## spotlight europe

# 2009/12 - December 2009

## Forget Copenhagen

Barbara Kunz

Barbara.Kunz@Bertelsmann-Stiftung.de

Daniela Röß

Daniela.Roess@Bertelsmann-Stiftung.de

Next week's Climate Summit in Copenhagen presents the opportunity to establish a global response to climate change – an opportunity that most likely will be wasted. Yet, although dismal prospects for a Kyoto follow-up are deplorable, failure in Copenhagen must not be the excuse for Europe to be inactive. Rather, the motto must be: forget Copenhagen, don't wait for the world – get your act together on your own.

On 7 - 18 December 2009, the world gathers in Copenhagen in order to negotiate a follow-up agreement to the Kyoto Protocol. Before the summit's start, it is already considered a failure. Despite the Danish Prime Minister Lars Løkke's insisting that Copenhagen "must produce targets", concrete results are unlikely to come out of the summit, not least since the Asian-Pacific leaders recently declared that a binding international agreement was out of reach.

At the beginning of this year, hopes were higher than ever to reach a new and allembracing climate deal in Copenhagen. Government leaders were ambitious to come to an agreement, at least on paper. In 2008, the Group of Eight (G8) countries stated that they intended to cut emissions

by 50 % until 2050 (as compared to levels 1990). With the new Obamaadministration the long awaited shift in US climate policy had finally arrived. Not long ago, the presidents of the United States and China, Barack Obama and Hu Jintao, declared that they wanted a "comprehensive agreement" and would work towards "a successful outcome" in Copenhagen. "We must harness the necessary political will to seal the deal on an ambitious new climate agreement in December here in Copenhagen" was emphatically stated by UN Secretary General Ban Ki-Moon earlier this year.

At the European level, the EU committed in 2008 to cut its emissions to at least 20 % below 1990 levels by 2020. Brussels is still pushing for a global agreement to

be reached in Copenhagen, emphasising the urgency of measures implemented world wide in order to mitigate climate change and adapt to its consequences. Accordingly, the European Environment Agency labelled Copenhagen Conference the "most important climate meeting ever".

### The Road to Copenhagen

1972 - 1997		
JUN. 19	United Nations Conference on Human Environment in Stockholm Foundation of the United Nations Environmental Programme (UNEP)	
NOV. 198	Foundation of the Intergovernmental Panel on Climate Change (IPCC) Leading scientific body for the assessment of climate change	
JUN. 199	United Nations Conference on Environ- ment and Development (UNCED) in Rio de Janeiro  Adoption of the United Nations Framework Convention on Climate Change and of the Agenda 21	
MAR. 199	Entry into force of the United Nations Framework Convention on Climate Change (UNFCCC)	
MAR. 199	First Conference of the Parties (COP) in Berlin Highest decision making body of the UNFCCC with annual meetings	
DEC. 199	COP 3 in Kyoto Adoption of the Kyoto Protocol	

2001 - 2009		
	NOV. 2001	COP 7 in Marrakesh "Marrakesh Accords"; Negotiations concerning Kyoto almost completed
	FEB. 2005	Entry into force of the Kyoto Protocol
	2007	IPCC publishes Fourth Assessment Report IPPC and Al Gore share the 2007 Nobel Peace Prize
	DEC. 2007	COP 13 in Bali Adoption of the Bali Action Plan: Agreement on a timeline and structured negotiation process on the post 2012 framework
	2008	More than 40 Ad hoc working groups and conferences held in preparation for the Conference in Copenhagen
	DEC. 2009	COP 15 in Copenhagen Goal was to establish an ambitious global climate agreement for the period after 2012

when the first commitment period of the Kyoto

Protocol expires

# What is "Copenhagen" exactly?

"Copenhagen" is intended to bring forward a new agreement on greenhouse gas emission cuts, succeeding the Kyoto Protocol. The December 2009 meeting in Copenhagen is simultaneously the 15th Conference of the Parties to the UNFCCC - the United Nations Framework Convention on Climate Change - and the 5th Meeting of the Parties to the Kyoto Protocol. In UN speak, Copenhagen is thus termed "COP 15/MOP 5". The UNFCCC is an international, multilateral environmental treaty, a child of the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro in 1992. Conventions are general treaties among states, while protocols usually contain much more detailed provisions on how the Convention's goals are to be achieved. In the case of the UNFCCC and Kyoto, the objective consists in the "stabilization of greenhouse gas concentration in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system". To that end, Kyoto contains targets for reducing greenhouse gas emissions that apply to its signatory states.

The United Nations Framework Convention on Climate Change entered into force in 1994. The Kyoto Protocol, in turn, was adopted in 1997 at the third Climate Change Conference in Kyoto and entered into force in 2005. The Protocol for the first time sets internationally binding emission reduction targets and links them to a clear time frame, termed "commitment period". The first commitment period of the Kyoto Protocol does however end on 31 December 2012. At the 2007 Bali conference, the international community therefore adopted the Bali roadmap in which it agreed to take up negotiations on a comprehensive climate protection agreement to ensure that additional efforts will be undertaken once this first commitment period ends. A conclusion of these negotiations is to be reached at the December 2009 climate conference in Copenhagen, so that the agreement can enter into force in 2013, immediately after the first commitment period under the Kyoto Protocol expires.

П

# Climate Change: What Scientists Say

In recent years, progress in the scientific debate and research has been made: for the vast majority of scientists, climate change is today considered a fact. From being a concern for an unlikely conglomerate of do-gooders and cultural pessimists, climate change today occupies top positions on high-level agendas. This unanimity is nonetheless an achievement of the 2006 Stern Report and the work of the Intergovernmental Panel on Climate Change (IPCC), sharing the 2007 Nobel Peace Price with Al Gore. In its most noticed Fourth Assessment Report of 2007, the IPCC concludes that "[w]arming of the climate system is unequivocal, as is now evident from observations of increases in global average air and ocean temperatures, widespread melting of snow and ice and rising global average sea level." Climate change not only concerns increases in temperature: rising sea levels or changed patterns of rainfall also have consequences beyond ecosystems, as they potentially affect the daily lives of millions.

Scenarios for the future are rather gloomy. Scientists predict a rise in temperature of 6,4 degrees Celsius by the year 2100, a development with wide-ranging consequences on water, ecosystems, food, coasts and health – in short, for humankind as a whole. At the time being, however, efforts made to respond to climate change are deemed insufficient by the experts. Not even a continuation of Kyoto would be sufficient to curb climate change. As the IPCC

states in its latest report, "with current climate change mitigation policies and related sustainable development practices, global greenhouse gas emissions will continue to grow over the next few decades." Yet, time is short and action is urgent: measures taken now may give results only after several decades.

There is, however, reason for careful optimism. Most experts agree that changes in life-styles and behaviour can be highly effective in curbing climate change. Also, the Panel underlines the potential that lies with new, "cleaner" technologies. In sum, while climate change will not be stopped and its consequences already are considerable, whether humankind actively engages in adequate responses or not is to a very large extent a matter of political will – or absence thereof.

### Ш

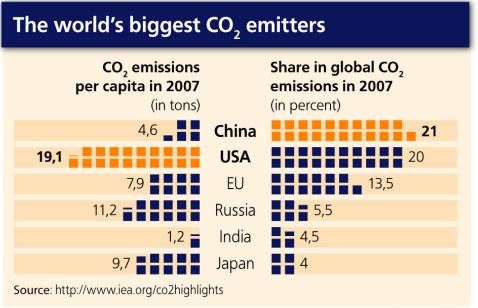
### A Look Back at Kyoto

Kyoto represents a milestone in international climate policy by, for the first time ever, setting internationally binding emission reductions targets for greenhouse gases with a clear time frame. According to the Protocol, industrialised states are to reduce their collective greenhouse gas emissions by a total of 5,2 % below 1990 levels in the years 2008 to 2012. One hundred and eighty four states have ratified the protocol, including all EU member states, Russia as well as many large newly industrialised countries such as China, India, Brazil, Mexico, South Africa and South Korea.

At first glance, this may sound like a historic success. For the first time, a protocol bound wealthy nations to cut their emissions and led both industrialised and developing countries to adopt otherwise highly unlikely programmes aimed to address the problem of global warming. Creating awareness and educating the publics about the risks of climate change worldwide was another of its achievements. Yet

most importantly, Kyoto to date remains the only viable, legally binding agreement for confronting the causes of global warming. Being the only one of its kind, the Protocol by definition is a success. far too low and stipulated more adequate targets to meet the challenge of worldwide climate change. Furthermore, it is quite unlikely that all ratifying states will fulfil their commitments for the years 2008 to

In other respects, how-**Kyoto** ever, must be considered a fail-The ure. United States the world's largest emitter of greenhouse gases least at that time refused to ratify the protowhich col. significantly weakened the



© Bertelsmann Stiftung

agreement. Government leaders as well as influential lobby groups feared that ratification would impede economic growth, given that the major share of emissions results from burning of fossil fuel for energy, transportation, deforestation and the agricultural sector. Former President Bush officially motivated his rejection of Kyoto by the fact that developing countries were exempted from emission reduction obligations, a point he was not alone to raise. The failure to include developing countries "with shared but differentiated responsibility" in legal obligations with clear reduction targets has indeed been widely criticised.

But the U.S. refusal to ratify the Protocol was not the only reason for Kyoto to be considered a disappointment. Because of the negotiating states' inability to estimate the degree of global warming and the costs of addressing the damage, stringent emission targets have been diluted in subsequent negotiations. Environmental lobby groups and non-governmental organisations claimed that emission targets were

2012. Last but not least, the Kyoto agreement lacks credible and effective compliance mechanisms, ensuring adherence and enforcement.

### IV

# Spectacular results are unlikely

By now, it has become clear that spectacular results will hardly come out of Copenhagen. Time is running out as world leaders' commitment to firm agreements is fading away. At the APEC summit in mid-November, the U.S. Deputy National Security Advisor reported that "[t]here was an assessment by the leaders that it was unrealistic to expect a full internationally legally binding agreement to be negotiated between now and when Copenhagen starts", thereby only summarising developments apparent on the horizon for many months.

The debate on Copenhagen - and climate change more generally - to a very large extent is a debate on burden sharing. Who contributes how much is at the centre of attention. One illustration is the discussion pertaining to the year to be defined as the basis for emission cuts. Depending on which year is chosen as the reference, a 20 % reduction of emissions is more or less difficult to achieve. From a European perspective, for instance, 1990 is a lot more advantageous than 2005 (favoured e.g. by Japan): due to the heavy industry in the Eastern Bloc throughout socialist times, emissions in Europe were high during the early 1990s but diminished "automatically" in the years after 1989 as these industries disappeared. Starting from 2005 would, in turn, require much greater efforts. The easiest option for Europe therefore consists in taking 1990 as the refer-

Moreover, not only the world's biggest emitters of greenhouse gases like China (surpassing the U.S. since 2008) and India have other priorities than mitigating climate change. Among these preoccupations first and foremost is economic growth, an objective (rightly or wrongly) considered to be incompatible with effective measures against climate change. With growth comes competitiveness, an indispensable feature in world economy. Although tackling climate change and its consequences certainly is in the long-term interest of mankind as a whole, taking to concrete measures in the short and medium term may thus, unfortunately, be against many countries' (not necessarily illegitimate) interest.

Tackling climate change on a global scale is the perfect example of the prisoner's dilemma impeding cooperation: unless everybody cooperates, individual actors are better off looking after themselves. For instance, different levels of commitment resulting in varying prices put on carbon emissions (from none at all to European prices) distort markets and have a negative impact on industries located in the

"greener" parts of the world. Overcoming that dilemma is the momentous challenge lying ahead. Dismal prospects for Copenhagen are therefore hardly surprising. As history bears out, genuine cooperation among sovereign nation states is unlikely to occur in all realms of policy; observable examples to the contrary are exceptions rather than the rule. Trade, development, security and disarmament: in all these fields, national interests (perhaps aggregated at regional levels) are the primary driving forces in actors' behaviour. There is no reason to expect that things should be different when it comes to environmental questions. Belief in global solutions to climate change is a noble attitude, but - alas - an unrealistic one as the history of global (environmental) governance rather unequivocally illustrates.

In the view of many - including the presidents of China and the United States -, Copenhagen no longer is the endpoint of negotiations it initially was meant to be, but rather yet another climate summit. As a consequence, coming to terms with new provisions on emission cuts no longer has any given ending point and could theoretically go on forever. By devaluating Copenhagen in such a way, the world loses a deadline for climate negotiations. In light of the urgency with which action is required, this development is nothing but tragic and illustrates that governments around the world have failed to understand the magnitude of the challenge posed.

### V

# Don't Wait For Copenhagen

The odds for a successful climate summit are low. Yet, as deplorable as failure in Copenhagen may be, it does not leave Europe bereft of options for action. Although Europe can do little about emissions elsewhere in the world, the EU can continue doing its homework. Waiting for

global agreements is the wrong approach anyway, though certainly a comfortable one.

There is, however, no need for a global agreement for national governments and the EU to get active and step up its efforts.

National states as well as Brussels continue to hold powerful instruments in their hands when it comes to creating incentives for mitigation and establishing systems aimed to reduce emissions. Research development especially is to play an important role within that context. Experts emphasise technology as a hugely important part of the solution, if not the solution. All stabilisation levels considered necessary can be achieved by technologies, either already on the market or expected to be launched in the decades to come. Supporting the development of these technologies is a key task for policy makers. National governments as well as Brussels must prioritise this agenda and implement according policies. As the world will increasingly demand "green" technology, investing in its development in time is the obvious path to choose. Moreover, investing green infrastructure in developing countries is one way of coupling economic and sustainable development, to the benefit of all interested parts. For the

EU, this means that even more emphasis should be put on the promotion of research, development and the distribution of green technologies.

In order to do so, nation states as well as the European Union have an impressive array of policy tools at their disposal, regardless of whether Copenhagen results in a binding agreement or not. The IPCC estimated that mitigating climate change would result in an annual average GDP

### Who wants what? European Positions towards the climate package



### Germany

Asked for exceptions and argued for protection against foreign competition for sectors like steel, cement and aluminum with a high energy consumption

### Great Britain

Tried to weaken the need for domestic action to meet targets under the EU emissions trading scheme (EUETS) and demanded aviation to be excluded from renewable energy targets

### Italy

Threatened to veto the package, saying that it would cost the country €18bn a year to comply and that less burden should be put on Italian industry

#### Poland

Threatened to veto the agreement, unless major concessions were incorporated into the legislation in particular to shield its coal-based power sector from the proposed auctioning system

#### Poland, Hungary, Bulgaria, Latvia, Lithuania, Romania and Slovakia

Issued a joint statement asking for ways to reconcile the package with economic growth at a time of "serious economic and financial uncertainties"

Source: IFRI

© Bertelsmann Stiftung

growth rate reduced by 0,06 % in the years 2000 to 2100. Estimations of the cost of climate change range from 5 to up to 20 % of global GDP by 2100. Regardless of the costs such a focus on research and devel-

opment engenders, it is more than clear that investing now will always be cheaper than doing nothing and waiting for the long-term consequences of climate change to become manifest.

It does not necessarily take a scientist to get a sense that things went wrong in the past, also in Europe. Europeans would be well advised to overcome their widespread complacency, considering themselves as the champions of climate protection and sustainability. Launching the European Climate Change Programme was a good idea. The EU Emission Trading System is a step into the right direction, likewise the Climate Package concluded in late 2008. Yet, while European efforts may go farther than others', there clearly is room for improvement. Negotiations of the 2008 Climate Package, for instance, became just vet another exercise in European horse-trading and bickering. European national interests clearly don't converge into one common and self-evident climate protection agenda. Consequently, true commitment to ecofriendly action and sustainability does obviously not always characterise political acting on this continent, as for instance responses to the ongoing economic crisis so vividly illustrate. Against that background, it is all the more important that the EU stands firm on its agreed-upon positions for Copenhagen and beyond. If Europe fails to corroborate its action with deeds, the perspectives for a global response look dimmer than ever. Put bluntly: if the European Union doesn't get its act together, then who will?

Reconciling economic growth and environmental sustainability is a difficult task. One important factor in that equation is the transatlantic link. Europe must take advantage of the window of opportunity

opened by the Obama administration's willingness to take climate change seriously. As Kyoto so vividly illustrated, a response to climate change will simply not happen without Washington. The United States and Europe share many of the problems - not least negative consequences on competitiveness - arising from carbon taxes or cap-and-trade systems. In an ideal world, this would offer common ground and a basis of cooperation, rather than a rat-race between the two economies. By planning to come to Copenhagen in person, Obama is doing more than simply demonstrating his good will. Europe should take him seriously.

Finally, one point should not be forgotten over Copenhagen and the debate on emission cuts: Even if the world manages to mitigate climate change in the future by cutting greenhouse gas emissions, many of its effects are already irreversible. In addition to stopping and - hopefully - reversing ongoing evolutions, one of the central questions therefore is that of adaptation to new climatic circumstances. As a matter of fact, it is the poorer part of the world that is most dramatically hit by climate change and its consequences, ranging from rising sea levels to droughts and increasingly severe weather conditions. Even if the G8 countries came to zero emissions, its selfimposed objectives of cutting emissions by 50 % until 2050 could not be achieved as long as all other countries keep their levels steady (not to mention increase them). Not only mitigating climate change is a matter on the agenda. Helping the worlds' most affected countries adapt to the irrevocable damages is at least equally urgent.

#### For Further Reading:

International Panel on Climate Change: Fourth Assessment Report: Climate Change, November 2007

Barbara Kunz and Daniela Röß: Taking Stock of Global Governance, Bertelsmann Stiftung, November 2009

Michael A. Levi: Copenhagen's Inconvenient Truth, Foreign Affairs, September/October 2009

Trevor Houser, Rob Bradley, Jacob Werksman, Britt Childs, and Robert Heilmayr: Leveling the Carbon Playing Field: International Competition and US Climate Policy Design. Peterson Institute for International Economics and World Resources Institute, February 2009

#### Responsible

Bertelsmann Stiftung Carl Bertelsmann Straße 256 D-33311 Gütersloh www.bertelsmann-stiftung.de/spotlight

Dr. Dominik Hierlemann dominik.hierlemann@bertelsmann.de Telefon +49 5241 81 81537

Joachim Fritz-Vannahme joachim.vannahme@bertelsmann.de Telefon +49 5241 81 8142

### **Latest editions:**

spotlight europe # 2009/11

Yet another President Dominik Hierlemann

spotlight europe # 2009/10

After Soccer Diplomacy: The Turkish-Armenian Relations Mustafa Aydin, Armando García Schmidt, Tabib Huseynov, Alexander Iskandaryan, Andrei Zagorski

spotlight europe # 2009/09 Ireland's Second Attempt Dominik Hierlemann

All editions of the spotlight europe can be downloaded from: www.bertelsmann-stiftung.de/spotlight