COPENHAGEN : A PROJECT FOR THE WORLD

The Copenhagen agreement is a cohesive project for the world. It allows to engage in effective reduction of greenhouse gas (GHG) emissions and a positive dynamic towards sustainable development, according to the political, economic and social circumstances of each country.

All Parties believe action is urgent and unavoidable, and that time has come for truth, justice and leadership. Hence, they decide to commit themselves to a genuine agreement as a result of extensive talks among themselves. This agreement is a vehicle for collective mobilization on the basis of a shared understanding of each Party's needs, challenges and opportunities. Thus, the Copenhagen agreement makes operational the ambition enshrined in the Rio declaration and Kyoto protocol, and further detailed in the Bali Roadmap, by translating it into two inseparable objectives, in a way that is positive, fair, equitable and based on solidarity:

-A commitment by industrialized countries to an 80% vs. 1990 reduction in overall GHG emissions by 2050, with a individual and collective reduction in the range of 25 to 40% vs. 1990 by 2020, in line with the Bali Roadmap; this development is part and parcel of a more general context, with all countries pledging to work towards a reduction of emissions, in line with the recommendations of science : global warming that does not exceed 2°C vs. preindustrial levels, a maximum concentration of 450ppm of greenhouse gases in the atmosphere, a 50% vs. 1990 reduction of global GHG emissions by 2050, and a peaking of global emissions by 2020.

-Poverty reduction, poverty being made worse by climate change, and solidarity. Hence the fact that this agreement deals with poor and vulnerable countries first, since ongoing climate change poses an imminent threat of humanitarian disasters on their territories. As a result, a common solidarity-based effort is organized in the form of a Climate Justice plan designed specifically for them.

Generally, all countries choose to pursue a more robust and less carbon-intensive type of growth, one that will warrant future competitiveness. Hence, the agreement distinguishes the necessary strategies across four groups of countries:

- the poorest and most vulnerable countries, set to benefit from the Climate Justice plan financed by international solidarity;
- developing, low-emitting countries, whose indispensable needs for growth shall be supported by international assistance in accessing low-carbon forms of energy;
- emerging countries, which commit a less carbon-intensive growth;
- industrialized countries, which take binding commitments pursuant to the Bali Roadmap, so as to prepare their economies for very low-carbon growth.

Furthermore, the agreement covers three cross-cutting issues that are shared by all Parties :

- the establishment of common rules for verification and the creation of a world environment organization;
- two vital assets to mankind: forests and research into transformational technologies.
- fast-start financing beginning in 2010.

FIRST PART – STRATEGIES FOR GHG EMISSION REDUCTION, SUSTAINABLE DEVELOPMENT AND FIGHT AGAINST DEVELOPMENT BY COUNTRY CATEGORIES

The total net extra cost of climate change-related mitigation and adaptation might reach 100 billion Euros per year by 2020[1]. However, these estimates do not take into account the diversity of situations. Domestic resources can be expected to finance a 100% of industrialized countries' needs, and part of the needs of emerging countries. Furthermore, the latter shall be in a position to benefit from flexibilities in the carbon market as well as from technological cooperation. But these various resources will not be adequate for developing countries with limited emissions, and will amount to almost nothing for the world's poorest and most vulnerable countries which need to benefit, within these 100 billion Euros per year, from a sanctuarized, guaranteed and dedicated fund.

I/ The poorest and most vulnerable countries : a Climate Justice plan

The most vulnerable countries (Africa, vulnerable small island States, other least developed countries - LDCs) exhibit major specificities:

- they are already the main victims of changes brought about by the unavoidable 2°C increase of global temperatures by 2050, even in the event of a very ambitious agreement in Copenhagen, and already suffer the impact of global warming and climate disruptions (droughts, floods);
- their economic growth is weak or non-existent;
- their share of the global GHG emissions is negligible;
- they have drawn almost no benefits from the carbon market or clean development mechanisms;
- they exhibit a considerable potential for development, in particular in the area of low-carbon forms of energy.

[1] Estimated by the European Commission, communication of the 10 of September, 2009.

This Climate Justice plan, entirely financed by international solidarity, aims at completing the different existing mechanisms by securing immediate, predictable and additional funding on top of official development assistance. It provides an operational framework to help these countries fulfil their urgent needs in terms of growth, sustainable development and the fight against poverty. In this way, the very vulnerable countries, far from being the orphaned victims of climate change, could become "a part of the solution[2]".

1. A « Climate Justice » plan with three geographical components: Africa, vulnerable small island States, other LDCs

a) Africa

- **Renewable energy : making Africa the first continent to run on 100% renewable energy in less than 20 years**

The Climate Justice plan focuses in priority on access to energy, a crucial prerequisite for any access to education, health, agriculture at the local or global level, or economic development at the national or local level. Disparities in terms of access to energy correlate gaps in wealth among nations. And yet Africa is endowed with a significant potential, which has remained unexploited. The objective should be to turn Africa into the world's major producer of renewable energy, while helping the continent raise its average rate of access to energy from current 23% to 100%.

- **Reforestation and forest conservation: making Africa contribute to a global increase in carbon sinks.**

A funding proposal for the fight against deforestation is contained below (in particular with the suggested establishment of a $7bn/year Fund to halve deforestation within the next 30 years). African countries will largely benefit from this cross-cutting initiative. Complementary funding shall also be included within the Climate Justice plan to meet more specifically African needs: forest conservation and reforestation. Such actions, in particular the "Great Green Wall" project, are not only technically feasible and economically sensible, they are also needed in order to limit the growth of CO2 emissions.

[2] Meles Zenawi, speech delivered at the opening session of the African Partnership's Forum on Climate Change, Addis Ababa, 3 Sept. 2009

- **Water and coastal erosion: facing the consequences of climate change.**

The Climate Justice plan also includes action plans in the areas of water and coastal erosion, to help African countries face radically changing circumstances due to climate change.

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African countries have already identified strategies and programmes with a view to meeting these expectations. The result of their work shows a financing need in the order of **$250bn for energy, 5bn for forest conservation and reforestation, 50bn for water and fighting coastal and river erosion, i.e. a little over $300bn.**

b) Vulnerable small island States

Some small island States are particularly vulnerable to climate modifications and their consequences: rise in ocean levels, coastal erosion, flooding, coral bleaching and ever more frequent and sustained extreme events. Some even face destruction pure and simple. International solidarity is vital in order to protect those populations. To meet observed needs, **$30bn** would be needed. Matching funds should be channelled to the "vulnerable small island States" window of the Climate Justice Fund.

c) Other LDCs

The 9 other least developed countries[3] themselves have identified priorities and concrete programmes, in the following areas[4]:

- **Infrastructure and natural disasters management**

These countries are regularly affected by strong floods, periods of intense drought as well as high-intensity cyclones, posing grave dangers to populations and seriously jeopardizing the farming industry, notably through increasingly saline lands, and greatly damage protection works, which are often poorly maintained. The Climate Justice plan thus includes the renovation and construction of new infrastructure (warning systems, dams, hurricane shelters), intensification of river drainage, as well as prevention and population protection systems.

[3] Afghanistan, Bangladesh, Bhutan, Myanmar, Cambodia, Laos, Maldives, Nepal, Yemen

[4] In particular, these topics form the basis of Bangladesh's national plan to fight climate change, at a total estimated cost of $5bn over 5 years.

- **Energy : developing renewable energy and low-carbon infrastructure**

The increase in power generation, a prerequisite for ensuring economic growth and in support of policies to fight poverty and foster social development, is a priority. The Climate Justice plan includes a chapter on developing renewable energy as well as low-carbon infrastructure.

- **Forestry**

Some of these countries suffer from growing rates of deforestation for a variety of reasons :

- Clearing forests for farming or building houses;
- Logging wood for domestic purposes (main energy source in many countries) ;
- Natural disasters and salination that kill forests.

Faced with these realities, the Climate Justice plan includes a chapter on forest preservation and reforestation for those countries in particular, to complement the cross-cutting programme on fighting deforestation shown below in part 3.

The result of the work conducted by these countries shows a financing need for the other LDCs and vulnerable regions within developing states in the order of **$75bn** for these countries and regions.

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In total, this Climate Justice plan represents financing needs of around $410bn. These figures show that this financial effort is far from being beyond our reach. These revenues are set on an annual basis, established over 20 years. The disbursements can be accelerated over a period of 10 years by pre-financing.

3. Public international financing specifically and almost exclusively dedicated to the Climate Justice plan

Thus, the Climate Justice Fund is made up of three distinct 'windows': Africa, vulnerable small island States, other least advanced countries. This fund, supervised by both donors and recipients, is not of a general nature: it is a dedicated fund with an exclusive focus on energy, reforestation, water, coastal and river erosion and engineering.

The Fund will channel international solidarity flows up to $410bn. It shall provide automatic, predictable and stable revenues, on top of ODA. New development patterns require a paradigm change and novel approaches to international financing:

- Such financing could be **based on innovative sources**, e.g. a global tax on financial transactions, currency exchange transactions, or shares and bonds (by way of example, a tax on shares and bonds with a rate as low as 0,01% or one basis point would yield an estimated **$20bn a year**). Other innovative financing mechanisms could be considered, as listed in Appendix 2 ;

- Failing this, it could stem from a **universal financial contribution** for the fight against climate change made by all countries, except the least developed, based on an apportionment formula based on development levels (share of global GDP in 2007)[5] and responsibility for emissions (current and historical levels);

II/ Developing, low-emitting countries

Countries whose nominal GDP per capita is lower than $1,500 and per capita emissions lower than 2 tonnes exhibit several characteristics:
- They are undergoing a process of growth that is vital to their economic and social balance;
- They experience mass poverty;
- Their per capita emissions level is lower than the long-term target advocated by science;
- They have real capacities to tackle adaptation to climate change, in particular in terms of their domestic resources and access to the carbon market and its flexibilities, even though these capacities are inadequate;
- Their growth model is not sustainable over the long term, in terms of GHG emissions or energy self-sufficiency.

These countries do not undertake binding commitments for their emissions, but they are engaged in reaching the general reduction targets listed in the introductory part of the

[5] EU : 31% of global GDP, US : 25% of global GDP, China : 5,8% of global GDP

agreement. They design national climate action plans that include measures (NAMAs) on short-term emissions, which may benefit from international public support. To this end, it is decided to establish a specific fund dedicated to strategies for access to renewable energy and energy efficiency, while other priorities like water could also be covered, and which shall channel **80 billion dollars.**

III/ Emerging countries

These countries are experiencing strong economic growth, possess significant domestic resources and enjoy broad access to to the carbon market and its flexibilities. Their levels of emissions are higher than the common long-term objective (2 tonnes of CO2 per capita) and, as such, are encouraged to embark upon a lower-carbon economic path, with a view, also, to preserving their long-term competitiveness.

These countries commit to objectives in terms of decoupling GDP growth from emissions growth (reducing the carbon intensity of their economies). They contribute to the objective of reaching a peak in global emissions by 2020, and commit to reaching the peak of their own emissions around 2030. Their national climate action plans shall include measures (NAMAs) for limiting their short to medium term emissions that would lead to a substantial departure from current trends. Actions undertaken by developing countries (NAMAs) shall partly be financed by national resources, by carbon markets and their flexibilities, as well as by international financial and technological cooperation.

IV/ Industrialized countries

Industrialized countries collectively commit to cutting their emissions by at least 80% in 2050 compared to 1990 and adopting short- and medium-term economy-wide reduction targets consistent with this long-term objective.

Industrialized countries that have signed and ratified the Kyoto Protocol[6] undertake new reduction commitments by 2020 under the Protocol, which shall be consistent with IPCC objectives and the Bali Roadmap.

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[6] Germany, Australia, Austria, Belgium, Belarus, Bulgaria, Canada, European Community, Croatia, Denmark, Spain, Estonia, Finland, France, Greece, Hungary, Ireland, Iceland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxemburg, Monaco, Norway, New Zealand, Netherlands, Poland, Portugal, Czech Republic, Romania, UK, Russia, Slovakia, Slovenia, Sweden, Switzerland, Ukraine

Country	**Objective** (in %, **2020** vs. 1990)
Australia	-25%
Canada	-25%
EU 27	-30% (*)
Japan	-25%
New Zealand	-25%
Norway	-40%
Russia	-25%
Switzerland	-30%
Ukraine	-25%

Obviously, these commitments are conditional upon the whole set of commitments taken by Parties to the agreement (*the unconditional offer from the EU being in any case of -20%).

Industrialized countries that are not signatories to the Kyoto Protocol or which have not ratified the Protocol are invited to join the Protocol or undertake legal commitments at international level. At the very least, they shall commit themselves to medium-term economy-wide reduction targets in a way consistent with the 80% reduction long-term objective for 2050, compared to 1990. These commitments should cover reductions of at least 15 to 25% of emissions by 2020 vs. 1990, and a level of reduction by 2030 comparable with efforts made by Annex B member countries that have ratified the Protocol.

SECOND PART : CROSS-CUTTING ISSUES

I/ Trust-building mechanisms

The Copenhagen agreement is the result of shared trust among the Parties, around a project for the world. Collective mechanisms are vital to maintain and build on that trust, in particular through the establishment of a common system for measurement, reporting and verification (MRV) and the creation of a world environment organization (MRV).

1. A common system for measurement, reporting and verifications (MRV)

A periodic 5-year review mechanism will examine the long-term objective in light of the latest science, and assess whether aggregate efforts are on the right track for reaching the long-term objective or whether the international community's targets need to be raised. The first of these periodic reviews shall take place in 2016 at the latest, following publication of the next climate report by the International Panel on Climate Change (IPCC) in 2014.

All countries adopt a common system for measuring, reporting and verifying (« MRV ») progress achieved, in line with the following principles:
-Measurement of achievements is effected at national level based on : national guidelines, the existing national reporting system and inventory procedures under the Convention, as suggested by IPCC;
- Information will be communicated by each country according to international guidelines;
-Actions and action outcomes verification will be peer-reviewed at international level, under Convention supervision, and, later on, under the authority of a world environment organization.

2. A World Environment Organisation (WEO)

To make sure this plan works, it is decided to establish a committee for permanent steering of the commitments by the end of 2010, which will possibly transform itself into a World Environment Organisation as early as year's end 2010. It would gather together all existing institutions, ensuring correct implementation of the future agreement, and taking part in international governance (through WEO representation within international financing bodies and during trade negotiations in particular).

II/ Vital assets to mankind: forests and research

1. Forests

13 million ha of forest disappear every year, a surface area equal to Greece's[7]. Deforestation accounts for more greenhouse gas emissions than the entire global transportation sector. It is therefore of primary importance to curb deforestation on a massive scale with a view to capping the temperature increase at 2°C. No economic model allows us to consider a realistic scenario for stabilizing greenhouse gas concentrations within the atmosphere, without taking full and immediate advantage of the potential of forestry and agriculture. Besides, deforestation is often irreversible since destroyed forests only grow back very slowly (and in some cases never do because of agricultural conversion).

Nevertheless, provided they receive technical and financial support from the international community on a par with their needs, a number of countries are in a position to reverse the trend over the long term. According to Nicholas Stern, **$7bn per year would be sufficient to allow for a reduction of deforestation by half over thirty years.**

It is thus decided that the international community shall co-finance the reduction of emissions related to deforestation (and forest degradation) in developing countries. Co-financing will cover all steps to fight deforestation and forest degradation: avoiding conversion of forests to other uses, sustainable forest management, protected forest areas, agricultural modernization, improved energy services. Particular effort will be devoted to steps with a positive impact on local development, biodiversity protection and the environment.

2. Transformational technologies

Countries commit to increasing international investments for R&D and low-carbon technology demonstration projects according to respective financial and human/institutional capacities. The aim is a doubling of energy-related R&D efforts by 2012 and a quadrupling by 2020 as compared with current levels. Efforts at the national level as well as in the context of

[7] (Brazil : 3 million per year, Indonesia : 2 million per year, Tanzania, Sudan, Democratic Republic of the Congo : around 0.5 million per year each

international cooperation will have to be consistent with "long-term technological roadmaps". These roadmaps will set forth a shared vision of scheduled and desirable technological advances at global level, as well as the means required for their further development and dissemination. Countries also pledge to make public their levels of public and private investment in low-carbon technological innovation on an annual basis.

III/ « fast start » financing starting in 2010

Modalities for this agreement shall be defined in the course of 2010, so as to be ready for endorsement by COP16. As early as 2010, it will be crucial to provide for a fast-start procedure to finance adaptation and development in the most vulnerable countries.

Based on existing studies[8], an estimated 5 to 7 billion Euros a year will be necessary for "fast start" financing. This early funding will consist of voluntary contributions by States.

[8] Estimate by the European Commission in its 10th September 2009 communication : « Increasing the international financing for the fight against climate change: European guidelines towards an agreement in Copenhagen »

APPENDICES

APPENDIX 1 : the Climate Justice Plan by regions

Goal	Amount ($bn)
African plan	
100% access to energy	250
water and costal erosion	50
Forests	5
Small, vulnerable island states plan	
access to energy	14
Others	16
TOTAL	**30**
other LDCs	
All measures for adaptation and mitigation (energy, natural catastrophes, forestry, water management and flood etc.)	75
TOTAL	**75**
Justice Climate Plan including all three plans	
TOTAL	**410**
For the record: ***developing, low-emitting countries***	***80***
TOTAL	***490***
For the record: ***Plan for deforestation reduction*** ***(per year)***	***7 (per year)***

The figures sanctuarized in the Climate Justice plan do not take into account the total amount of predictable and necessary funds, around €100bn per year.

APPENDIX 2 : complementary innovative financing mechanisms

Beyond the above-mentioned tax on financial transactions, there are other possible mechanisms:

maritime taxation

Contributions on an environmental basis can also be considered. Thus, a taxation of bunker fuels, currently tax-free, would yield between ***$1bn*** *(low rate of 10%) and* ***$20bn per year*** *(maximum rate corresponding to the internalization of the costs of maritime pollution).*

Swiss proposal for a universal carbon tax

Set at 2$/tCO2, or 0.5$ per litre of fuel, this tax would apply to emissions from all countries with exoneration under 1.5t CO2 per capita (a per capita objective that would make it possible to halve global emissions by 2050). It would yield ***$18.4b a year.*** *Switzerland's proposal is for this amount to be channelled to a multilateral adaptation fund.*

Oil barrel taxation

Implementing a 1$/barrel consumption tax in OECD countries would ***generate over $20bn a year***[9]*. This would entail a cost increase of 0.3 cents per litre*[10].

9 OECD consumption being around 20 billion barrels a year.

10 An oil barrel contains 158 litres

APPENDIX 3 : « A programme for progress in the context of a global crisis » Africa Progress Panel Annual Report 2009, presided by Kofi A. Annan

« Africa has a huge potential for generating energy from renewable sources – solar, hydro, wind, geothermal. Almost all sub-Saharan African countries have enough renewable resources, exploitable by current technologies, to meet their current energy needs many times over. (...) Helping Africa to move towards zero carbon power generation represents both an opportunity for trade and an imperative in terms of development.»