A year of impasse

No one quite expects Cancun to yield any legally-binding agreement amidst fractured geopolitical mandates and domestic constraints. At best, it can pave the way for CoP 2011 in South Africa.

The past few months have brought about tragic reminders of the massive human, economic and environmental costs the world faces from climate change. Extreme weather events such as the deadly floods in central Europe, floods and mudslides in Mexico and China, the record-breaking heatwave in Russia and then the catastrophic monsoon flooding in Pakistan—all have happened over the span of a year that might set a new global temperature record, and which follows a decade that was itself the warmest since records began.

According to the US National Oceanic and Atmospheric Administration, the average global temperature over the first six months of this year was the highest in 130 years of record keeping. This, despite the cold winter in the northern hemisphere, which escalated public scepticism about global warming. The earth is, on an average, already around 0.8°C warmer than in pre-industrial times. The Intergovernmental Panel on Climate Change (IPCC) has projected that continuing with business-as-usual will most likely lead to further warming of between 1.8 and 4°C on an average in this century, and in the worst-case scenario, by more than 6°C.

Time seems perfectly poised for an all-encompassing climate deal—but this appears bleaker than ever. The climate negotiations, to take place early next month at Cancun, are not expected to lead to any concrete deal if the state of global talks held at Tianjin in October is any indication.

The Copenhagen Accord

The Copenhagen Accord, which was negotiated and agreed to by a group of big polluters and imposed on the rest of the world, is not a part of the UNFCCC agreement (see box). It is not legally binding— at best, it is an expression of intent of the Parties. A total of 138 countries, including the 27-member EU, are likely to or have supported the accord.

The Accord

- The Accord recognises and sets in motion
  - the 2°C objective;
  - economy-wide voluntary emission reduction targets for developed countries and mitigation action by developing countries;
  - fast-start financing (US $10 billion a year in the period 2010-2012) and long-term financing (US $100 billion by 2020);
  - measurement, reporting, verification (MRV); and
  - the crucial role of Reduction of Emissions from Deforestation and Forest Degradation (REDD).

The run-up to Cancun

The Tianjin no-show

- The objective of producing a shorter, more manageable, politically-oriented text for Cancun was not met.
- There was limited progress on substance. Some discussions did help the countries identify the key parameters of debates. However, they were not reflected in the text.
- There was disagreement over the need for a fast-start funding decision.

Looking towards Cancun

The BASIC group position (Brazil, South Africa, China and India)

- Two-track negotiation
- Cancun outcome should not in any way deviate from the mandate of the Bali roadmap.
- A mechanism to make available the pledged US $30 billion fast-start fund proposed at Copenhagen should be put in place.
- Developed countries must commit to greater ambitious emission reduction targets—
particularly those countries that did not ratify the Kyoto Protocol to undertake comparable emission reduction targets under the UNFCCC. The US had agreed under the Bali Action Plan to take on “comparable” efforts in relation to Protocol Parties.

- Finance and technology support to developing countries for adaptation should be a priority.
- Developed countries must fulfill their obligations of technology transfer and not let intellectual property rights become a barrier.
- Sustainable development should be a central element in building a comprehensive and balanced outcome for climate change negotiations.
- No unilateral actions should be taken against the products and services of developing countries on grounds of combating climate change, including tax and non-tax, or other fiscal and non-fiscal measures, which are incompatible with the principles and provisions of the UNFCCC and which can seriously jeopardize international collaboration on climate change and international trade.

The EU position

- The Parties have to continue what was agreed at Copenhagen. There can be no back-tracking on the Copenhagen Accord, which will have to be officially accepted by the Parties.
- Developed countries must deliver on their financial pledges. In connection to this, an enforcement framework for delivering these financial commitments has to be agreed upon.
- A decision on forestry has to be taken. This will be an agreement between the Parties on how to practically manage deforestation.
- An adaptation framework for reducing \( \text{CO}_2 \) emissions, together with a technological framework, will have to be designed. This issue is one of the most important ones, since it will outline how states will adapt to a low-carbon economy and what technological innovations will have to come about.
- The development of the MRV (measuring-reporting-verification) mechanism is critical – a crucial aspect of addressing climate change is a common standard and mechanism for measuring, reporting and verifying emissions.

The US position

Big losses for the Democrats in the Congressional vote in the US have snuffed out all likelihoods of the US establishing any meaningful national climate change legislation over the next two years. Republicans have fiercely opposed past initiatives by US President Barack Obama’s administration on climate change. With the balance of power now having shifted, Democrats will have to win the approval of their rivals before passing legislation.

The election results come at a key time, just ahead of the Cancun Conference of the Parties. Most countries insist that a strong US position is crucial to reach a global climate pact on tackling climate change. At 5,833 million metric tonne of \( \text{CO}_2 \), the US produces just a hair below 20 per cent of the world’s carbon emissions. The country’s ability to reduce its emissions and the path it will take to do so are of utmost importance to countries around the world, many of whose livelihoods are threatened by imminent climate impacts.

President Obama has indicated that he may have to switch to a bit-sized approach in the wake of the changed political environment and look at sectoral reforms such as energy efficiency and investment on renewables.

It is certain that these entrenched positions will dominate climate change talks in Cancun later this month. Sadly, Cancun may become a theatre for hashing out US-China differences on unrelated issues that could emotionalise proceedings. Ironically, at the outset, the Obama administration had hoped for US-China talks on climate change cooperation to lead over other areas where dialogues had stagnated, assuming this to be one issue in the basket of problems that China might not deem too sensitive to talk about. Given the current atmosphere of deteriorating US-China dialogue on a host of issues, it is predictable that differing US-China positions on climate change may become intractable, rendering talks useless to everyone.