

A Guide to the Latest United Nations Negotiations: *A Summary of the Core Issues*

Representatives of 188 nations will meet in Poznan, Poland this December as part of the United Nations Framework Convention on Climate Change (UNFCCC). This meeting will mark the midpoint of their negotiations on a new treaty to replace the Kyoto Protocol, which began last year in Indonesia with the announcement of the Bali Action Plan. The goal of the Poznan meeting is to outline an ambitious schedule of talks that will culminate in Copenhagen in 2009 with agreement to a global emissions pact to take effect in 2012. The Poznan climate conference is the 14th Conference of the Parties (COP-14) to the Framework Convention, and the 4th Meeting of the Parties to the Kyoto Protocol.

Having ratified the Framework Convention on September 8, 1992, the United States is a full party to that treaty. Its concurrence is required for decisions to be adopted by conferences of the parties, which proceed by consensus, not by majority vote. When matters specific to the Kyoto Protocol are under discussion, the United States may participate as an observer, but its concurrence in decisions is not required since it has signed but not ratified the agreement.

The Bali Action Plan

The Bali conference launched formal negotiations on a new, post-2012, international global warming agreement and set a firm deadline for its adoption in December 2009, when the 15th Conference of the Parties will meet in Copenhagen, Denmark. The outline of those negotiations is contained in the Bali Action Plan,¹ approved in a dramatic conclusion to the talks on December 15, 2007.

One of the most important developments in Bali was the fact that developing countries came to the table willing to discuss emission reductions of their own. The Bali Action Plan opens discussion on “measurable, verifiable and reportable” emission reduction actions that may be undertaken by developing countries. While the developing countries stepped up and brought this new position to Bali, the United States maintained its long-held rejection of binding numerical commitments for emission reduction targets and renewed its obstructionist behavior of previous climate change talks.

In exchange for their willingness to consider making reduction commitments, the developing countries wanted assurance from developed nations that they would provide them with assistance in acquiring cleaner technologies. On the final day of the conference, India proposed that the same language used to describe mitigation actions, “measurable, verifiable and reportable,” also be applied to technology transfer and financing assistance from developed countries. The meeting almost ended without an agreement to launch negotiations when the U.S. stood to oppose this concession. However, when its traditional cast of allies, including Canada, Japan, and Australia (who ratified Kyoto on the second day of the talks), refused to join this position and the U.S. was faced with the possibility of being solely responsible for the breakdown of the negotiations, the U.S. withdrew its opposition and the language was adopted.

Key Issues and Progress to date in the Negotiations

In three separate negotiation sessions this year, the parties explored the key issues in the Bali Action Plan and came to a clearer common understanding of the goals of the five building blocks which include the ‘shared vision’ for long term action, mitigation, adaption, technology and finance. However, few countries have issued concrete proposals that would implement any of those aspects of a new agreement. Countries were strongly encouraged in the August 2008 meeting in Accra, Ghana to submit those proposals for discussion in Poland and the Chair of the Ad hoc Working Group on Long Term Cooperation (AWG-LCA) was directed to assemble those proposals into a document that could ultimately become draft negotiating text.

- **Mitigation/Emission Reductions**: The purpose of the next year of negotiations is to determine the new term of emissions reductions. Guided by the 2007 Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), the Ad Hoc Working Group on Further Commitments for Annex I Parties (AWG on Article 3.9) under the Kyoto protocol had approved language in the meetings prior to the Bali conference suggesting that the next round of emission reductions by developed countries should be in the range of 25 - 40% below 1990 levels. The IPCC scenarios suggest that global emissions should peak in 10 - 15 years and decline to “well below half” of 2000 levels by 2020 in order to keep average global temperature increases around 2 degrees Celsius.² The U.S. blocked the inclusion of numerical guidelines in the final text, resulting in emission reduction goals only being referenced in a footnote of the Bali Action Plan. Nonetheless, the negotiators are still mindful of the need to outline medium and long term emissions goals that are consistent with the recommendations of the world’s leading scientists.

Talks this year have not made much progress on mitigation or their ‘shared vision’ for the long term goal. At the G8, Heads of State agreed to work toward reducing emissions by 50% by 2050, a goal that is not binding on the UNFCCC. The European Union announced its Climate and Energy plan in January of 2008, which included mandatory targets for reducing greenhouse gas emissions by 20% below 1990 levels by 2020. The E.U. also announced that it would be willing to reduce emissions by 30% below 1990 if other industrialized countries made the same commitment. No developed countries have yet indicated their willingness to meet the E.U. challenge, nor even indicated the levels of reductions they might consider. Developing countries continue to indicate a willingness to take actions to reduce emissions that are “measurable, reportable, and verifiable,” but have insisted that agreement must be reached first on the financing available for adaptation and technology before they are able to indicate what kind of mitigation efforts might be possible in their countries.

- **Reducing Emissions from Deforestation**: Since the Montreal talks in 2005, the UNFCCC has been considering options for developing countries that would incentivize forest conservation, thereby avoiding emissions from deforestation activities. Reducing deforestation does not qualify as a Clean Development Mechanism (CDM) project, which is currently the only structured way for developing countries to get credit for emission reduction activities under the Kyoto Protocol. The Bali Action Plan encourages tropical forest countries to undertake demonstration projects and establishes a new committee to consider “policy approaches and positive incentives” for reducing emissions from deforestation.³ This past year, the negotiations have centered on whether the incentives to reduce emissions from deforestation and degradation

(REDD) will come in the form of carbon credits or direct financial assistance and whether or not sub-national projects will qualify.

- Adaptation: The United Nations Development Program estimated that the adaptation needs of developing countries to cope with the impacts of global warming will cost more than \$80 billion up to 2015,⁴ making adaptation a key issue for many developing countries. The Bali Action Plan provides a solid basis for creating the necessary adaptation assistance, calling for better access to more assistance for both adaptation and emissions reduction activities in developing countries. In Bali, negotiators also reached agreement on implementation of the Adaptation Fund that was created under the Kyoto Protocol, setting up the Global Environment Facility (GEF), as the day-to-day implementing body for the fund and creating an executive board comprised of a majority of developing countries to oversee the expenditures from the fund.⁵

Talks on adaptation over the last year have centered on the need for coordination among UN agencies and other multilateral bodies; how to implement National Adaptation Plans (NAPA)s;⁶ long term, stable funding options; development and improvement of regional cooperation to disseminate expertise and promote refined implementation;⁷ risk assessment and insurance options for vulnerable countries; and a mechanism to transfer technology that helps to develop, implement and enhance a country's technological capacity to implement their national adaptation plans.

- Technology and Finance: The key to reducing emissions globally lies in the accelerated deployment of clean technologies. The UNFCCC secretariat earlier this year issued a paper on financing of mitigation and adaptation as a way to shift the focus of the discussion. The developing countries came to Bali determined to get a commitment to make progress on this issue, which they demonstrated just minutes after the ceremonial opening by requesting that technology be added to the UNFCCC committee on implementation (the Subsidiary Body on Implementation). In addition to adding the words "measurable, verifiable and reportable," to the technology and adaptation language in the final deal, the Bali decision reconstitutes an 'experts group' with a 5-year mandate to establish a strategy for overcoming the barriers to technology transfer.

Consistent with the pace of the rest of the negotiations, progress on technology and finance has been slow. However, at the last meeting in Accra, the G77 put forth a proposal on technology and finance that is under consideration by delegates.⁸ The G77 set out some guiding principles, starting with the position that the technology mechanism operate under the authority and guidance of the UFCCC and should aim to achieve:

- Accessibility, affordability, appropriateness and adaptability of technologies required by developing countries for enhanced action on mitigation and adaptation;
- Provision of full costs and full incremental costs;
- Adequacy and predictability of funds for technology transfer;
- Removal of barriers for technology development and transfer.

Financing for both technology and adaptation will likely be as difficult a question for negotiators as the emission reduction levels. Several proposals for financing have been proposed but none

have yet seemed to have achieved the kind of support needed to advance the discussions in any significant way.

- **U.S. Participation:** Throughout the talks, proposals were offered to establish a separate negotiating track to determine the emission reduction goals for non-Kyoto countries, (U.S., Kazakhstan, Belarus and Lichtenstein). None of the proposals prevailed. Over the next two years parallel negotiations will take place on developing country commitments under the UNFCCC, and under a more detailed process that has been set up under the Kyoto protocol. The Bali Action Plan language guiding the UNFCCC discussion was clearly designed to create a space for eventual U.S. re-entry, establishing that the U.S. would have to agree to: “Measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives,” consistent with those of developed country Parties under Kyoto but also “taking into account differences in their national circumstances.”⁹ The U.S. fully participated in the UN negotiations in 2008, but has not put forth specific proposals on any of the major building blocks. President-elect Barak Obama supports mandatory caps in the U.S. and has called on all major emitting nations to join in the solution, stating “developing nations like China and Brazil must ‘not be far behind’ in making their own binding commitments. This statement is a shift from the current U.S. position that emerging economies, like China and India, must take on the same commitments as the U.S. as a pre-condition of our approval of the agreement, but it makes clear that developing countries will have to play a much larger role in emissions reduction than under the current Kyoto regime.

¹ United Nations Framework Convention on Climate Change, 2007, “Decision- CP/13: Bali Action Plan.” <unfccc.int/files/meetings/cop_13/application/pdf/cop_bali_action.pdf>.

² Pew Center on Global Climate Change, 2007, “Thirteenth Session of the Conference of the Parties to the UN Framework Convention on Climate Change and Third Session of the Meeting of the Parties to the Kyoto Protocol,” <www.pewclimate.org/docUploads/Pew%20Center_COP%2013%20Summary.pdf>.

³ *Ibid.*

⁴ United Nations Development Program, “Fighting Climate Change: Human Solidarity in a Divided World,” *Human Development Report, 2007/2008*. Summary, p. 26-27. <hdr.undp.org/en/reports/global/hdr2007-2008/>.

⁵ Statement of James R. Lyons, Vice President for Policy and Communication, Oxfam America Regarding “International Climate Change Negotiations: Bali and the Path Toward a Post-2012 Climate Treaty,” Senate Committee on Foreign Relations, January 24, 2008. <www.senate.gov/~foreign/testimony/2008/LyonsTestimony080124p.pdf>.

⁶ Harmeling, Sven, “Adaptation Under The UNFCCC-The Road From Bonn to Poznan 2008” German Watch: Briefing Paper, August 2008.

⁷ United Nations Framework Convention on Climate Change, “Progress made in implementing activities under the Nairobi work programme on impacts, vulnerability and adaptation to climate change.” October 2008. <unfccc.int/resource/docs/2008/sbsta/eng/inf05.pdf>.

⁸ Proposal by the G-77 and China for a Technology Mechanism under the UNFCCC. <unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/technology_proposal_g77_8.pdf>

⁹ UNFCCC Bali Action Plan, 2007, *Op Cit*. Section 1(a)i.