



TYPES OF 2020 TARGETS

Section 3.2 described different types of targets, covering both targets under the Kyoto Protocol and pledges under the Copenhagen Accord and Cancun Agreements. Table A.1 breaks down existing 2020 targets by type. It does not include all the non-target pledges countries have made (for instance, pledges to take specified actions in the forest sector)

TABLE A.1: COUNTRIES' 2020 TARGETS

ABSOLUTE BUDGET-BASED	ABSOLUTE POINT	EMISSIONS INTENSITY	BUSINESS-AS-USUAL
Australia	All countries in first column plus	China	Algeria
Belarus	Antigua and Barbuda	India	Brazil
EU 28	Canada		Chile
Iceland	Japan		Costa Rica
Kazakhstan	Maldives		Indonesia
Liechtenstein	Marshall Islands		Israel
Norway	Monaco		Kyrgyzstan
Switzerland	Moldova		Mexico
Ukraine	Russia		Republic of Korea
New Zealand	United States		Singapore
			South Africa
Total: 39 countries	47 countries	2 countries	11 countries
<i>Share of world emissions: 14 per cent</i>	<i>Share of world emissions: 39 per cent</i>	<i>Share of world emissions: 30 per cent</i>	<i>Share of world emissions: 10 per cent</i>

Source for emissions figures: WRI CAIT database, 2011 data, not including land use change and forestry emissions

The table illustrates the types of targets different countries have adopted. Thirty-eight other countries have made pledges but do not have quantified targets, and 96 countries have not made pledges. The former group generally have both low capacity and low emissions, including some least developed countries, and collectively account for less than 4 per cent of global emissions. On the other hand, countries without pledges of any kind make up 20 per cent of global emissions and would therefore seem to be deserving of more attention.

Currently, most countries using market mechanisms to meet their targets have budget-based targets (New Zealand is an exception; Japan may be too if it decides to count units from its bilateral offsets crediting mechanism towards its target). It is clear how markets contribute to a budget-based target—the units a country purchases effectively increase its budget (and to avoid double-counting, are not counted towards another country's target). It is less clear how markets contribute to a point target (for instance, whether emissions units from years other than the end point year count) and not clear how units could be used towards the other target types. This is one reason to encourage countries to take on budget-based targets, and may also be an area that requires elaboration in the post-2020 framework.

B

POST-2020 TARGETS

Sections 3.2 and 3.6 discuss targets and their legal form. This Appendix examines different ways targets could be included in the post-2020 framework, considering both how they are captured and how they could be presented and supported by different countries.

APPENDIX B.1 CAPTURING POST-2020 TARGETS

Table B.1 summarises the range of options currently being considered internationally on how national targets could be captured in the post-2020 framework. It defines whether the target would be binding (at an international or domestic level), the impact the option would have on a country's flexibility to increase ambition and its overall effectiveness. The effectiveness of the international framework is a function of three related elements—stringency of action, whether it promotes broad participation by major emitting countries, and compliance measures (including political and reputational risks) (Bodansky 2012). For simplicity, the term 'treaty' in this table refers to an internationally binding legal instrument that the Conference of the Parties to the UNFCCC is empowered to adopt; for example, a new Protocol. An implementing agreement may or may not be legally binding. Decisions made as part of the Paris process are 'soft' international law and, while operationally significant, are not legally binding in the absence of explicit treaty authorisation.

TABLE B.1: OPTIONS FOR CAPTURING TARGETS IN THE POST-2020 FRAMEWORK

HOW NATIONAL TARGET IS CAPTURED	LEGAL STATUS	IMPACT ON FLEXIBILITY	IMPACT ON EFFECTIVENESS
Target set in the body of international agreement or set out as an integral part of a treaty (for example, Annex B to the Kyoto Protocol).	Internationally binding.	Generally requires consensus of Parties to agree that target is included, which can create delays in bedding down details. Can be difficult to amend as change generally requires a consensus of the Parties; similar process to making the treaty. However, the Kyoto Protocol second commitment period targets can be voluntarily strengthened.	Stringency—nationally determined. International binding may reduce ambition in short term. Participation—would likely lead to very limited participation by major emitting countries. Compliance—may or may not have strong compliance measures. Reputational risks higher for non-compliance.
Target included in a 'schedule' to a treaty or implementing national agreement.	Internationally binding if an integral part of a binding international agreement (similar to World Trade Organisation tariff measures). If schedule is not integral to agreement, it may not be internationally binding.	If internationally binding, may be subject to international amendment procedures (see row above). Non-binding schedules would be subject to domestic processes.	Stringency—nationally determined. International binding may reduce ambition in the short term. Participation—internationally binding would likely lead to very limited participation by major emitting countries. Non-binding schedules may promote greater participation. Compliance—may or may not have strong compliance measures. Reputational risks higher for non-compliance under binding schedules.

TABLE B.1: OPTIONS FOR CAPTURING TARGETS IN THE POST-2020 FRAMEWORK (CONTINUED)

HOW NATIONAL TARGET IS CAPTURED	LEGAL STATUS	IMPACT ON FLEXIBILITY	IMPACT ON EFFECTIVENESS
Commitment in a treaty or implementing national agreement to include targets in domestic law and/or requires maintenance of national plans to meet target.	Internationally binding to enact domestic legislation or plans (for example, the Convention on the Prohibition of the Development, Stockpiling and Use of Chemical Weapons).	Determined by flexibility of domestic processes.	Stringency—nationally determined. Participation—may promote greater participation. Compliance—nationally determined.
Target attached to and set out in UNFCCC decisions.	Not binding at domestic or international level (for example, Cancun Agreements) unless UNFCCC gives decision legally binding status.	Very flexible.	Stringency—nationally determined. Participation—may promote greater participation. Compliance—nationally determined.

TYPES OF TARGETS AND INFORMATION ABOUT THEM

Table B.2 depicts how targets for different countries might show up in a hypothetical post-2020 arrangement, although is not intended to prescribe categories of differentiation or redraw the current Annex arrangements.

TABLE B.2: TARGET TYPES AND SUPPORTING INFORMATION IN A POST-2020 FRAMEWORK

TYPE OF COUNTRY → RULE ↓	DEVELOPED COUNTRIES (INCLUDING ALL CURRENT ANNEX 1 COUNTRIES)	MAJOR EMITTING COUNTRIES, DEVELOPED AND DEVELOPING	NON-MAJOR EMITTING COUNTRIES	LEAST DEVELOPED COUNTRIES
Agreement to take on targets and emissions reduction actions	✓	✓	✓	Contribute to the extent possible.
Type of targets	Budget-based targets strongly encouraged.	Budget-based or point targets strongly encouraged, intensity targets encouraged.	Any target encouraged.	Any action encouraged and supported.
BAU targets	Strongly discouraged.	Discouraged.	✓	Any action encouraged and supported.
Underlying information on targets including base year, included sectors	✓ Must include information using common rules, deviations from rules permitted if adequately documented.	✓ Must include information, encouraged to conform to common rules where possible, deviations from rules permitted if adequately documented.	Encouraged to include as much information as possible and draw on common rules where convenient.	Provision of information to be supported.

SPECTRUM OF APPROACHES TO INTERNATIONAL MARKETS



Section 3.4 discussed the role of markets in the post-2020 framework. Table C.1 sets out a spectrum of approaches for international emissions trading, from centralised to decentralised. Any of these would work in concert with other elements of the post-2020 framework, including transparency (section 3.3) and international assessment of countries' targets (section 3.5).

TABLE C.1: POSSIBLE APPROACHES FOR INTERNATIONAL EMISSIONS TRADING IN THE POST-2020 FRAMEWORK

SPECTRUM OF OPTIONS (FROM MOST CENTRALISED TO LEAST CENTRALISED)	APPROACHES TO ENSURE ENVIRONMENTAL INTEGRITY	UNFCCC OVERSIGHT OF INTERNATIONAL MARKETS ^A	INSTITUTIONAL ARRANGEMENTS
Common rules	Full set of criteria and processes agreed. All accounting rules agreed under UNFCCC.	UNFCCC sets rules and monitors compliance to agreed principles, standards and accounting rules.	UNFCCC as primary regulator (for example, tracking of units and approval processes centrally controlled).
Minimum criteria and review	General principles agreed, and minimum standards and common accounting developed. Flexibility for national circumstances. Non-UNFCCC markets seeking recognition assessed internationally.	Set of minimum criteria to guide design and implementation. UNFCCC reviews the conformity of non-UNFCCC approaches to criteria.	Standard-setting and oversight functions. Capacity-building and information-sharing.
Information-sharing, reporting and assessment	Possible common reporting guidelines and review of approaches through international assessments (section 3.5). This review may not be against internationally agreed criteria.	Individual countries design and implement own approaches. UNFCCC facilitates information-sharing and some support services such as central registries.	Platform for information-sharing, reporting and assessment. Facilitating capacity-building and information-sharing.