

**Submission for the Ad-Hoc Working Group on Long-Term Cooperative Action
(AWG-LCA)**

ARGENTINA

**views on
Enabling the Full, Effective, And Sustained Implementation of the Convention
through Long-Term Cooperative Action Now, Up To, and Beyond 2012**

September 2008

At its third session held in Accra, 21-27 August 2008, the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) invited parties to submit their views of the ongoing work of the group regarding all elements of paragraph 1 of Decision 1/CP.13, the Bali Action Plan, taking into account the inter-linkages and the specific subparagraphs under each of the elements.

The Government of Argentina hereby submits its views and suggestions to the AWG-LCA.

We note that while our submission addresses each of the five elements that constitute the Bali Action Plan, any discussion and agreement on all elements should be carried out in an integrated manner.

I. A SHARED VISION

Climate change threatens food and water availability world-wide, thereby putting the livelihoods of millions at risk, particularly communities in climate vulnerable States and regions. The impacts of and necessary responses to climate change at the national level – both in terms of adaptation and mitigation – present a huge and perhaps insurmountable obstacle to the development aspirations of many nations.

The Government of Argentina considers that a shared vision for long-term cooperative action should continue to be guided by the principles laid out in Article 3 of the UNFCCC. Specifically, the Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof. The specific needs and special circumstances of developing countries, of those particularly vulnerable to the adverse effects of climate change, and of those who will bear a disproportionate burden, should be given full consideration.

A shared vision is an integrated approach to addressing climate change and should enable sustainable development for all societies. The early establishment of mid-term targets for Annex I countries, and a clear agreement on the levels of financing, technology and capacity building that will be made available will assist an eventual discussion of appropriate long-term goals.

Addressing climate change necessarily requires reorienting current global economic growth patterns, which in turn poses a tremendous costs and barriers for many governments and other actors to decisively change their behavior in order to climate change. Because of this, it we firmly believe that the practical success of any future agreement necessarily depends on early and decisive action to ensure that the financial and technology support is available to developing countries in order to ensure and maximize their potential contributions to solving this global problem.

Argentina believes that a shared vision may be guided by the equitable determination of long-term objectives, drawing on the recommendations made by the IPCC in its Fourth Assessment Report, and based on an equitable burden sharing paradigm that ensures equal sustainable development potential for all citizens of the world, taking into account historical responsibility and respective capabilities. Any decision on burden sharing must reflect not only scientific, but also equity, economic, social, political and other considerations.

Considering that economic and social development, poverty eradication and adaptation to climate change are the top priorities for developing countries, as recognized by the Bali Action Plan, emission reductions in these countries to meet any agreed global goal necessarily requires the support for technology development and transfer, capacity building and financing from developed countries. Any agreement that increases the participation of developing countries will restrict available development policy options for governments, and especially in those countries that have not yet reached a level of economic growth sufficient to guarantee basic needs. For this reason, a shared vision and any global goal must address the impacts that a future global agreement will have on the development prospects of developing countries. Consequently, such a vision necessarily includes technology development and transfer, financial support, and other associated support from developed countries to equitably secure developing countries' sustainable development.

II. ENHANCED NATIONAL/INTERNATIONAL ACTION ON MITIGATION

Developed countries must demonstrate – through practical actions – that they are taking the lead in modifying longer-term trends in emissions, consistent with the objectives of the Convention. Mid-term targets and deeper long-term commitments for all developed countries, accompanied by a sound approach to enabling and ensuring compliance, are critical factors to achieve necessary global emission reduction. Full performance by Annex I Parties of their Kyoto Commitments, as well as deep and binding emissions cuts in the context of a second commitment period under the Kyoto Protocol, are also prerequisites for reaching global stabilization levels and for any future agreement.

As population, economic growth and development continue on their upward curve, emissions must decrease dramatically between 2020 and 2050. Clearly, reaching stabilization levels will mean reorienting production, consumption, and access to resources on a global scale. Any global mitigation strategy will affect the access that millions of people have to basic public goods and can potentially affect food, water, and health security, consequentially impacting the cultures and livelihoods, and well being of countless communities and individuals. The IPCC 4th Assessment Report leaves no doubt that any future global mitigation strategy will have consequences in terms of distribution of responsibilities and resources. It is our firm belief that developing countries should not have to compromise their growth and development as a result of climate change. Indeed, mitigation in developing countries is essential and should increase significantly in order to achieve global climate stabilization. One way is for developing countries to move quickly towards low-carbon economies. This will only be possible, however, with the associated technology, financing, and capacity building in place to catalyze and maximize mitigation action.

Argentina is committed to contributing its utmost to mitigating climate change. This contribution necessarily depends on striking the balance between our responsibility to our citizens – ensuring they have access to minimum standards of security, human rights, and social benefits, such as food, health, education, shelter, and opportunity for self-development – and the means available to implement mitigation activities.

One task of the AWG-LCA is to frankly and openly discuss how to guarantee continued economic development while also achieving the necessary sharp global cuts.

In this regard, the concept of contraction and convergence, supported by adequate financing, technology and capacity building and compensation for lost development opportunity, remains an option for our consideration within these negotiations. This approach provides one option for balancing the effort by developing countries to secure their development needs while reducing GHG emissions over time. As countries secure their development objectives, they are better equipped to adapt to climate change and mitigate without detrimental impacts on their societies.

The continued use of flexible mechanisms to reduce GHG emissions requires close consideration given their potential to displace domestic action by Annex I countries and capture, primarily, only the

least expensive mitigation activities in developing countries. Argentina believes that market-based mechanisms have a role in mobilizing capital and technology at the level needed to global GHG mitigation. However, we strongly believe that market alone cannot deliver the expected outcomes soon enough to avoid irreversible climate change. The private sector can be leveraged and guided with the use of substantial new and additional resources, and in coordination with other international organisms and fora where governments are represented.

At the same time, carbon markets do need to be scaled up to deliver additional financial flows to accomplish the task ahead. In exploring the development of carbon markets, we need to identify ways of financing low-carbon investments in developing countries that do not involve transferring the burden of mitigation from the developed to developing world. Any approach for carbon market mechanisms should also contain conditions, criteria and factors that promote better regional distribution of mitigation activities and their associated benefits. An improved carbon market mechanism should also incorporate conditions that avoid market biases, such as those that have arisen in the current CDM in relation to activities that mitigate GHG different from carbon dioxide.

Reducing emissions from deforestation and forest degradation (REDD)

On reducing emissions from deforestation and forest degradation, as well as on the role of conservation, sustainable forest management and enhancement of forest carbon stock in developing countries, Argentina considers these are key issues under the AWG-LCA and are an important part of the global agreement due both to the enormous potential they have for GHG mitigation and also for their intrinsic relationship to sustainable development.

We propose, in the first place, to concentrate the discussions on these issues under the AWG-LCA, allowing for an integral debate that includes technical, financing and political matters. In this sense, a contact group could be created under the AWG-LCA to deal with the technical and methodological aspects that are unique to this subject. Moreover, concentrating the discussions in the AWG-LCA will allow small developing countries delegations to follow the issue closely and give it due attention, considering the direct implications for many developing countries.

While policy approaches are fundamental in pursuing reducing emissions from deforestation and forest degradation in developing countries, mitigation efforts in this sector require adequate and appropriate financial support from developed countries, as well as other positive incentives. Furthermore, financial resources should precede the implementation of activities in this sector, not come as subsequent payment for successful forest protection activities. Equitable risk sharing, acknowledging that the results on reducing deforestation and forest degradation are not always certain is an important principle in REDD efforts. In addition to supporting sustainable development and addressing financial resource scarcity common in most developing countries, this approach builds on the spirit of long-term cooperative action and collaboration to reach common goals.

Finally, REDD approaches to climate change have significant development and social implications and should be carried out with due attention to possible outcomes, particularly in climate vulnerable States, regions, and communities. The World Bank estimates that 90 percent of the 1.2 billion people living in extreme poverty around the world depend for their livelihoods on forest resources. In Argentina, hundreds of thousands of people rely on forests for food, water, medicines, energy, and income. Clearly, any global approach to forest will have an impact – positive or negative – on the lives and rights of many of the world's most vulnerable people. Therefore, any future global approach to REDD should incorporate safeguards to ensure that global scale activities, such as sales of REDD credits, are coherent with national development goals protection of the countries concerned.

III. ENHANCED ACTION ON ADAPTATION

IPCC 4th Assessment report clearly underscores the economic, environmental, and social impacts of climate change, and the particular climate vulnerability of certain communities, countries, and regions. Among the most prominent social impacts of climate change are on local livelihoods, especially related to food, water, health, and local economies. In this regard, it is increasingly evident that climate change seriously undermines countries' – and especially developing countries' – ability to ensure citizens' basic human rights, including the rights to health; rights to food, water, shelter and property; rights associated with livelihood and culture; with migration and resettlement; and with personal security in the event of conflict, and even the right to life.

When developing countries stress their development priorities in the context the climate negotiations, these are the fundamental issues. Poverty alleviation is intimately tied to these basic rights, which each government has the responsibility to deliver.

Moreover, resource shortages, governance, and institutional challenges severely limit developing countries' ability to respond and adapt to climate change. Specifically, the lack of assessment instruments, methodologies and scientific precision on the impacts on local communities hinder countries' ability to develop appropriate climate adaptation strategies.

The Human Rights Council of the United Nations recently adopted a resolution on Human Rights and Climate Change stating that States are “concerned that climate change poses an immediate and far reaching threat to people and communities around the world and has implications for the full enjoyment of human rights”. In a similar initiative, the States of the Americas adopted Resolution 2429 on Human Rights and Climate Change in the Americas, calling on States “to counter the adverse effects of climate change, and to build resilience and the capacity to adapt to the phenomenon of climate change among vulnerable states and populations”. Presently, both the High Commission on Human Rights and the OAS Inter-American Commission on Human Rights are undertaking research on the social and human rights impacts of climate change in order to better prepare climate vulnerable countries to confront the present and imminent impacts of climate variations.

Information

An effective global response to adaptation requires information and analysis of where climate change will cause the most severe damage. Developing countries, which are generally located in highly climate vulnerable areas, require more adequate information, proper diagnostic and policy tools, as well as financing for adaptation. All of these are all severely lacking at present – lagging sorely behind information available on mitigation potential. Expertise, financing and information tend to be concentrated in developed countries, where there is more complete diagnosis about the likely impacts of climate change and suitable responses. The IPCC cites many examples of adaptation in the developed world, but forecasts for developing countries are lacking or ambiguous. [Even the World Bank's Climate Strategy, which should be oriented to climate vulnerable communities and countries, offers little in terms of tools and specific strategies to address adaptation needs.]

Endogenously sourced scientific information for adaptation planning is critical and will help both to inform national and regional policy guidance on the social and other development impacts of climate change and to generate local ownership and relevance to climate adaptation policies and programs.

Argentina considers that, in informing our global response on adaptation, our decision-making could be served by developing indicators and benchmarks that guide our resource and research allocations, as well as priority-setting. For example, while it is vital to know at what temperature increase we lead to severe droughts or sea-levels rise, it is no less important to know *who* these events will affect and *where*, what institutional or other support exists on the ground and how to bolster this support.

Studies carried out by UN and other international humanitarian bodies can inform the global climate process. The work of the Office of the High Commission on Human Rights and the specialized agencies of the OAS, which are presently undertaking studies and consultations to evaluate the

impacts of climate change on human rights realization, will be useful in ensuring that climate response takes place within a strong sustainable development framework. The Government of Argentina sustains that a humanitarian and human rights lens can, in clarifying the social impacts of climate change, provide us with a compass for policy orientation. We also welcome efforts by the World Bank, presently examining social impacts and human rights implications of climate change.

Argentina believes that better quality scientific information and reduction of uncertainties of climate change modelling may be achieved by establishing monitoring networks and other technological resources, including early warning systems. These systems should especially focus on climate vulnerable communities where climate change is most seriously impacting local livelihoods and where communities are most vulnerable to climate change. As an early action, we propose the AWG-LCA to move forward a program aiming to disseminate such technologies.

In this regard, we would like to underline the benefits and efficiency inherent in applying and further developing many of the technologies for adaptation that are available in developing countries. Thus, while information gathering should continue with all possible sources and support available, technology development, transfer and diffusion should incorporate criteria that address: climate vulnerability, cost-effectiveness; geographic, social, and cultural appropriateness; and sustainability considerations, and human rights relevance.

National Planning

Immediate national planning for adaptation is necessary world-wide. All developing countries should have access, if necessary, internationally provided resources, capacity, and support to elaboration national adaptation programs of actions (NAPAs) or similar. National adaptation planning will allow for assessing, identifying and prioritizing adaptation objectives and actions as well as integrating these actions as additional elements into sustainable development policies and measures. The creation of enabling environments, such as institutional capacity building as well as a regulatory framework that contributes to diversify economic activities and to strength economic resilience should be part of the national adaptation planning. Adaptation planning should also address risk management and risk reduction strategies, including risk sharing and insurance mechanisms.

Economic evaluation of the impacts of climate change as well as the potential development paths required to optimise mitigation, secure adaptation, and put in place nationally appropriate policies to sustain growth in the most climate-friendly manner, is a key dimension to any national plan. Economic information and evaluation capacity, which are key to mainstreaming adaptation into sustainable development, lacks in most developing countries. This tool could be a component of an Adaptation Action Plan under the AWG-LCA.

Argentina sustains that any financing for adaptation must not be counted towards meeting the UN-agreed target of 0.7 per cent for aid. Developed countries have delivered just \$48m to international funds for least-developed country adaptation, and have counted it as aid. This practice undermines international development and poverty alleviation efforts, upon which current official development assistance is currently founded.

Regarding the financial support for national adaptation actions, we are concerned about the diversity of funds created or being created both within and outside the UNFCCC with the subsequent dilution and ineffectiveness of current global efforts. As such, it is the position of this government that funding for adaptation should be structured and governed under an umbrella financial mechanism of the UNFCCC. We believe that the funds available under the Convention should aim to cover all financial needs for developing countries to adapt to the adverse impacts of climate change, as per the Framework Convention.

In this sense, we consider that public financing from developed countries should be scaled up according to their historic contribution to climate change, with consideration for national circumstances, in order secure adequate financing and reach the levels urgently required to address adaptation through the UNFCCC for developing countries.

III. ENHANCED ACTION ON TECHNOLOGY DEVELOPMENT AND TRANSFER

Argentina fully supports the proposal made by the G77 & China on an institutional structure under the Convention to enhance technology development, deployment and transfer and associated enabling activities such as capacity building at institutional level, technical training among private and public stakeholders, and bilateral and multilateral research and development cooperation.

Further enabling activities for technology development and transfer should include activities at all stages of the technology development cycle, i.e. research and development (R&D), institutional capacity building and technical training, technology demonstration, deployment and diffusion. In fact, transfer of technology involves the pursuing all these issues and not simply the technology trading and post-sale services. Transfer of technologies should also be supported by appropriate domestic policies, regulations and standards, and institutional arrangements in the recipient countries.

We would like to stress the need for collaborative R&D between national and regional research centres in a North-South and South-South cooperation scheme. Enhancing international cooperation on R&D of specific technologies and establishing joint ventures to accelerate deployment and diffusion of technologies will contribute to effectively deal with intellectual property rights issues by sharing these rights among parties involved.

Finally, Argentina believes that the work being done by the Expert Group on Technology Transfer (EGTT) on developing indicators for technology transfer, assessing new financing resources for development and transfer of technology, and on a long-term strategy on technology development and transfer is of great value to discussions on technology under the AWG-LCA and can provide valuable elements at this stage of its work of the AWG-LCA.

On cooperative sectoral approaches

The Government of Argentina believes that sectoral approaches and sector-specific actions, as reflected in the Bali Action Plan, provide one useful means among others for achieving the overarching objective of Article 4.1(c) of promoting and cooperating in the “development, application and diffusion, including transfer, of technologies, practices and processes”. To the extent they are useful, sectoral approaches can provide a lens through which to assist developing countries to identify their needs in particular areas, the technologies available to meet these needs, the barriers to transfer of these technologies, and the financial, capacity and other requirements to overcome these barriers. They are not, however, the only means for achieving these objectives.

The Convention provides that all Parties, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, shall promote and cooperate on technology-related matters in all relevant sectors, including the energy, transport, industry, agriculture, forestry and waste management sectors. (Article 4.1). Notably, discussions on many aspects of sectoral implementation for Annex 1 countries are already underway under the Ad-hoc Working Group on the Kyoto Protocol. The Government of Argentina believes that these discussions should continue under the AWG-KP and should not be transferred or confused with new discussions on sectoral approaches to implement Article 4(1)(c) under the AWG-LCA.

On this basis, the Government of Argentina considers that a cooperative sectoral approach and sector specific actions fall within a national development-oriented approach to implementing the Convention focusing on key sectors of relevance when mitigating and adapting to climate change. In particular, we note the potential value of a domestic focus on economic (as opposed to industry) sectors in securing the full, effective and sustained implementation of the Convention in a manner that supports national development objectives and helps integrate considerations of mitigation, adaptation, technology and finance at the national level. Furthermore, this approach can and should be carried out as in order to effectively implement the technology development and transfer provisions of the Convention.

Finally, sectoral approaches to technology transfer and deployment can enhance developing countries capacity to implement nationally appropriate and nationally determined actions to support sustainable development. It is important that discussions focus on the specific technology development and transfer objectives set out in Article 4.1(c) and the Bali Action Plan. They should not, for example, serve as a pretext for introducing a broader discussion of approaches targeting sectoral emissions that could be used by Annex I Parties to reach their emission reduction targets, which are being addressed in the Ad-hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol.

IV. ENHANCED ACTION ON FINANCING

The Government of Argentina supports the proposal made by the Philippines on behalf of the Group of 77 and China to establish a “Financial mechanism for meeting financial commitments under the Convention”. We believe that this proposal is coherent and harmonious with numerous other proposals made for institutionalizing the provision of financing under the Convention. We further consider that early discussion and advance on this topic will pave the way for a successful outcome in Copenhagen.

As regards financing for climate change, the Government of Argentina stresses the importance of coordinating financial flows and market-based mechanisms oriented to mitigation of and adaptation to climate change under the UNFCCC. Much needed additional funding from multilateral financial institutions, under bilateral or multilateral development programs, should be brought in line with the principles and objectives of the Convention. The cross-cutting nature of climate change provides many opportunities for synergetic activities, which should be capitalized. By the same token, the interconnectivity presents risks and potential pitfalls. In this sense, we consider critical the need to articulate the work of UNFCCC with other UN agencies and relevant international fora, inter alia, UNIDO, FAO, IFIs, WTO and MEAs. Transparency, information sharing, equity, and alignment should be guiding principles for all actors in this regard.

The Government of Argentina wishes to emphasize the important role of public financing from developed countries for climate change. Public sector finance from developed countries should lead the response to climate change in both adaptation and mitigation. Public finance is transparent, predictable, and can be oriented based on a broad set of sustainable development priorities. It is more stable, responsive, and applicable to a wide variety of social, environmental, and development needs. It should constitute the majority of Adaptation financing because of these inherent characteristics. Furthermore, it should do so because adaptation is a local, publicly implemented responsibility, and because the need for adaptation is a liability with historic, nation-based responsibility. The public sector can also leverage and guide additional financing from the private sector, and stimulate other actors to participate who can further create the enabling environments that enhance mitigation and adaptation actions in developing countries. The private sector and market-based mechanisms can be instrumental to scale up the level of financial flows for the massive technology development, deployment, and transfer required to address climate change. Yet because of their unpredictability and dependence on regulatory frameworks that function beyond the bounds of the UNFCCC, they require national level supervision and guidance.