

Copenhagen:

A memorable time for all the wrong reasons?

An IISD Commentary

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Breakthrough or breakdown? That is the core question in the days immediately following the 15th Conference of the Parties (COP 15) to the United Nations Framework Convention on Climate Change (UNFCCC) in Copenhagen. The most accurate answer would be a tentative yes to both conclusions. Certainly, during the surreal last few days of the negotiations (an experience that has occurred all too often in the history of this process) and at the gaveling down of the final decision on Saturday afternoon at 3:23 p.m., the only people applauding were the poor technicians and translators, who were elated to have this exquisite form of torture end. Many of us felt completely deflated with the final result and disillusioned with the process that is clearly at a critical turning point. It certainly can't go on like this.

An accord was reached in Copenhagen, but it is not legally binding, and not all countries signed on to it. The key points of the accord include the objective of keeping the maximum global temperature rise to below 2 degrees Celsius, the commitment to list developed country emission reduction targets and mitigation action by developing countries for 2020, an investment of US\$30 billion for mitigation and adaptation action from 2010 to 2012, and US\$100 billion annually by 2020, as well as mechanisms to support technology transfer and reducing emissions from deforestation and forest degradation (REDD).

Problems with the UNFCCC process became very apparent over the course of the two-week meeting. Two core issues, which appear to make contradictory points, hampered progress: 1) consensus is the only basis by which binding decisions can be made; and 2) a decided lack of access and transparency surrounds the process when final deals are being brokered. The first issue, the need for consensus, means that parties can be held hostage to the (at times) disingenuous intent of a few parties. In the past, Saudi Arabia and its OPEC allies had taken this disruptive role, but they seemed positively benign in the Copenhagen negotiations when compared with the incredibly disruptive tactics of the the Bolivarian Alliance for the Peoples of Our America (ALBA): Venezuela, Bolivia, Ecuador and Sudan. On the last night, the lead negotiator from Venezuela brandished a bloody hand as evidence of her country's commitment to the "cause" (which appears to be democracy, indigenous rights, full transparency and equity for everyone but her own country). Sudan accused developed countries of committing mass genocide against Africans through weak targets, and then compared that to the Nazi holocaust. To say that this comparison did not go over well would be an understatement.

The need for consensus has even led us to review a concern we had raised in earlier commentaries, on Bangkok and Barcelona: namely, that any credible international regime on climate change requires a common framework for reporting on greenhouse gas emissions and reduction activities taken on by countries. But the need for the approval of all countries would likely mean a completely compromised system with no carbon market, very limited scope for REDD, and most reporting focused on how robustly the developed world is transferring its technology and wealth to

developing countries, with limited transparency on how recipient countries are using the money. Either that, or no agreement at all on a common reporting framework—which is the more likely outcome of continued negotiations.

Given that state of affairs in the international negotiations, these authors are wondering whether the development of nationally derived systems may, after all is said and done, be the best of a suite of poor alternatives. What transpired in Copenhagen almost certainly guarantees that the U.S. Congress will have absolutely no interest in subjecting their climate change actions, including international offsets and definitions of legitimate carbon sequestration activities, to overt international rules. The United States, along with other major countries, will be more than happy to report on activities and methodologies used for measuring and monitoring emissions and removals, but the rules now will almost certainly be developed in Washington, D.C.

There is a relatively easy fix to this quandary of being held hostage to the wishes and interests of a few parties. This fix has been on the agenda of the UNFCCC negotiations since 1995: namely, a proposal by Papua New Guinea states that when parties cannot agree to a decision by consensus, they shall vote, and if the decision is carried with three-quarters of the votes, it will come into effect for those parties that voted on the issue. The problem is that the vote on this process requires full consensus to come into effect. This issue has been raised at each COP since 1995, and has been successfully resisted by Saudi Arabia and its allies. In 2009, the ALBA alliance also blocked this decision. I suggest that the UNFCCC parties have one more chance to get this right. If Papua New Guinea's proposal is not adopted at the next COP, it is almost assured that major parties in the process will seek other forums for addressing climate change.

The second problem with the UNFCCC process is a decided lack of access and transparency when final deals are being brokered. The result is that countries most directly impacted by climate change—small island states and sub-Saharan African nations, and not to forget our own indigenous peoples of the North—have very little say, if any, when the critical decisions are being made. All too often they are not even in the room. Given the antics of a vocal minority in the negotiations and the fact that you can't have 192 countries around the table when trying to reach key political decisions, it's understandable why the United States and a few other major developed countries are inclined to hold smaller, closed-door sessions. That is a perfectly legitimate course of affairs in the negotiations. The problem lies in how decisions in these sessions are managed *after* the deals are brokered. Once the United States, China, India and South Africa had reached a deal, U.S. officials' decision to let Obama announce it before consultations with other parties did not play well at all. And then, the ill-informed decision by the Danish prime minister to ignore the calls for interventions from other parties almost resulted in no decision coming out of Copenhagen, after one had apparently been brokered. Only the change of chairs, to the Bahamas, in the final session saved the day. Hopefully the United States will learn from this and, in the future, will allow the process to play itself out

before making unilateral announcements that affect all.

While the process left an awful lot to be desired, what of the final result? On the negative side, it certainly fell far short of expectations on the level of detail in some key areas. Significant progress had been made on a number of issues, including REDD, technology transfer and financing, and land use, land-use change and forestry, but none of that is reflected in the Copenhagen Accord. The fact that accompanying process decisions related to the Kyoto Protocol and the convention were passed unanimously means that the latest drafts on the substantive issues will be used in the continued negotiations and should help enormously in reaching a strong agreement in Mexico.

Unless, of course, we do not have an agreement to have in place a legally binding text by the end of 2010. The decision by major developing economies, led by China, to not accept language that would have committed them to agree to a legally binding treaty next year is a serious concern. It speaks to the thorniest issue during the Copenhagen negotiations—namely that Annex I Parties, led by the United States, insisted that China must agree to some form of international oversight to ensure its claims about actions and greenhouse gas reductions are credible. China held out long and hard on this at Copenhagen, insisting there should be no international oversight of its actions, for fear of compromising its sovereignty. The result is a sentence in the Copenhagen Accord that provides for “international consultations and analysis under clearly defined guidelines that will ensure that national sovereignty is respected” for non-Annex I countries. A clearer statement on transparency and accountability would have been preferable, and now, with no assurance that the result will be legally binding, there is some serious cause for concern. We also lost the long-term reduction target of 50 per cent globally by 2050 and 80 per cent reductions from Annex I Parties for the same year, which had also been in the penultimate draft. Again, it was the major developing economies that insisted on pulling those provisions out, as they remain concerned that any such goals could compromise their economic growth priorities.

The negotiations will continue on two tracks, with the ad hoc working groups continuing under the convention and the Kyoto Protocol. Many developed countries, including Canada, had been hopeful of moving toward a single track that included the United States. Developing countries were insistent on continuing the two-track process that includes the Kyoto Protocol, being fearful of movement to a regime with less stringent targets that would be legally binding. The two-track process is going forward, without clarity as to where emission reduction targets will be registered.

Nothing changed in regard to targets for Annex I countries, despite some developed countries indicating prior to COP 15 that their targets were conditional on other countries committing to an ambitious deal in Copenhagen. For example, Japan had indicated that its target of a 25 per cent cut in carbon emissions by 2020 from 1990 levels was conditional on the United States and China setting emission reduction goals. There were no real negotiations on targets for developed countries,

which stayed with the commitments they brought to Copenhagen and gave no indication of clawing back or strengthening their commitments.

A major accomplishment of the process was developed countries' commitment to a goal of jointly mobilizing US\$100 billion per year by 2020 to address the needs of developing countries. Countries agreed that a significant portion of the funding should flow through the Copenhagen Green Climate Fund. In addition, developed countries will provide \$30 billion for fast-start mitigation and adaptation projects from 2010 to 2012. The United States committed to providing its "fair share" of the funding.

The major developing economies played a major role, with the Copenhagen Accord emerging after a meeting between the leaders of the United States, China, India, Brazil and South Africa. However tentative, the accord brings the major developing economies into the mitigation commitments tent, because they agreed to include actions and expected reductions in an appendix to the accord. This is an achievement that cannot be underestimated and, when all is said and done, probably makes the final outcome a moderate success.

Brazilian President Luiz Inácio Lula da Silva played a critical role in bridging the gap between major developing economies and Annex I countries. This included a proposal to other major developing economies to provide financial contributions to the climate fund (though no decision was made, and this is to be followed up on). His announcements prior to Copenhagen, and his critical initiative in the last days there, elevated him to the status of a true international statesman, with the globe's interests his priority. India was surprisingly cooperative and made no attempts to stall negotiations, while China was surprisingly difficult and more intransigent than expected. Issues around sovereignty came to the fore, and it is clear that China will not easily participate in activities that require strong international oversight.

As it had to, the United States played the critical role in brokering the final deal. President Obama's decision to "crash" a meeting of China, Brazil and India was the critical event that opened up the possibility of a deal. While he made a predictable speech to the plenary, his understanding of the negotiations was apparent when he noted that "we know the fault lines well, because we've been imprisoned by them for years." Despite the fact that he did not move the U.S. position on targets, or even base years, in Copenhagen, prospects for eventual passage of a cap-and-trade system next spring appear to be somewhere between fifty-fifty and remote.

Within the European Union, British prime minister Gordon Brown and French president Nicolas Sarkozy played important roles, particularly in liaising with developing nations. And the European Union showed considerable resilience in the negotiations—not, as had been feared, backing down from its insistence that eventually the two-track negotiations will need to be merged. That said, with

China and other major developing economies in the mitigation debate, the European Union's profile and leverage is not what it was in the days of Kyoto in 1997.

Denmark, as host, certainly made its best efforts, but none of the main players in Denmark—from Prime Minister Lars Lokke Rasmussen to Climate and Energy Minister Connie Hedegaard—managed to make it through the two-week session intact. The starkest symbol was the fact that there was not one Dane on the dais when the final gavel went down on Saturday afternoon. The Danish government was criticized for a wide range of actions, from flubbing the final session to erring in how they introduced new negotiating text to not properly managing the large number of registrants for the session. To be fair, at the end of the day an agreement can only be as successful as its participants want it to be, and there can be no doubt that even a perfectly managed process would have seen difficult bumps in the road. Denmark's position as host is a warning to all: the issue can be incredibly voracious and easily eats up anyone who ventures to take a high profile and then has the misfortune of inevitably making a misstep or two.

Next stop? The G-8 and G-20 sessions later in the spring, which Canada will be hosting. While Canada did win the Fossil of the Year Award from the Climate Action Network, we would think that had mostly to do with past transgressions and its decision to not provide any more-stringent targets or details on its current plan while supporting the continued rapid expansion of the oil sands. It certainly could not have been for its performance at Copenhagen. Canada, for the most part, kept a low profile in the negotiations, and Executive Secretary Yvo de Boer noted that the Canadian negotiators had played a quietly constructive role in most of the closed break-out groups. We were able to verify this in discussions we had with other country negotiators, with the possible exception of discussions on the two-track negotiations. The government has an interesting opportunity to turn the page on its international reputation on climate change when hosting the upcoming summits, particularly if it can help to get an agreement for nations to work toward a legally binding pact by the end of the year, with 2050 targets set globally and for Annex 1 Parties. But for Canada to have any leverage in influencing those discussions, it will need to flesh out its plan in considerably more detail, which would include a robust carbon management strategy for its oil sands investments. After all, at Copenhagen all major economies stated that they would implement their domestic targets regardless of what transpired in the international negotiations. Can Canada really afford to wait?