carbon development. The goal of the AREI is to build at least 10 GW of new and additional renewable energy generation capacity by 2020 and 300 GW by 2030. Considering that current total electricity generation in Africa is roughly 150 GW, this is a very big announcement.
- Bill Gates announced the biggest clean energy investment fund in history, the Breakthrough Energy Coalition. Made up of himself and 27 other philanthropists, investment fund managers and tech CEOs, the fund is part of an initiative called [Mission Innovation](#), that aims to reinvigorate and accelerate global clean energy innovation and make clean energy widely affordable.
- Google [announced](#) they would triple their purchases of renewable energy by 2025, with the goal of powering their operations with 100% clean energy.
- 500 institutions with a collective \$3.5 trillion in net worth committed to divestment of some form from fossil fuels.

## **ADDITIONAL DETAIL ON THE PARIS AGREEMENT**

### **1, Long-term goal**

#### ***The world is aiming to keep global warming below 1.5°C***

The agreement includes a number of references to keeping global warming below 1.5°C, which had been pushed hard by the countries most affected by climate change - particularly low-lying island states. It sits in the text alongside the more commonly recognised goal of below 2°C.

Article 2, 1(a) states that:

*This Agreement, in enhancing the implementation of the Convention, including its objective, aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, including by:*

- (a) Holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change.*

The commitment to pursuing all efforts to stay below 1.5°C of warming is perhaps one of the most positive elements of the draft agreement. It is an acknowledgement from countries that climate change is happening more quickly and with larger and more devastating impacts than scientists first thought. It creates a sense of urgency to act now on climate change because 1.5°C is undoubtedly a challenging target.

Limiting global warming to 1.5 degrees is preferable to warming the planet to 2 degrees. The severity of extreme weather is far worse at 2 degrees than at 1.5 degrees. At 1.5 degrees of warming, we will still have the chance to save some of our coral reefs. The risk of devastating sea level rise is reduced.

#### ***The agreement acknowledges that countries must do more.***

The agreement acknowledges that current commitments by countries are insufficient to keep temperatures below 1.5°C. It requests that countries "communicate or update by 2020 their contributions...".

#### ***The agreement discusses how to meet the target.***

The Paris Agreement also touches on how to achieve the long term temperature goal means. It is clear that if we are to reach the temperature target then we must rapidly reduce our emissions.

Article 4 states:

*"In order to achieve the long-term temperature goal set out in Article 2, Parties aim to reach global peaking of greenhouse gas emissions as soon as possible, recognizing that peaking will take longer for developing country Parties, and to undertake rapid reductions thereafter in accordance with best available science, so as to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases in the second half of this century..."*

The language in the agreement has changed in the final iteration to a more descriptive clause rather than the language that had been discussed like "climate neutrality" or "net zero". While the language is still up for interpretation, it likely means "net zero", particularly when read with

reference to science and the temperature goal. Net zero means that emissions of greenhouse gases to the atmosphere decrease to a level equal to or smaller than removals of greenhouse gases from the atmosphere. So that means effectively cutting the greenhouse gas pollution to zero.

However, scientists caution that the Earth's biological systems absorb carbon slowly over time.

The text of the agreement notes that the "balance" will be met by the "second half of the century". The temperature goal is also important for then interpreting this. Net zero would have to be achieved by 2050 at the latest to stay below a 2 degrees "second half of the century".

### ***More work will be done on pathways to 1.5°C***

The Agreement also invites the Intergovernmental Panel on Climate Change to provide a special report in 2018 on the impacts of global warming of 1.5°C above pre-industrial levels and pathways to reduce global greenhouse gas emissions. This will be important in guiding countries in their creation of stronger targets.

### **Pledge Reviews/ratcheting mechanism**

**Topline:** The Paris agreement incorporates a ratcheting mechanism so countries emissions reduction targets can continually be reviewed and hopefully improved. While the agreement highlights that the world needs to limit global warming to below 1.5°C, it also acknowledges that countries must up their targets. In theory, countries would submit new "intended nationally determined contributions" (INDCs) every five years, outlining how much they intend to reduce emissions. Each submission would be more ambitious than the last, namely, ratcheting up. The Paris Agreement outlines that nations will come together for a formal review and updating of targets every five years starting in 2018.

**Detail:** Before the Paris meeting, nations submitted pledges detailing how they plan to reduce their emissions after 2020. Whilst progress has been made, a synthesis of the emissions reduction targets (INDCs) shows that if all countries meet their Paris commitments, the world is still headed for around a 3°C temperature rise by 2100 compared with the pre-industrial levels. And the release of the global carbon budget on 8 December in Paris highlighted that we are still emitting massive amounts of CO<sub>2</sub> annually – around 36 billion tonnes from fossil fuels and industry alone. There is a long way to near zero emissions and that stronger action is clearly required to tackle climate change.

But as prices of solar power and other clean sources of energy continue to fall, and as political support to eradicate fossil fuel burning grows, countries are expected to be able to submit more ambitious pledges. Through a proposed "ratcheting mechanism," those improved pledges are essential if we are to limit warming to less than 1.5 / 2°C.

**What does this mean for the final agreement?** Regular reviews and improvements of climate pledges are planned. The Paris Agreement outlines that nations will come together for a formal review and updating of targets every five years starting in 2023 after a facilitative dialogue in 2018. These steps are linked with scientific reviews of progress toward meeting the 1.5 / 2°C goal, underpinned by the work of the IPCC.

## **Financing and Support**

**Topline:** Climate financing was one of the key issues in the negotiations and gets to the heart of the tension over who is most responsible for climate change. The developing nations want financing and support to increase in the Paris agreement, whilst developed nations are hesitant. Progress was slow during negotiations but the final agreement includes at least US\$ 100 billion per year from developed countries to support developing countries respond to climate change (mitigation and adaptation).

### **Detail:**

Developed countries have previously pledged to deliver \$US 100 billion (A\$ 136 billion) a year to help the developing world cut emissions and prepare for the impacts of global warming. Before and during the Paris climate negotiations, developing nations had accused the west of not taking this pledge seriously. And they wanted financing to be ratcheted up under a new global agreement in exchange for their taking on more long-term responsibility for cutting emissions. Whilst the developed world, including Australia, argued any solution to climate change cannot occur without stronger action from major emerging economies as they are now responsible for about one half of current global emissions, and rising fast. Developing countries said that the west was responsible for the bulk of historical emissions - getting rich off the back of the associated industrial development - and they still need room to expand their emissions to bring people out of poverty.

Progress was made in the adopted Paris Agreement, whereby it states that, “developed countries intend to continue their existing collective mobilization goal through 2025 in the context of meaningful mitigation actions and transparency on implementation; prior to 2025 the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement shall set a new collective quantified goal from a floor of USD 100 billion per year, taking into account the needs and priorities of developing countries”.

### **What does this mean for the final agreement?**

Finance has been one of the toughest issues facing negotiators in Paris and it seems that advances were made with the provision of a minimum of \$100 billion per year by developed countries to developing countries to mitigate and adapt to climate change. There is also an clause in the ‘enhance action prior to 2020’ section (page 16) which encourages a scaling up of resources from developed countries over the next few years to meet the target:

“Resolves to enhance the provision of urgent and adequate finance, technology and capacity-building support by developed country Parties in order to enhance the level of ambition of pre-2020 action by Parties, and in this regard *strongly urges* developed country Parties to scale up their level of financial support, with a concrete roadmap to achieve the goal of jointly providing USD 100 billion annually by 2020 for mitigation and adaptation while significantly increasing adaptation finance from current levels and to further provide appropriate technology and capacity-building support”.

## **Common but differentiated responsibilities (CBDR)**

Since the 1990s, developed nations have traditionally been expected in these agreements to shoulder the greatest burden in terms of emissions reductions, as they engaged in significant pollution in order to develop, and are thus considered by some to be more responsible for climate change and its current impacts. Meanwhile, developing nations have contributed significantly less

pollution and believe they should bear much less of the responsibility for reducing emissions. This does not sit well with developed nations who point to the rapidly rising emissions and economies of developing nations. This notion of 'common but differentiated responsibilities' was [enshrined](#) in the 1992 UNFCCC treaty. Whether CBDR is included in the Paris Agreement has been a point of contention.

The [Common but Differentiated Responsibilities and Respective Capabilities](#) (CBDR–RC) is a principle within the United Nations Framework Convention on Climate Change (UNFCCC) that acknowledges the different capabilities and differing responsibilities of individual countries in addressing climate change. This principle underpinned the 1997 Kyoto protocol, the last global climate treaty agreed, which only required wealthy nations to cut their emissions.

In the final draft of the agreement the notion of CBDR remains. For example Article 2 states:

*This Agreement will be implemented to reflect equity and the principle of **common but differentiated responsibilities** and respective capabilities, in the light of different national circumstances.*




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