COP-21

‘The Paris Agreement Is Perhaps the Most Important Development in International Climate Policy To Date.’

EM interviewed an on-site business observer from the COP-21 climate meetings in Paris familiar with the electric power sector.

Note: This interview took place before the stay ruling by the U.S. Supreme Court.
**EM: How would you summarize the Paris Agreement?**

**Observer:** The Paris Agreement—which contains binding provisions—and related 20-page COP decision, which is non-binding, wove a delicate and balanced path in addressing the final key issues and country demands, such as loss and damage, financing, differentiation, and the global goal.

For example, both documents contain numerous references to Parties acting in their “common but differentiated responsibilities” or to “equity,” and soften some of the developing country requirements in reference to the global goals and reporting processes, which were key demands for large developing countries. The reference to the 1.5°C temperature increase limit met a key demand by small island developing states. The inclusion of an Article on loss and damage was important for many developing countries, while language in the related COP decision noting that the Article did not establish any basis for liability or compensation was an important provision for developed countries.

Similarly, the Agreement highlights the importance of developed countries providing additional sources of financing, while making the provisions non-binding. Developing countries in their closing statements noted their disappointment that while they had agreed to reduction commitments, the final Agreement did not contain binding financial commitments for developed countries, and highlighted the importance of developed country support if developing countries are to make significant progress in reducing emissions.

In summary, the Paris Agreement is perhaps the most important development in international climate policy to date. By establishing a new global framework involving bottoms-up efforts by all Parties according to their abilities, and differentiating actions not on an artificial divide but based on national capabilities,

the Paris Agreement potentially lays a new, long-lasting framework for actions by all nations to address greenhouse gas (GHG) emissions.

**How does the Paris Agreement impact the U.S. electric utility industry?**

For electric utilities, GHG reduction efforts for the foreseeable future will be governed by the Clean Power Plan (CPP), which is a key element of the initial U.S. nationally determined contribution (NDC) of achieving a 26–28-percent economy-wide reduction in GHGs below 2005 levels by 2025. The next U.S. NDC covering actions beyond 2025 will be due in 2020. Electric utilities at COP-21 talked about how the sector is transitioning to one that is lower-emitting and smarter.

The Agreement contains a global goal of limiting temperature increase “to well below 2 °C above pre-industrial levels.” The accompanying COP decision recognizes that much greater emission reduction efforts than are contained in the current round of intended NDCs will be required to meet the 2°C goal, and that current pledges “lead to a projected level of 55 gigatones” of GHG emissions by 2030.

According to analysis by the United Nations Framework Convention on Climate Change (FCCC) Secretariat and others, if fully implemented the initial NDCs submitted by Parties would lead to a 2.7°C temperature rise. The COP decision also notes the need to reduce emissions to at least 40 gigatons by 2030, and potentially lower. Parties will convene a “facilitative dialog” in 2018 to “take stock of the collective efforts of Parties” in progressing toward the long-term global goal.

The Agreement also sets out a collective aim of reaching global peaking of GHG emissions “as soon as possible,” and to achieve “a balance” between manmade emissions and removals by sinks of GHGs “in the second half of this century.”

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If countries and consulting firms will be developing global emission inventories, what is being said about the transparency of that data? Importantly, the Agreement contains robust transparency and reporting requirements, including information for tracking progress in Parties meeting their NDCs, known as an enhanced transparency framework for action and support. This was another controversial area, particularly given developing country concerns about how much information would be required and how closely it would be examined. To this end, the transparency framework is to be implemented in a “facilitative, non-intrusive, non-punitive manner, respectful of national sovereignty.” Nonetheless, Parties will be able to draw on national communications, biennial reports and national inventories in assessing NDCs. Further, information submitted by each Party on its NDC will undergo an expert technical review, which will identify areas of improvement for the Party and review the consistency of the information provided. Ultimately, the details for how to implement this transparency of action and support will be adopted by Parties at the first meeting after the Paris Agreement enters into force.

The related COP decision establishes a capacity-building initiative for transparency to build institutional and technical capacity, and to provide relevant tools, training, and assistance in meeting the transparency provisions of the Agreement. Importantly for developing countries, the transparency provisions apply equally to assessing the provisions of support by developed country Parties.

I understand that you have been to many of the U.N. Climate Summits, including Kyoto, Copenhagen, and now Paris. Does the science seem to be changing? What I notice is that each year there is more scientific evidence on display. The U.S. Center, for example, has an area with a big screen that displays data from over the years, plus some of the newest data from NASA. Also, many of the delegates issue statements include science of interest to them.

A&WMA had a representative at the Copenhagen talks in 2009 and he reported that it seemed like a very safe venue. What was Paris like in December, only a few weeks after the Paris terrorist attacks? Paris was alive and vibrant. There was lots of security. People were going on with their business in a holiday spirit.

Please describe the venues and where you stayed? The meetings were not in the center of Paris. They were held at an old airfield outside Paris. I stayed in the Left Bank area and rode the train and a bus transfer to the meeting site. It was well organized and very easy to do. And the use of public transportation was free with your accreditation. There were numerous activities near the meetings and in other venues. Many demonstrators were shouting their messages.

What is the key to good access at the meetings? As always, badges/credentials are the key to being in the hallways near the key meetings. Also, knowing your country’s negotiators is vital for being able to provide input and keep abreast of key developments.

What has changed about the attendees over the years? More and more non-governmental organizations (NGOs) have developed an interest in these talks. They have proliferated. In addition to dozens of environmental groups, there are groups representing youth, indigent people, women, and numerous others. There has also been a change in the business groups attending. There are now many more carbon traders, solar firms, and other clean energy companies. I guess you would say it is a much broader event.

Dallas Baker, A&WMA Immediate Past-President, has applied to the United Nations to obtain Observer status for A&WMA at COP-22. We are awaiting the U.N. response. What can you tell us about the 2016 meeting? The 2016 meeting will be in Marrakesh, Morocco in November 2016. People should reserve their hotel rooms soon. Marrakesh will be a smaller meeting than Paris. Time will be spent on the nitty-gritty details of the implementation phase of the Paris Agreement. This will begin the march toward multi-year rules and actions. A&WMA might only receive credentials for one or two Observers, which come with the name of each person and are not transferable. The final credentials may arrive only 2–3 weeks before the COP-22 meeting.

What final thoughts do you have for A&WMA members? I encourage A&WMA to be represented at COP-22 in Morocco. A&WMA has always provided leadership for issues of particulate, smog, and acid rain. That same expertise and leadership is needed in the area of carbon emissions.