



Workshop 2 – Options for a post Kyoto Policy

Introduction

Climate Change is project to affect, directly and indirectly, all aspects of human activities over the next century. Climate change is therefore currently recognized by policy-makers and the international community as one of the most important political, technical and societal challenges for the next century.

The scientific basis for all intergovernmental negotiations on climate change is provided by the Intergovernmental Panel on Climate Change (IPCC), established in 1988 by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP). The political basis for these negotiations is the United Nations Framework Convention on Climate Change (UNFCCC), signed in 1992 and entered into force in 1994. The UNFCCC is a “framework convention” and therefore does not include any legally binding commitments. Nevertheless, an ultimate objective is established in Article 2, namely “...to achieve ... stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system ...”.

In Kyoto, Japan, in 1997, a Protocol was added to the Convention, strengthening it by committing parties in its Annex I to individual, legally binding targets to limit or reduce their greenhouse gas emissions. Collectively, these targets amount to a reduction in greenhouse gas emissions 5.2% below 1990 levels in the commitment period 2008-2012. The Kyoto Protocol is not yet in force, but as of today, with Russia starting the ratification process, there are indications that this will happen in the near future.

Discussion points

The discussion began with a provocative question: Is the Kyoto Protocol a failure? It doesn't include the majority of global emissions, it has been rejected by the world's largest emitter, and it has not yet entered into force – so is its approach of targets and timetables the right one?

Workshop participants shared a variety of responses to this question. One thought that it was premature to call the Kyoto Protocol a failure, saying it was not expected to make much of a difference in reducing greenhouse gas emissions. The Protocol will bring about marginal impacts like energy efficiency and an increased use of biofuels, but it will not be enough; it will bring about a reduction of greenhouse gas emissions. Western Europe, the participant said, will simply buy emission certificates from Eastern Europe. There are a number of countries that are fortu-



nate not to rely primarily on fossil fuels for their electricity generation, but others have to chance to meet their targets.

Another suggested that the real question is whether this negotiation will be a political failure, given the poor international record on tackling global problems. Following up on this point, one participant said the Protocol can only be considered a political success if Russia ratifies it. Yet another participant disagreed, saying that although the Protocol may be too weak to mitigate climate change, the years of negotiation that produced it have been important.

One participant said that since the Kyoto Protocol is legally binding, we should call it a success or a failure only once we can assess compliance. But several participants wanted to know whether the Protocol includes an article on what happens if a country does not comply. The penalties are vital, yet they are not clearly defined. The European Union, one suggested, will probably not penalize its own industries, industries that are already suffering. Ireland recently backed out of implementing a carbon dioxide tax, and Austria has said it will not use such “painful” measures to meet its commitment. One participant said that, since the United States has not ratified the Protocol, if the EU fails to meet its targets, the Kyoto process will be over. Another disagreed, saying that it will not be the end of the Protocol if a country does not comply (which prompted another to note a striking similarity between this assessment and the Catholic Church: one confesses one’s sins, is absolved, and starts over again). The group agreed, however, that Western Europe, Canada and Japan must meet their targets before others will agree to future commitments.

The discussion then moved on to another fundamental question: What are the options for a post-Kyoto policy (i.e. for the period starting after the first commitment period, 2008-2012)? What should be the commitments for both industrialized and developing countries? Would a simple renewal of the commitment period be the best solution, or are other measures more suitable? What targets should the economic sector accept? What role can adaptation measures play? Are we in a position to estimate the costs of a new commitment period?

The group agreed that the process should continue within the UNFCCC – that is, building upon the framework that is already in place. The group also agreed that the process must continue in a multilateral, governmental structure during a second commitment period.

One participant asked about the role of technology in a second commitment period. Technology, another suggested, is not a long-term solution to mitigate climate change, since it requires a long period for development. Technological advancement offers the promise of making emissions reduction cheaper, but how can this advancement be brought about? One possibility could be to



shift agricultural subsidies to biofuels and energy-saving technologies to make these cheaper for the end user.

The question was raised, however, of why only states are involved in the Kyoto process. One possibility would be to include business and industrial sectors. Another participant suggested this would not be helpful. Considering the difficulty of achieving agreements among states, the process would become even more difficult if business and industrial sectors were include in the negotiations.

Another participant noted that the UNFCCC is unique among international environmental agreements with its division of countries into two groups according to the principle of “common but differentiated responsibilities”. This principle is the source of one of the Bush Administration’s main objections to the UNFCCC. It was suggested that introducing different types of targets – for example, energy efficiency – might help to bring the US back into the process.

A participant from a developing country pointed out that developing countries must be assisted until they reach a point where they can take responsibilities regarding reduction commitments. It is crucial to define this point. It must be noted that a country recognizing the problem of climate change differs from that country being in a situation where it can actually take measures to mitigate climate change. Investment in state-of-the-art-technologies, for example, is often simply not affordable in most developing countries. One participant said that developing countries should “mainstream” the issue of climate change into sectoral policies, but another suggested that the climate change discussion should be incorporated into broader governmental priorities like sustainable development.

It was reiterated that, in order to introduce reduction commitments for the developing countries, Annex I must first demonstrate their credibility by ratifying the Kyoto Protocol, complying with their reduction commitments, and fulfilling any other obligations that arise from the Protocol.

Conclusion

The group agreed that at the moment there is no institutional alternative to the UNFCCC/Kyoto Protocol process. A second commitment period after 2012 will therefore be the most probable scenario. Discussions about the details (what targets and for whom?) have to start soon. The political commitment exists to push this process forward, even if some structural problems still have to be overcome.