
Copenhagen COP15/(MOP5): Back to the future?

Professor Michael Grubb

Chair Climate Strategies

Senior Research Associate, Faculty of Economics, Cambridge University

Editor-in-Chief, Climate Policy journal

Visiting Professor, Centre for Environmental Policy, Imperial College

www.climatestrategies.org

c/o University of Cambridge, Trumpington Street, UK



Copenhagen – run up

- Backdrop of Bali Action plan, launching ‘the most complicated set of global negotiations in history’
- New US Administration in summer 2009 tabled its support for a ‘bottom up’ process and stressed its need to have China in a comparable legal footing
- Little shift in positions until the last quarter of 2009
- EU announced at Bangkok in favour of a single unified structure whilst retaining the main features of the Kyoto Protocol
- Barcelona denunciations from developing countries, acknowledgement won’t be a Treaty at COP
- Progress in REDD, heavy emphasis on financing

Copenhagen - process

- Leak of draft political text fuels suspicions
- 'Twin tracks' negotiations neither merged nor concluded – struggle over continued existence of KP track impedes progress on components
- Mid second week – all awaiting engagement of Heads of State; Danish Env Minister Connie Hildegaard moved aside to make way for Rasmussen to Chair
- 'Ugly' mood, officials preparing briefing notes on failure
- Friday:
 - Obama arrives, statement on 'transparency' deemed inflammatory by Chinese commentators; diplomatic games
 - US+BASIS ('Group of 5') focus starts to craft Copenhagen Accord with limited outreach to others
 - Obama announces success on CNN before departing
- Angry COP reaction; emergence of ALBA as blocking group; Ban-ki-Moon rescues a measure of COP acceptance
- Further manoeuvring, Rasmussen set aside for UN official to chair final plenary, Copenhagen Accord formally 'notes' with invitation by supporting Parties to sign up
- Resulting uncertainty over its exact relationship to UNFCCC process, and a lot of ill-feeling



Copenhagen Accord - content

- Endorses continuation of twin-track negotiations under UNFCCC
- “Recognise scientific view .. On 2 deg.C ... meet objectives consistent with science and on the basis of equity ... peaking of global and national of emissions”
- Adaptation, Forestry
- Annex I emission commitments to be submitted by 31 Jan (=> Appendix 1), reductions and finance subject to MRV
- Non-Annex I Parties mitigation actions to be submitted by 31 Jan (=> Appendix 2), biannual reporting, `provision for international consultations and analysis under clearly defined guidelines .. ensure that national sovereignty is respected .. `supported measures subject to international MRV
- Finance: “collective commitment by developed countries .. Approaching US\$30bn for 2010-12 ... goal of mobilising jointly US\$100bn/yr by 2020 ... “A significant portion to flow through Copenhagen Green Fund” .. As an operating entity of the financial mechanism of the Convention
- Assessment of implementation of this Accord by 2015 in light of Convention’s Ultimate Objective

Copenhagen COP15 / (MOP5)

– humanity's "last chance" !?

- Judgements:
 - (EU) 'Diplomatic disasters don't come much bigger than this'
 - (US Administration) considerable success – Obama saved the day, outcome has most of the key elements necessary
 - (India) great success – finance, preserved non-legally binding process, etc
 -
- Uncertainty about the nature of the Copenhagen Accord in relation to UN will be partially resolved by the extent of sign-up on 31st Jan
- ... and continuation of twin track negotiations – next official staging post, Bonn, June 2010, leading up to Mexico, Nov/December - is the only formal extant process with legal mandate

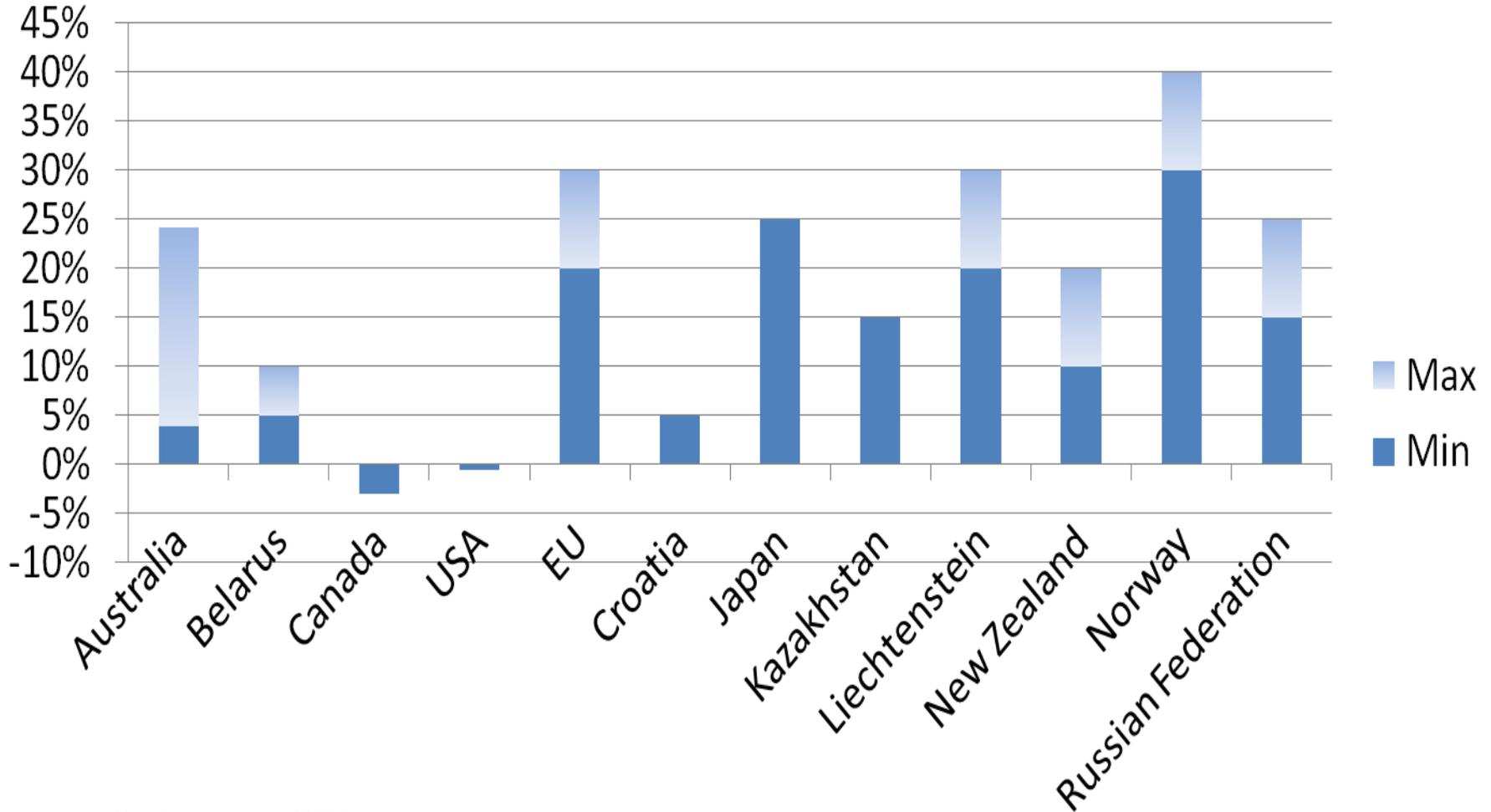


- a view to optimism
- Some useful progress (finance, REDD, technology) on which a lot more flesh will be needed, and *numbers* for the biggest future as well as present emitters
- Copenhagen clarified bottom lines at present:
 - China extreme sensitivity on sovereignty, internal struggles
 - US not ready, Senate resistance to UN / international law remains potent, 'top-down' international negotiations not necessarily helpful except as insofar as they increase pressure on China to which US willingness to commit is intimately linked
 - Developing countries *care* about Kyoto – and so they should
- New Geopolitical groupings:
 - *BASIC*: the rights and responsibilities of a new power group that can negotiate a new deal to reflect the emerging economies, distinct from the unmanageable mass of G77
 - *Russian* position developed and became more integrated with other EITs; emergence of a clear 'eastern/EIT' group
 - Realignment of G77 with bigger voice for vulnerable countries with Africa
- Submitted pledges provide a troubling clarity ..



Pledged Reductions by Annex-1 Countries from 1990 levels

Few are within the 25-40%+ range consistent with a 2 deg.C pathway



Kazakhstan uses 1992 base



Pledged Reductions by Non- Annex 1 Countries

Country	Target	Relative to
Brazil	36.1% - 38.9%	Undeclared
China	40% - 45% reduction in carbon dioxide emissions per unit of GDP	2005
Congo	20 – 25%	2005
India	20-25% emissions intensity of its GOP	2005
Israel	20%	BAU
Mexico	30%	BAU
Papua New Guinea	Decrease GHG emissions at least 50% before 2030 while becoming carbon neutral before 2050;	Undeclared
Republic of Korea	30%	BAU
Republic of Marshall Islands	40%	2009
Republic of Moldova	25%	1990
Singapore	16%	BAU
South Africa	34%	BAU



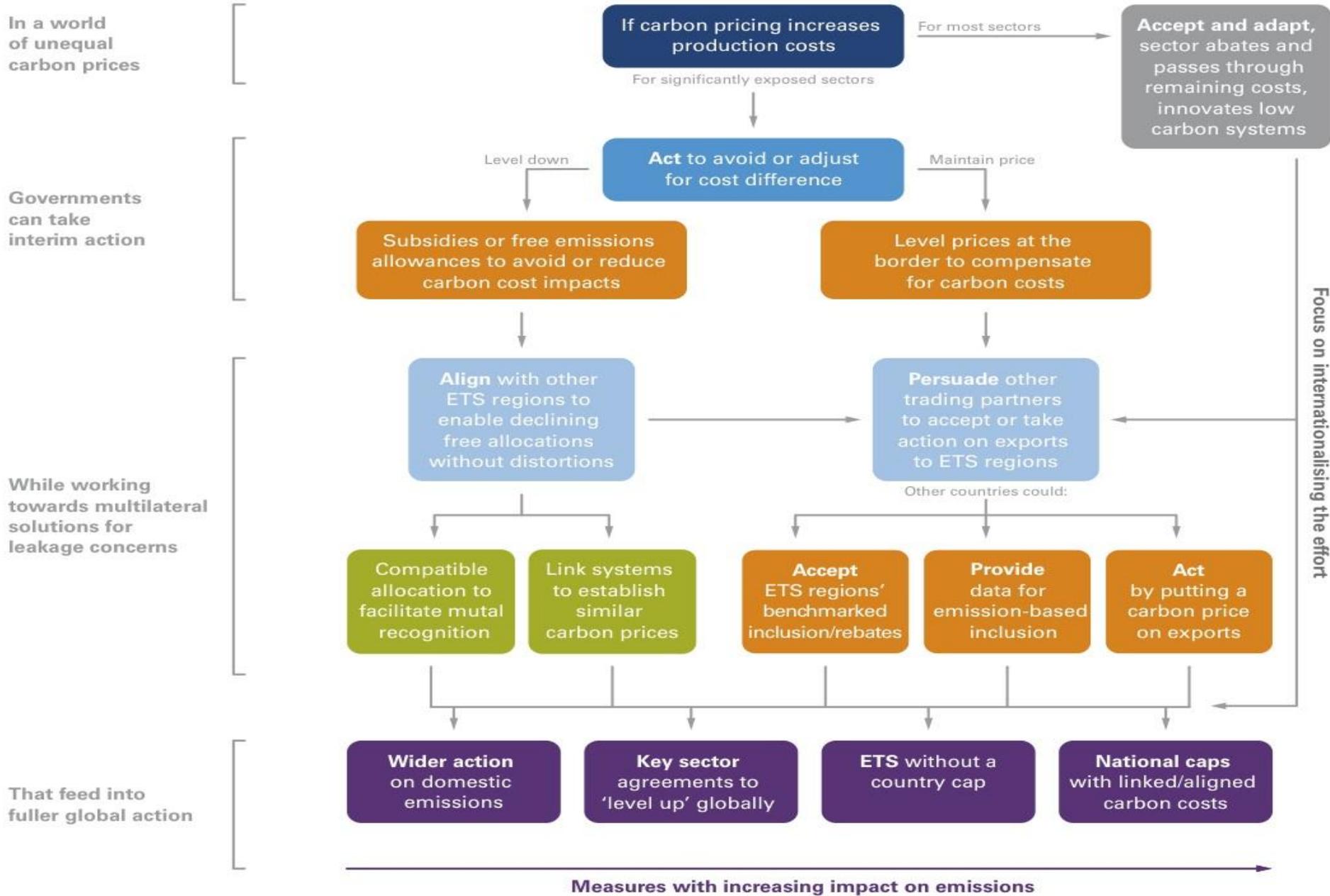
- Initial collective assessments suggest these would head us towards 3–4 deg.C or higher
 - should ignite a more specific global discourse on what to do about it;
- Data will also now be updated to account for impact of recession on projections and potential abatement trajectories
 - Already suggesting easier to achieve targets than when they were formulated
- Additional developments fuel debate
 - Converging views on oil supply
 - Emergence of massive new gas supplies in North America offer next step in decarbonisation pathway
- .. And there is time to analyse the likely 'supply implications' of proposals for CDM reform and sectoral crediting – and resulting global supply-demand balance (or lack thereof)

[Topic of Climate Strategies study, due to report in June]



- Regions wishing to forge ahead can no longer place their faith in an adequate, unified global regime emerging quickly
- Planning for a world of unequal action is a healthier mindset: how can we design *adequate* protection whilst securing the incentives to foster low carbon industries for maximum strategic gain?
- We need to be planning a transition of carbon pricing instruments to support this:
 - Sector-specific solutions where legitimate problems arise
 - Evolution from 'leveling down' to 'border leveling'





Source: Carbon Trust: 'Tackling carbon leakage: sector-specific approaches in a world of unequal carbon prices' (published 23rd Feb 2010)

- *We have found some current 'bottom lines'*
 - Countries can no longer fool themselves with wishful thinking about where others stand
- *It was always clear that the US and China needed another year*
 - now we have it
- *June UNFCCC has potential to focus on content and set aside (temporarily) the fight on 'twin tracks':*
 - most of the world can benefit from a harmonised multilateral system with common accounting & offset rules – 13 years on from Kyoto, what should these be?
 - For a global deal, EU, Japan need to know that US takes sufficiently comparable action, and US & other ICs need enough action in China and other BASIC countries (Accord process)

- A provocation on *twin tracks*

- Do we actually *need* a unified regime?
 - Kyoto+: the fundamental structures for a global carbon market (with or without the US)
 - Sufficient commitments from EU, Japan, Australia, .. And maybe others (South Korea, perhaps Mexico, Turkey)... as Annex B countries
 - Reform of the CDM and other institutional developments
 - Copenhagen Accord mitigation:
 - A sufficient domestic programme through US legislature to write in as a sufficiently equivalent offering
 - Enough from the BASIC countries to provide confidence of getting their emissions under control
 - Plus all the other elements identified under the Bali Action Plan / LCA process / Copenhagen Accord

- ... leading to a mutual toughening of commitments and twin track deal in Mexico



Further information available from:

- Own papers and presentations:
www.econ.cam.ac.uk/faculty/grubb/
- Recent research on international climate policy:
www.climatestrategies.org
- Climate Policy Journal: www.climatepolicy.com
- UK implementation and wider background: www.carbontrust.co.uk
- UK Climate Change Committee: www.theccc.gov.uk



Thank you for your attention

Climate Strategies' contact details:

Secretariat: Climate Strategies c/o University of Cambridge

13-14 Trumpington Street Cambridge, CB2 1QA, UK

+44 (0) 1223 748812 info@climatestrategies.org www.climatestrategies.org

Climate Strategies aims to assist governments in solving the collective action problem of climate change. We connect leading applied research on international climate change issues to the policy process and to public debate, raising the quality and coherence of advice provided on policy formation. Our programmes convene international groups of experts to provide rigorous fact-based and independent assessment on international climate change policy.

Climate Strategies is grateful for funding from the government of **Australia**, Agence de l'environnement et de la maîtrise de l'énergie (ADEME) in **France**, Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) in **Germany**, Ministry of Foreign Affairs (MFA) in **Norway**, Swedish Energy Agency (SEA) in **Sweden**, Department for Environment, Food and Rural Affairs (DEFRA), the Office of Climate Change (OCC), Department of Energy and Climate Change (DECC) Department for International Development (DFID) in **the UK**, The Carbon Trust, Nordic COP15 Group, Corus Steel, Center for International Public Policy Studies (CIPPS) in **Japan**, European Climate Foundation (ECF) in **The Netherlands**, and the German Marshall Fund of the **United States**

