

Climate Change Mitigation Policies and their Implications for Developing Countries

15 July 2011

Satoshi Sugimoto
JICA Expert Team

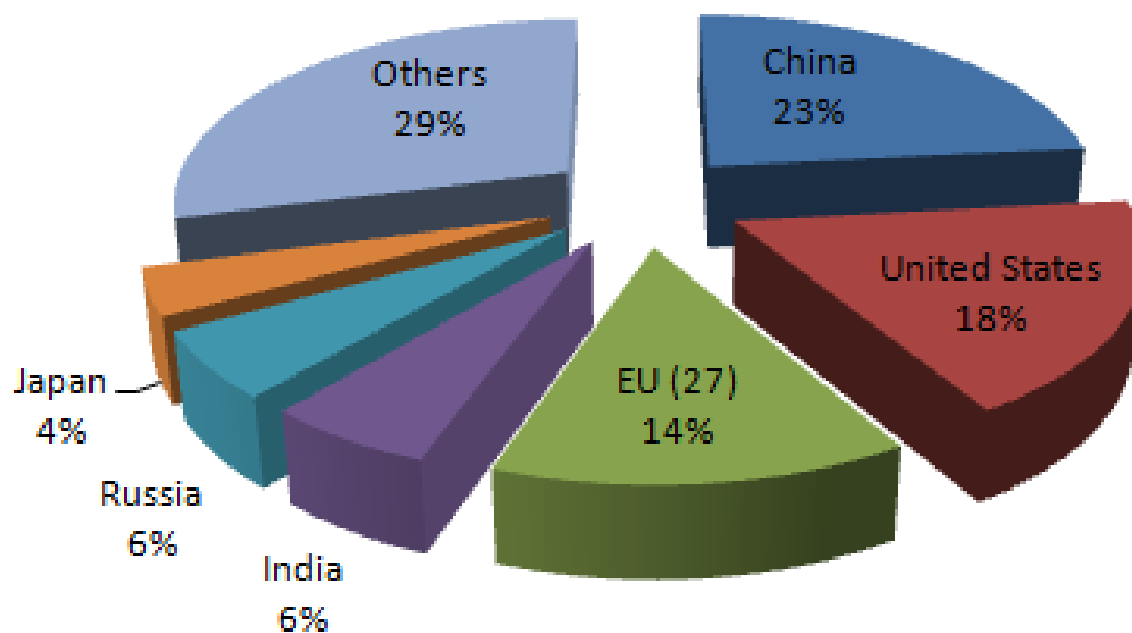
Contents

1. Overview of Country-Wise GHGs Emissions
2. CDM Projects by Countries
3. Key Climate Change Mitigation Policies and Their Implications for Developing Countries
 - ① Border Carbon Adjustment Measures
 - ② Climate-Related Standards and Labels
 - ③ Bilateral Offset Credit Mechanism

1. Overview of Country-Wise GHGs Emission

CO₂ emission (2008)

Total CO₂: 30 billion tCO₂



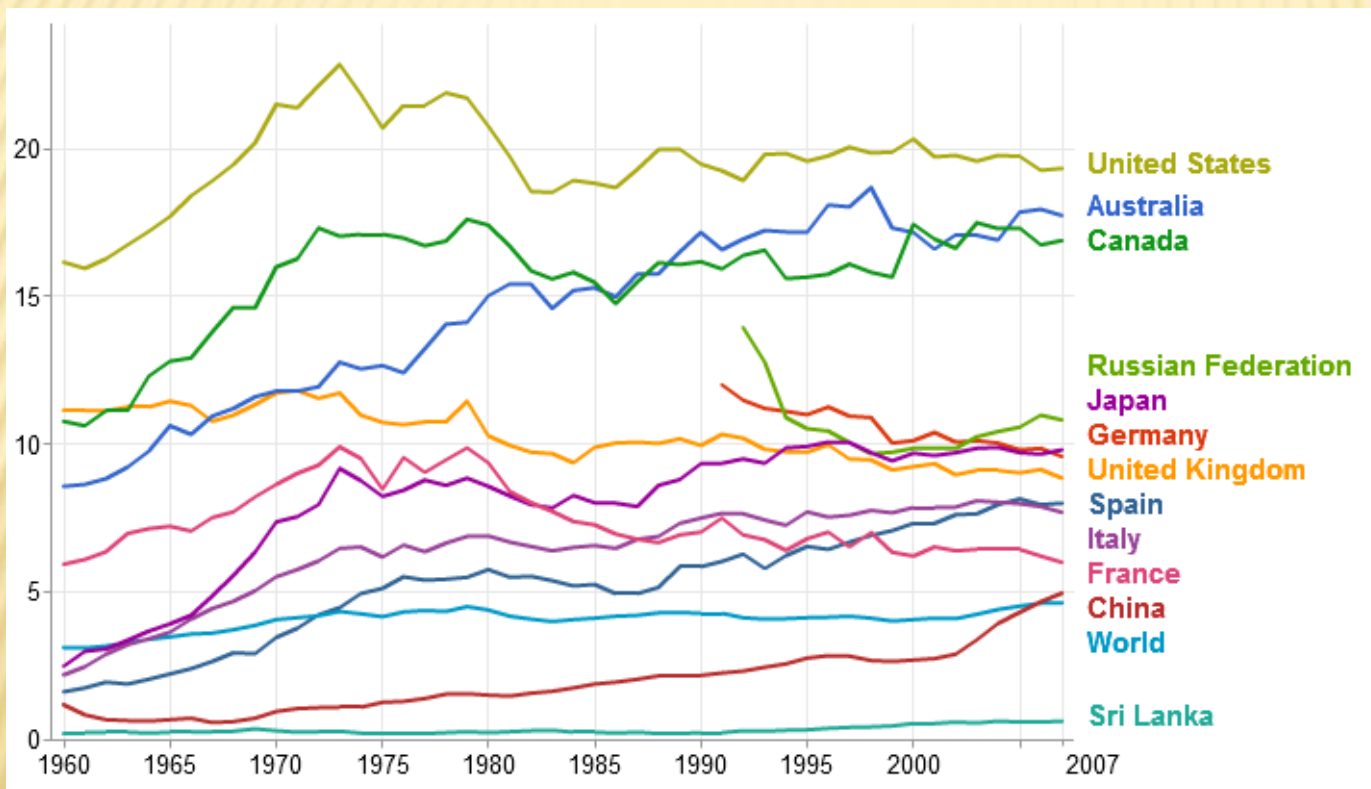
Remark: Human-produced, direct emissions of carbon dioxide only.

Source: United Nations Statistics Division, Millennium Development Goals indicators

Sri Lanka (2008): 11.7 million tCO₂ (0.04% of the Total CO₂)

1. Overview of Country-Wise GHGs Emission

Trend of Per Capita CO₂ Emission by Countries (Unit: tCO₂/person)



USA	19.3
Australia	17.7
Canada	16.9
Russian Fed.	10.8
Japan	9.8
Germany	9.6
UK	8.8
Spain	8.0
Italy	7.7
France	6.0
China	5.0
Sri Lanka	0.6
World	4.6

Source: World Bank, World Development Indicator (2011)

1. Overview of Country-Wise GHGs Emission

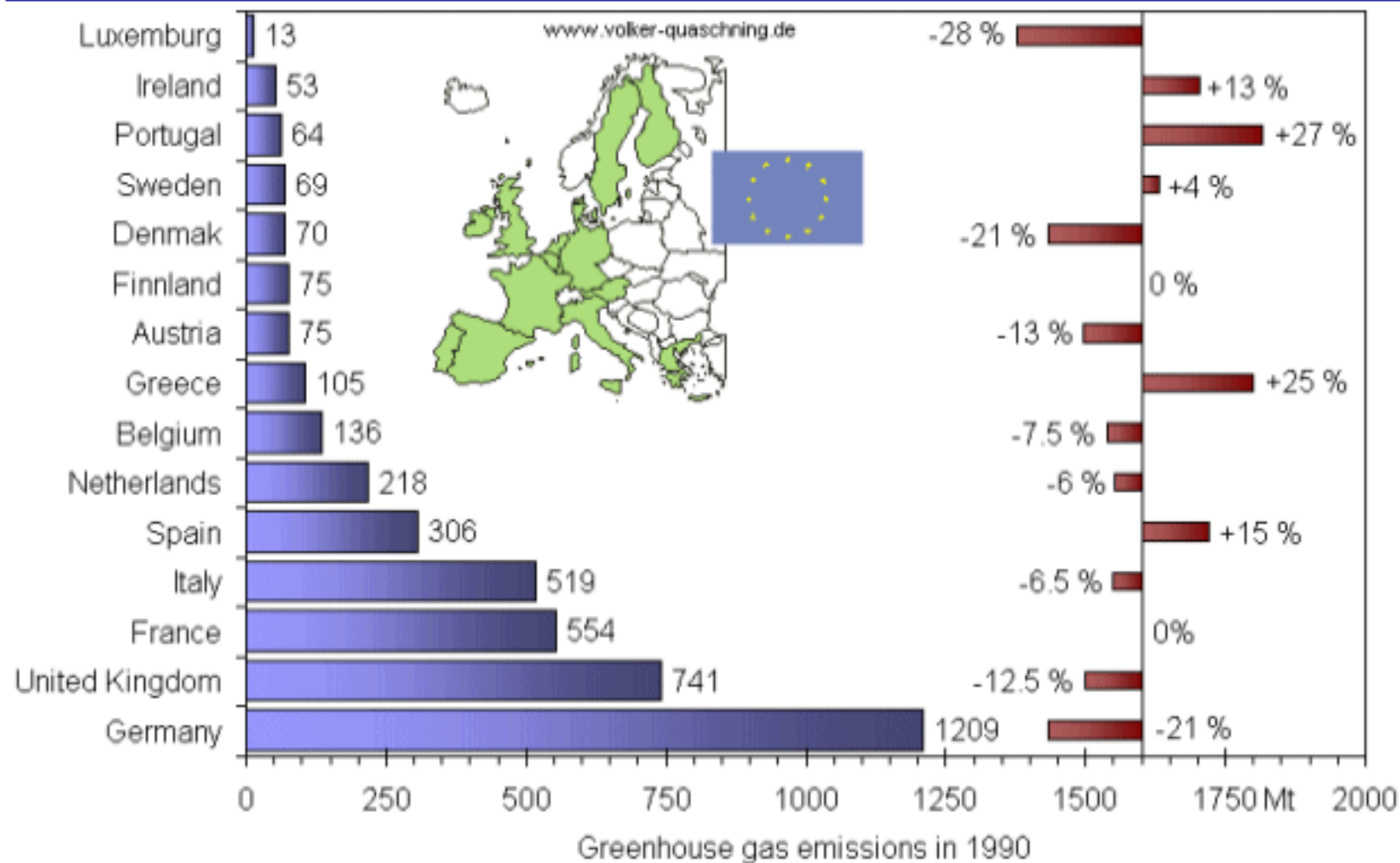
Reduction commitments of the Kyoto protocol and emissions development

Party	Reduction commitments	Emissions 1990 in Mt	Emissions 2000 in Mt	Emissions 2008 in Mt	Change 1990-2008
EU	-8 %	4 245	4 114	3 970	-6.5 %
Liechtenstein, Monaco, Switzerland	-8 %	53	52	54	+0.5 %
Bulgaria, Czech Republic, Estonia, Latvia, Lithuania, Romania, Slovakia, Slovenia	-8 %	814	469	487	-40.2 %
USA	-7 %	6 112	7 008	6 925	+13.3 %
Japan	-6 %	1 269	1 344	1 282	+1.0 %
Canada	-6 %	592	717	734	+24.1 %
Poland, Hungary	-6 %	679	467	469	-30.9 %
Croatia	-5 %	31	26	31	-0.9 %
New Zealand	0 %	61	70	75	+22.8 %
Russian Federation	0 %	3 322	2 025	2 230	-32.9 %
Ukraine	0 %	928	393	428	-53.9 %
Belarus	0 %	140	79	91	-35.1 %
Norway	+1 %	50	53	54	+8.0 %
Australia	+8 %	418	496	550	+31.4%
Iceland	+10 %	3	4	5	+42.9 %
Total	-5,2 %	18 717	17 318	17 383	-7.1 %

Source: UNFCCC, these values refer to carbon dioxide equivalents excluding land-use change and forestry

1. Overview of Country-Wise GHGs Emission

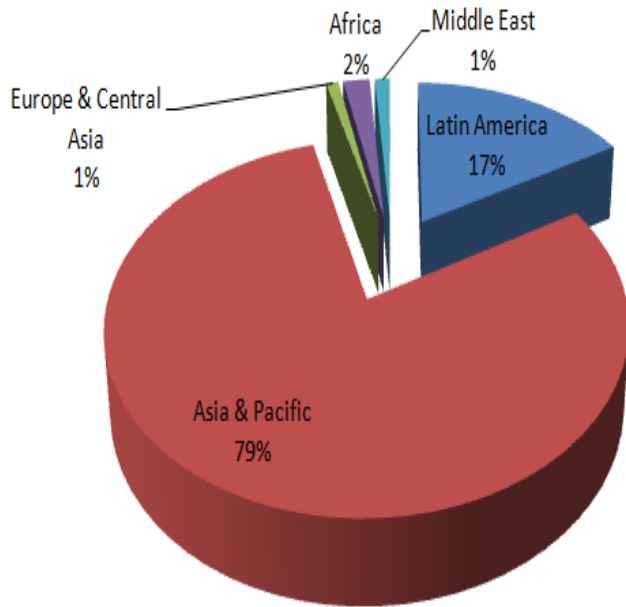
Emissions in 1990 and reduction commitments in the EU



2. CDM Projects by Countries

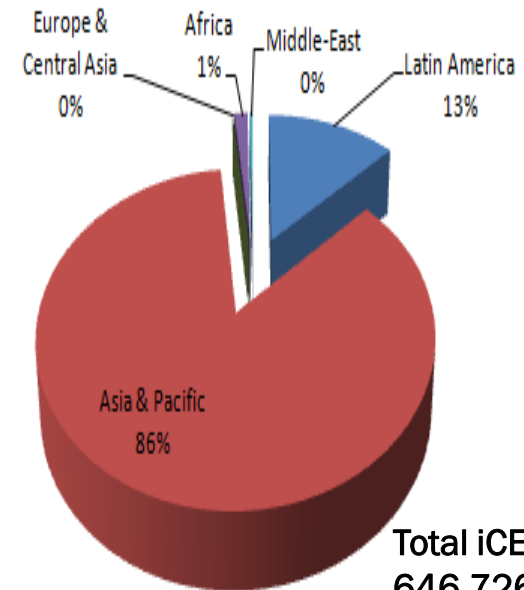
Regional Distribution of CDM Projects (host countries)

Number of Registered CDM Projects (1st of July 2011)



Total number of CDM Projects: 3,211

Amount of CERs issued (1st of July 2011)

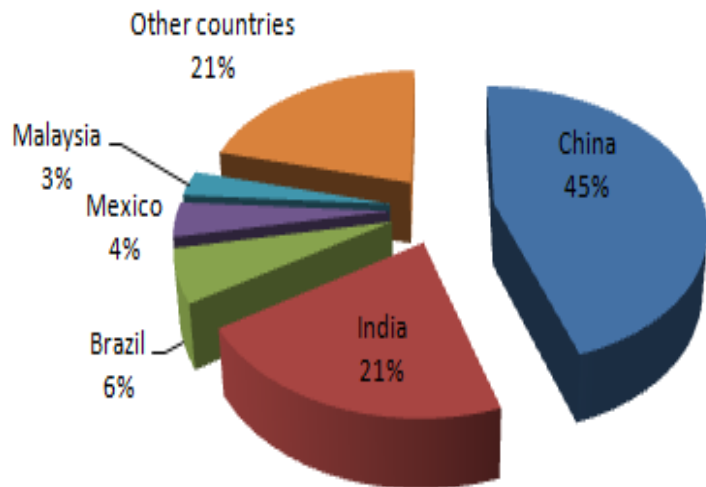


Total iCERs:
646,726 kCERs

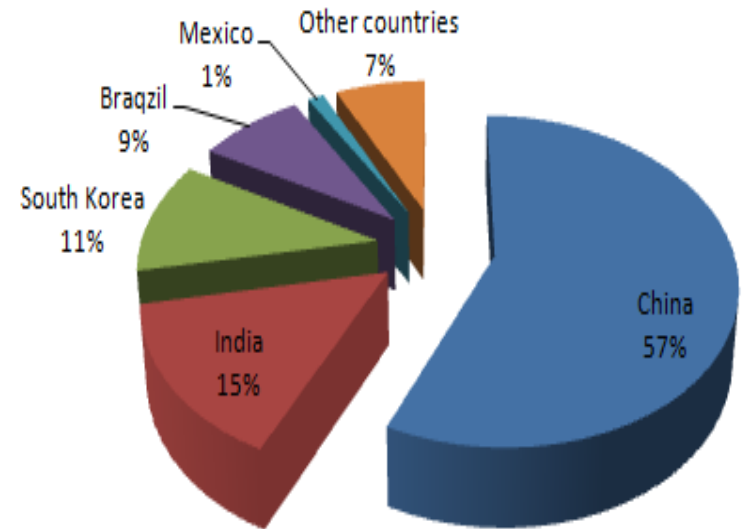
2. CDM Projects by Countries

Number of Registered CDM Projects by Countries

Number of registered CDM projects
by countries



Amount of Issued CERs by Countries



3. Key Climate Change Mitigation Policies and Their Implications for Developing Countries

① Border Carbon Adjustment (BCA) Measures

What is BCA ?



To impose a tariff or an obligation to purchase carbon credits - on imports from other countries that use less stringent emissions practices.

Why ?



- To avoid carbon leakage.
- To level the playing field between the domestic industries under the stringent carbon emission control and foreign competitors under less stringent carbon emission control.
- To leverage the participation of developing countries in binding schemes or to adopt comparable measures to offset emissions by their own industries.

3. Key Climate Change Mitigation Policies and Their Implications for Developing Countries

① Border Carbon Adjustment (BCA) Measures

What is the implications of BCA measures for developing countries



- The goods and services to be exported to the countries with stringent carbon emission control regulations from the countries with no or less stringent ones will be obliged to pay tariff or buy carbon allowance.
- As a result, the competitiveness of the goods and services in the international trade market will be weakened.
- Developing countries may be forced to take concrete climate change mitigation actions (GHGs emission reduction measures) in spite of the principle of the “common but differentiated responsibilities” provided in the UNFCCC.

3. Key Climate Change Mitigation Policies and Their Implications for Developing Countries

② Climate change-related standards and labels

Energy efficiency standards, eco-labels, carbon footprint



(Potential implications)

Developing countries may be forced to take additional cost and measures to comply with the above standards and requirement of the countries of their export destination.

Carbon Standard in agriculture: Food miles



(Potential implications)

Export of agricultural products to the foreign countries may suffer disadvantage in terms of carbon footprint due to the transport mileage (Competitiveness with domestically produced agricultural products will be weakened.)

③ Bilateral Offset Credit Mechanism

GHG reductions in developing countries - implemented by provision of advanced technologies and/or products from developed countries **with bilateral agreements** - are evaluated and certified as emission reduction credits to offset the emissions of the developed countries.

<Requirement>

Be consistent with post 2012 framework

- GHG reductions with environmental integrity and quantifiable evaluation
- Able to conduct MRV under international standards

<Aim>

Establish **'win-win' relations** between developed and developing countries through promotion of technology transfer and emission credits

