

**III. Analysis of means to reach emission reduction targets and identification
of ways to enhance their effectiveness and contribution to sustainable development**
(Agenda item 3)

A. Emissions trading and the project-based mechanisms
(Agenda item 3 (a))

B. Land use, land-use change and forestry
(Agenda item 3 (b))

C. Greenhouse gases, sectors and source categories
(Agenda item 3 (c))

D. Possible approaches targeting sectoral emissions
(Agenda item 3 (d))

13. In accordance with its work programme and the conclusions adopted at the first part of its sixth session, the AWG-KP continued its work on the analysis of the means that may be available to Annex I Parties to reach their emission reduction targets. It reverted to the tasks set out in paragraph 17 (a) (i)⁷ and (ii)⁸ of its work programme.⁹

14. The AWG-KP noted with appreciation: the information and views provided by some Parties in the submissions compiled in document FCCC/KP/AWG/2008/MISC.4 and Add.1; the information contained in document FCCC/TP/2008/10; and the technical information¹⁰ compiled by the secretariat on the gases listed in document FCCC/KP/AWG/2008/5, paragraph 34, and on existing stocks and potential emissions of chlorofluorocarbons and hydrochlorofluorocarbons. It requested the secretariat to update the information on these gases, as appropriate.

15. The AWG-KP held an in-session workshop on 3 December 2008, on mitigation potentials and ranges of emission reduction objectives of Annex I Parties. The Vice-Chair of the AWG-KP chaired the workshop and provided a summary of discussions at its closing. The AWG-KP took note of the views and information presented at the workshop and the summary report by the Chair.¹¹

16. The AWG-KP also took note of the elaboration by the Chair¹² of the possible improvements to emissions trading and the project-based mechanisms contained in document FCCC/KP/AWG/2008/5, annexes I and II.

⁷ Analysis of the mitigation potential, effectiveness, efficiency, costs and benefits of current and future policies, measures and technologies at the disposal of Annex I Parties, appropriate in different national circumstances, taking into account their environmental, economic and social consequences, their sectoral dimensions, and the international context in which they are deployed.

⁸ Identification of possible ranges of emission reductions by Annex I Parties, through their domestic and international efforts, and analysis of their contribution to the ultimate objective of the Convention, ensuring due attention to the issues mentioned in the second sentence of Article 2 of the Convention.

⁹ FCCC/KP/AWG/2006/4.

¹⁰ Information available at: <http://unfccc.int/national_reports/annex_i_ghg_inventories/items/4624.php>.

¹¹ See annex I for the report of the workshop.

¹² FCCC/KP/AWG/2008/INF.3.

17. The AWG-KP agreed that further commitments for Annex I Parties under the Kyoto Protocol should, for the next commitment period, principally take the form of quantified emission limitation and reduction objectives (QELROs).

18. The AWG-KP recalled that its work should be guided by a shared vision of the challenge set by the ultimate objective of the Convention based on the principles and other relevant provisions of the Convention and its Kyoto Protocol. It noted the usefulness of the ranges referred to in the contribution of Working Group III to the Fourth Assessment Report (AR4) of the IPCC and that this report indicates that global emissions of GHGs need to peak in the next 10–15 years¹³ and be reduced to very low levels, well below half of levels in 2000 by the middle of the twenty-first century in order to stabilize their concentrations in the atmosphere at the lowest levels assessed by the IPCC to date in its scenarios. Hence the urgency to address climate change. At the first part of its fourth session, the AWG-KP recognized that the contribution of Working Group III to the AR4 indicates that achieving the lowest levels assessed by the IPCC to date and its corresponding potential damage limitation would require Annex I Parties as a group to reduce emissions in a range of 25–40 per cent below 1990 levels by 2020, through means that may be available to these Parties to reach their emission reduction targets. The IPCC ranges do not take into account lifestyle changes which have the potential of increasing the reduction range. The ranges would be significantly higher for Annex I Parties if they were the result of an analysis which assumes that emission reductions were to be undertaken exclusively by Annex I Parties. The AWG-KP also recognized that achievement of these reduction objectives by Annex I Parties would make an important contribution to overall global efforts required to meet the ultimate objective of the Convention as set out in its Article 2.

19. The AWG-KP noted the concerns raised by small island developing States and some developing country Parties with regard to the lack of analysis of stabilization scenarios below 450 ppmv of CO₂ equivalent. In line with the iterative approach to the work programme, the information referred to in paragraph 18 above will be reviewed in the light of information¹⁴ received by the AWG-KP, including from possible further scientific work on stabilization scenarios.

20. The AWG-KP initiated consideration of the scale of emission reductions to be achieved by Annex I Parties in aggregate as a contribution of these Parties to the overall efforts to meet the ultimate objective of the Convention. It noted that further consideration of this issue should be informed by recent scientific information, including the AR4.

21. The AWG-KP noted that the contributions of Annex I Parties, individually or jointly consistent with Article 4 of the Kyoto Protocol, to the scale of emission reductions to be achieved by Annex I Parties in aggregate should be informed by consideration of, inter alia, the analysis of the mitigation potential, effectiveness, efficiency, costs and benefits of current and future policies, measures and technologies at the disposal of Annex I Parties, appropriate in different national circumstances. The AWG-KP recognized that consideration of this contribution should be made in a transparent and coherent manner and may lead to a spread of values for QELROs among individual Annex I Parties.

¹³ This time period relates to 2007, the year of publication of the AR4.

¹⁴ Contribution of Working Group III to the IPCC AR4, Technical Summary, pages 39 and 90.

22. The AWG-KP noted that emissions trading and the project-based mechanisms, as well as measures to limit or reduce GHG emissions and to enhance removals from land use, land-use change and forestry (LULUCF) activities, should continue to be available to Annex I Parties as means to reach their emission reduction objectives. It noted that it is necessary to understand the contribution of these means to efforts of Annex I Parties in reaching their emission reduction objectives to inform further commitments for Annex I Parties under the Kyoto Protocol. The AWG-KP recalled that the use of emissions trading and the project-based mechanisms should be supplemental to the implementation of domestic actions at the disposal of Annex I Parties.

23. The AWG-KP took note with appreciation of the pledges for emission reduction targets made by some Parties in the submissions referred to in paragraph 14 above. It invited other Annex I Parties, in a position to do so, to submit information on their possible QELROs before the seventh session of the AWG-KP with a view to completing its work by the fifth session of the CMP.