FAIR SHARES: A CIVIL SOCIETY EQUITY REVIEW OF INDCS

SUMMARY

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REPORT SUMMARY

Climate science paints a frightening picture—one that tells us that urgent and dramatic action is needed to have any chance at stopping irreversible global warming. This urgency is not just about the planet and the environment; it is also about people, and humanity's capacity to secure safe and dignified lives for all. The science is unambiguous: the next 10–15 years are critical if the most dangerous effects of climate change are to be avoided.[1]

Today, the world is 0.85°C warmer than pre-industrial levels, and many people and ecosystems are already experiencing devastating impacts. [2] Exceeding 1.5°C will entail unacceptable impacts for billions of people and risk crossing irreversible tipping points. We can only emit a finite amount of greenhouse gases—an amount known as the 'global carbon budget'—if we wish to keep overall increases beneath 1.5°C or even 2°C. The science indicates we are reaching this limit very quickly, and may even have exceeded it. [3] Accepting the Intergovernmental Panel on Climate Change (IPCC) scenarios provide us with a global carbon budget that will be consumed in 10–20 years at current emissions levels, [4] and entail very significant levels of risk. [5] A commitment to keep at least within this limited budget, and to share the effort of doing so equitably and fairly, is at the heart of the international debate around climate change.

THE PARIS AGREEMENT AND INDCs

Negotiations around a new climate deal to be agreed in December at COP21 in Paris have not included any clear reference to a global carbon budget as a basis for targets and effort-sharing. Instead, governments have been invited to put forward voluntary pledges in 2015 in the form of 'Intended Nationally Determined Contributions' (INDCs), and most will have done so by Paris.

Even so, whether or not the Paris Agreement will be ambitious enough and tolerably fair will be judged on three main criteria:

- the aggregation of INDCs and the willingness of governments to recognise the inadequacy and unfairness of collective and individual efforts;
- the commitment to mechanisms in the new agreement to ensure that governments scale up their efforts to increase ambition in accordance with clear equity principles in the coming years; and
- the provision of significantly scaled-up finance, technology and capacity-building support for developing countries to mitigate and adapt to climate change, and address loss and damage.

To date governments have escaped meaningful scrutiny and rejected notions of 'fair shares', asserting the uniqueness of their particular 'national circumstances' and their 'right' to determine their own level of climate ambition. Countries have moved to a 'bottom-up pledge' approach, with highly unequal levels of commitment and effort. This is not fair and the pledges do not add up to what climate scientists say is needed. The result is a large shortfall of emissions reductions creating risks that are tantamount to gambling with planetary security.

CSO EQUITY REVIEW OF INDCs

As social movements, environmental and development NGOs, trade unions, faith and other civil society groups, we have come together to assess the commitments that have been put on the table. We seek to identify which countries are offering to do their fair share, which need to do more, and present recommendations on how to close the emission reductions gap.

What is clear from our analysis is that addressing this gap in ambition can only be done through significantly scaled up cooperation among countries, especially between developed and developing countries. Equity and fairness are vital to unlocking cooperation. Equity and fairness matter to people's lives. Only by embracing equity can governments in Paris define a pathway towards scaled-up global cooperation and action to secure dignified lives for all in a climate-safe world.

We assert that equity is not something that every country can decide for itself. It can be defined and quantified in a robust, rigorous, transparent and scientific manner that is anchored in the core principles of the UN Framework Convention on Climate Change, taking into account a range of interpretations of these principles.

EQUITY AND FAIR SHARES

All countries must accept responsibility for meeting at least their fair share of the global effort to tackle climate change. Some countries have much higher capacity to act than others, due to their higher income and wealth, level of development and access to technologies. Some countries have already emitted a great deal for a long time, and thrive from the infrastructure and institutions they have been able to set up because of this. The operationalisation of equity and fair shares must focus on historical responsibility and capacity, which directly correspond with the core principles in the UN climate convention of *'common but differentiated responsibility—with respective capabilities' and the 'right to sustainable development'*. [6]

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[1] IPCC (2014) *AR5 Climate Change 2014: Synthesis Report*, page 9

[2] IPCC (2013) *Summary for Policymakers: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change.*

[3] To keep warming below 1.5°C, with the kind of risk levels that societies normally apply to dangerous activities, there is no budget left. For details, see IPCC (2013) ibid., page 27.

[4] IPCC AR5 indicates a carbon budget of 400–850 GtCO2 for the period 2011–50 is needed for a 50 percent chance of staying below 1.5°C. IPCC (2014) ibid., page 68. According to CO2now http://co2now.org/ , CO2 emissions equalled 36.333 GtCO2 in 2013. Therefore, at current emissions rates, the carbon budget, even for a relatively low likelihood of keeping warming below 1.5°C (33–66 percent) could be exhausted within 10–22 years.

[5] IPCC scenarios are generally cited with respect to their 33 and 50 percent risk levels of exceeding the temperature target. In other areas of society, such risk levels would be considered both unacceptable and absurd. For instance, to fly with a 33 percent risk of crashing would mean boarding a plane knowing that there will be 30,000 plane crashes globally that same day.

[6] See Article 3, United Nations (1992) *UN Framework Convention on Climate Change (UNFCCC)*

We have assessed countries' INDCs by judging their commitments against their 'fair share' of the global mitigation effort (carbon budget) needed to maintain a minimal chance of keeping warming below 1.5°C, and a 66 percent chance of keeping it below 2°C. [7] Our assessment of fair shares uses an 'equity range', which takes into account:

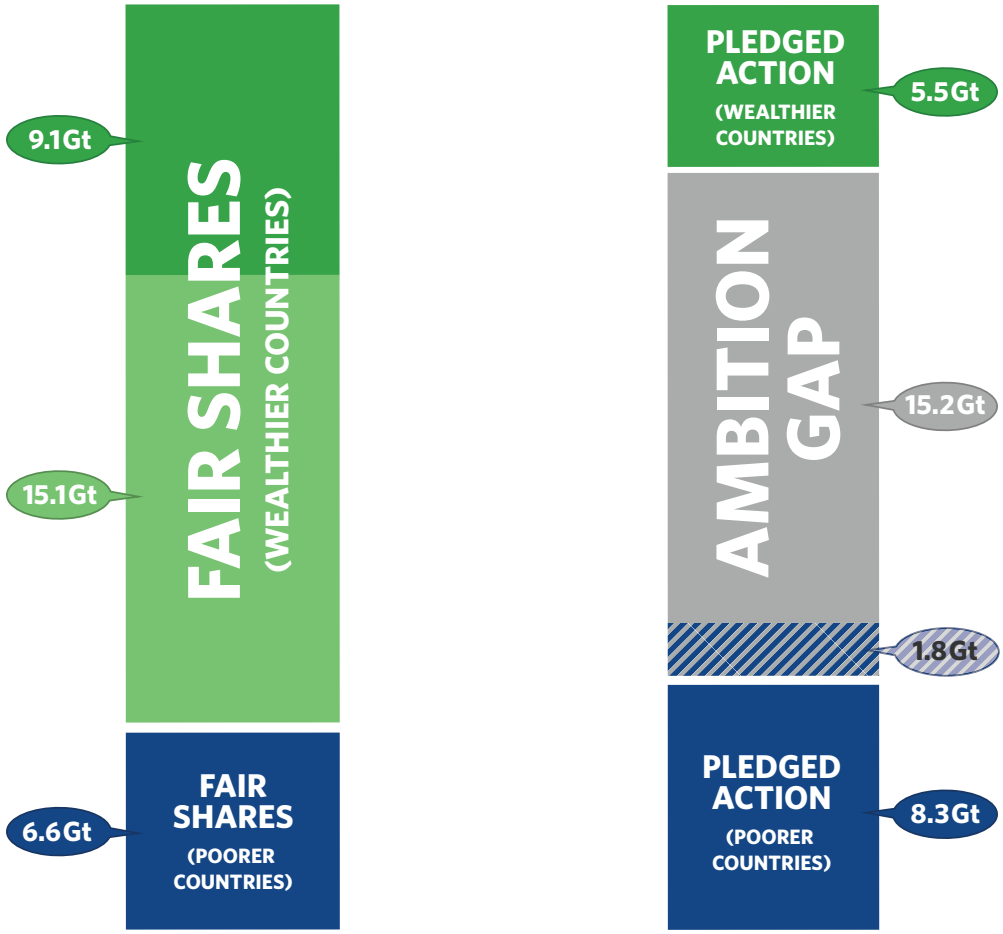
1. Historical responsibility, i.e. contribution to climate change in terms of cumulative emissions since an agreed date; and

2. Capacity to take climate action, using national income over what is needed to provide basic living standards as the principal indicator.

Historical responsibility and capacity have been weighted equally (50/50). This approach means each country has a unique fair share that will change over time as they increase their incomes and relative proportion of accumulated emissions.

Our 'equity range' uses historic responsibility start dates of 1850 and 1950, and capacity settings that are no lower than a development threshold of $7500 per person per year, in order to exclude the incomes of the poor from the calculation of national capacity. Our 'equity range' does not include a 1990 benchmark. The large volume of historical emissions from which many countries benefited during the decades of unrestricted high-carbon development prior to the UN Convention cannot be ignored from both a moral and legal standpoint. Nevertheless, we have included comparisons to a 1990 benchmark in order to show that our key findings apply even to such a benchmark.

FIGURE 1: FAIR SHARES VS. PLEDGED ACTION (mitigation in 2030 below baseline in Gt CO2eq)



In this chart, 'wealthier countries' are those with a fair share in excess of their domestic mitigation potential, and that therefore need to meet parts of their fair share through international action (financial, technological, and capacity building) to enable mitigation elsewhere. 'Poorer countries' have domestic mitigation potential larger than their fair share. The light green portion of the left bar offers an indicative proportion of wealthier countries' fair share that can be achieved through international action. The grey/blue hatched area of the right bar represents mitigation pledged by poorer countries that is conditional on international support.

[7] We have chosen to base our review on this very risky carbon budget, aware that to be fully consistent with our call for a temperature increase below 1.5°C, we should in fact be using a much smaller budget. However, it is simply impossible to reduce global emissions to zero in only five years. An emissions pathway limiting warming to 2°C with 66 percent probability requires, however, similarly significant and immediate efforts to reduce emissions—especially in developed countries—as a 1.5°C trajectory. Both are emergency mitigation pathways.

KEY FINDINGS

Our fair share assessments of the submitted INDCs lead us to the following key findings:

- **Together, the commitments captured in INDCs will not keep temperatures below 2°C, much less 1.5°C, above pre-industrial levels. Even if all countries meet their INDC commitments, the world is likely to warm by a devastating 3°C or more,** with a significant likelihood of tipping the global climate system into catastrophic runaway warming.[8]

- **The current INDCs represent substantially less than half of the reduction in emissions required by 2030,** as shown in Figure 1. It must be noted that this itself relates to a very risky carbon budget. For a budget with a strong likelihood of keeping warming below 1.5°C or 2°C, the current INDCs would only meet a tiny fraction of what is needed. This means the fair shares presented here must be met. If anything, countries need to exceed these targets.

- **The ambition of all major developed countries fall well short of their fair shares, which include not only domestic action but also international finance.** Those with the starkest gap between their climate ambition and their fair shares include:
  - **Russia:** INDC represents zero contribution towards its fair share [9]
  - **Japan:** INDC represents about one tenth of its fair share
  - **United States:** INDC represents about a fifth of its fair share
  - **European Union:** INDC represents just over a fifth of its fair share

- **The majority of developing countries have made mitigation pledges that exceed or broadly meet their fair share, but they also have mitigation potential that exceeds their pledges and fair share** – from the list of focus countries given in the next section, this includes **Kenya, the Marshall Islands, China, Indonesia and India. Brazil's** INDC represents slightly more than two thirds of its fair share.

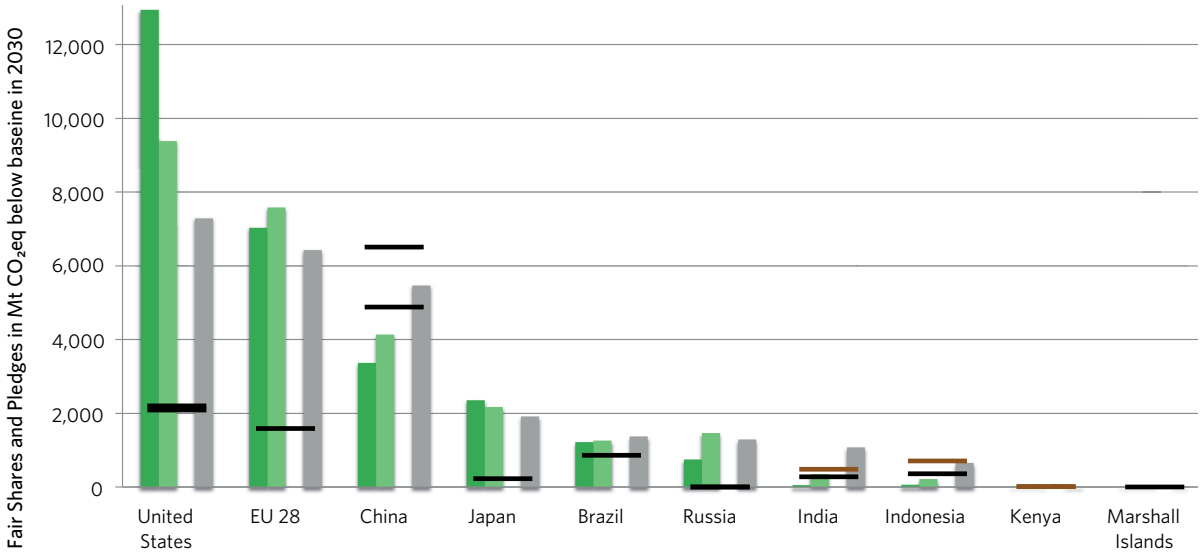
- **Most developed countries have fair shares that are already too large to fulfil exclusively within their borders, even with extremely ambitious domestic actions.** In addition to very deep domestic reductions, the remainder of their fair shares must therefore be accomplished by enabling an equivalent amount of emissions reduction in developing countries through financing and other support. This accounts for almost half of the reductions that need to take place globally, which indicates the need for a vast expansion of international finance, technology and capacity-building support (Means of Implementation). Moreover, this fact underscores the importance of a cooperative approach between developed and developing countries to enable scaled up ambition.

- **Although climate finance is critical for developed countries to deliver their fair shares, there is a striking lack of clear commitments.** Massively scaled-up international public finance is required to support developing countries' efforts, including finance to deliver the conditional offers from developing countries. In addition, significantly increased public climate finance is needed to meet the cost of adaptation, and to cover loss and damage in developing countries, particularly for the most vulnerable.

RESULTS FOR TEN FOCUS COUNTRIES

The ten focus countries below were chosen because they are broadly representative of countries at very different levels of economic development. Figure 2 shows mitigation in absolute tonnes below baseline in 2030. Figure 3 shows the same results but in terms of per capita emissions below baseline in 2030.

FIGURE 2: COMPARISON OF FAIR SHARES AND INDC PLEDGES (IN ABSOLUTE TONNES OF MITIGATION)

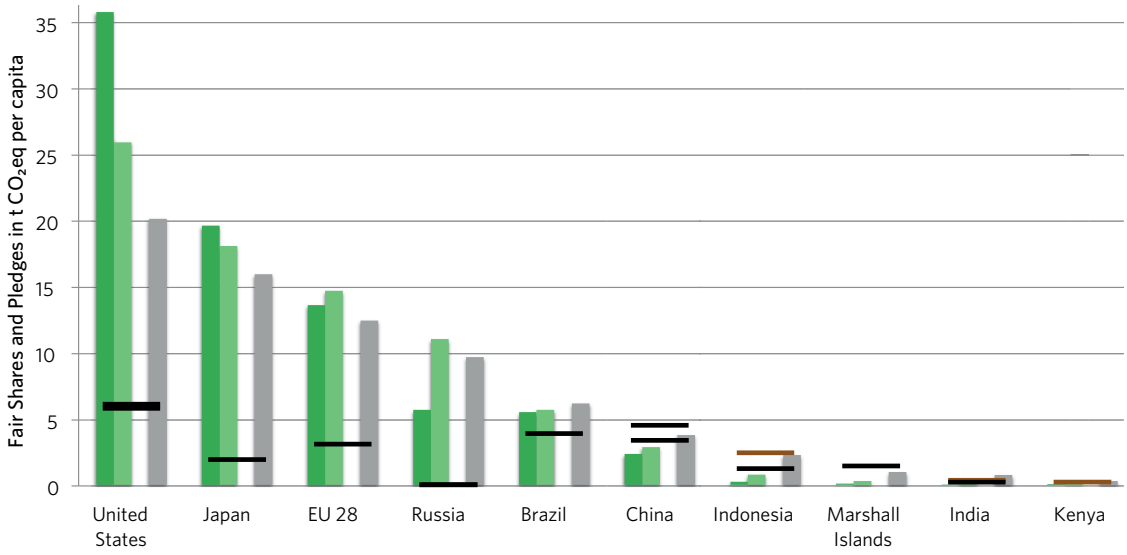


Fair Shares and Pledges in 2030 (in Mt CO_2eq below baseline)										
1850 / High Progressivity	12,943	7,036	3,371	2,361	1,221	754	54	69	3	0.01
1950 / Medium Progressivity	9,382	7,589	4,138	2,176	1,261	1,468	353	222	9	0.02
1990 / Low Progressivity	7,286	6,423	5,471	1,918	1,369	1,288	1,079	659	19	0.06
INDC Pledge*	2,089	1,587	4,888	228	861	0**	280	360	13	0.08
INDC Pledge*	2,203		6,511				486	706		

* Unconditional pledges are shown in black, conditional pledges in brown. If countries have expressed their pledge as a range, both values are shown.
For the United States, the values for the 2030 "INDC Pledge" have been derrived by linear extrapolation between the 2025 INDC Pledge and a 80% reduction target for 2050

** Russia's INDC target is actually higher than any reasonable business-as-usual emissions projection. We show it here as zero, as such a target implies no effort toward a fair share of global effort.

FIGURE 3: COMPARISON OF FAIR SHARES AND INDC PLEDGES (IN TONNES OF MITIGATION PER CAPITA)



Per Capita Fair Shares and Pledges in 2030 (t CO_2eq/cap below baseline)										
1850 / High Progressivity	35.7	19.6	13.6	5.6	5.5	2.3	0.2	0.09	0.04	0.05
1950 / Medium Progressivity	25.9	18.0	14.6	11.0	5.7	2.8	0.8	0.27	0.24	0.14
1990 / Low Progressivity	20.1	15.9	12.4	9.6	6.1	3.8	2.2	0.95	0.73	0.28
INDC Pledge*	5.8	1.9	3.1	0**	3.9	3.4	1.2	1.4	0.2	0.2
INDC Pledge*	6.1					4.5	2.4		0.3	

* Unconditional pledges are shown in black, conditional pledges in brown. If countries have expressed their pledge as a range, both values are shown.
For the United States, the values for the 2030 "INDC Pledge" have been derrived by linear extrapolation between the 2025 INDC Pledge and a 80% reduction target for 2050

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ACTION NEEDED TO CLOSE THE GAP

Nothing less than a systemic transformation of our societies and our economies will suffice to solve the climate crisis. Not only is equity a moral imperative in its own right, it is also vital for enabling the unprecedented societal changes that climate change requires. The following actions are urgently needed to close the emissions gap.

THE PARIS AGREEMENT MUST ENSHRINE A FRAMEWORK THAT ENSURES DOMESTIC COMMITMENTS AND GLOBAL TARGETS ARE SET IN ACCORDANCE WITH SCIENCE AND EQUITY.

Governments must recognise that a carbon budget approach is critical to determining countries' commitments (in terms of both finance and mitigation), and that their INDCs must be formulated within the parameters of what their fair share of that budget is with many developing countries' INDCs including conditional commitments that go beyond their fair share subject to support. To ensure early action and prevent national pledges from exceeding the global carbon budget, governments must agree aggregate targets for emission reductions in 2025, 2030, 2040 and 2050 that give a decent chance of keeping post-industrial warming below 1.5°C. In addition to this, Parties should agree to collectively close the emissions reductions gap by a certain date through scaled up collaborative and cooperative actions facilitated by the means of implementation. Furthermore, the long-term goal must be near-zero emissions by 2050—not the end of the century—ensuring 100 percent sustainable and renewable energy. This full decarbonisation must not be confused with ambiguous 'net-zero' formulations that would allow continued fossil fuel emissions, agricultural approaches with adverse social and ecological consequences, land grabs and risky geo-engineering.

THE PARIS AGREEMENT MUST INCLUDE A STRONG MECHANISM TO INCREASE THE AMBITION OF INDCS

The world cannot wait a decade or more to address the catastrophic 3°C level of collective ambition contained in current INDCs, which start in 2020 and end in 2025 or 2030. To ensure the Paris agreement does not lock in inadequate INDCs a strong ratcheting-up mechanism is vital. Such a mechanism must increase overall ambition before implementation of INDCs in 2020, and every five years thereafter. And it must include a robust assessment process that takes both science and equity into proper account. The institutional architecture established in the Paris agreement should also include an enhanced Technical Examination Process and a robust action agenda with a mandate to advance action beyond the INDCs to help close the gap in reductions.

SUBSTANTIAL NEW COMMITMENTS TO FINANCE MITIGATION, ADAPTATION AND LOSS AND DAMAGE IN DEVELOPING COUNTRIES ARE ESSENTIAL

For a fully equitable climate agreement, substantial public finance for mitigation must be delivered, both to fulfil developed countries' fair share and to help unlock greater ambition in developing countries. As a supplement to their domestic INDC's, each developed country party should set a target to provide the means of implementation to developing countries to address the emissions reductions gap. Developed countries should pledge to work with developing countries to implement the additional

[8] See analysis by Climate Action Tracker which estimates projected warming on the basis of INDCs to be 2.7°C http://climateactiontracker.org/ and Climate Interactive which estimates projected warming of INDCs to be 3.5°C https://www.climateinteractive.org/tools/scoreboard/scoreboard-science-and-data/ (both accessed 11 October).

[9] The emissions target expressed in their INDC is higher than any reasonable projection of their actual business-as-usual emissions. It also has the potential to undermine global efforts further if it results in tradable credits that are purchased by other countries. The size of such 'hot air' credits could potentially be large enough to cancel out the effort put forward by India and Indonesia.

actions that are needed. Significantly scaled-up public finance for adaptation and to address loss and damage are also imperative, given the significant impacts that are already being felt, and the escalating impacts that are expected.

COUNTRIES MUST SCALE UP ACTION FOR SUSTAINABLE ENERGY TRANSFORMATION

Countries urgently need to implement bold and visionary plans for a just transition to low-carbon economies. Plans must cut across all sectors of society, and support workers and communities dependent on sectors that will need to change in order to decarbonise. Such action must include phasing out dirty energy—with developed countries doing so furthest and fastest—and redirecting finance to renewable energy.

THIS CIVIL SOCIETY EQUITY REVIEW OF INDCs IS SUPPORTED BY:

- ActionAid International
- Asian Peoples Movement on Debt and Development
- Climate Action Network South Asia
- CARE International
- Center for International Environmental Law
- Christian Aid
- CIDSE
- Climate Action Network Latin America
- EcoEquity
- Friends of the Earth International
- International Trade Union Confederation
- LDC Watch International
- Oxfam
- Pan African Climate Justice Alliance
- SUSWATCH Latin America
- Third World Network
- What Next Forum
- WWF International

The list includes global and regional organisations that support this review. A full list, including national organisations, can be found at: http://civilsocietyreview.org

Analytical support provided by the Climate Equity Reference Project (www.ClimateEquityReference.org), an initiative of EcoEquity and the Stockholm Environment Institute.

For more information, email info@civilsocietyreview.org

ANNEX 1: WHO HAS COMMITTED TO THEIR FAIR SHARE OF GLOBAL CLIMATE ACTION?

