



BULLETIN

No. 66 (66) • December 2, 2009 • © PISM

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U.S. Position for UN Climate Conference in Copenhagen

by Bartosz Wiśniewski

Both the contents of the U.S. position and the dynamics of international negotiations on an accord to replace the Kyoto Protocol are now strongly contingent on climate bill proceedings in the U.S. Congress. U.S. proposals will be closely linked to the to-date outcome of congressional work on the bill, especially with regard to the key issue of greenhouse emissions reduction, and also the mechanism for technology transfer and support for adjustment efforts. The United States will seek the adoption of a non-binding political agreement on the future of climate change negotiations.

Determinants. The United States is the world's second largest CO₂ polluter (5.7bn tons in 2007), with the largest emissions generated in energy production (43%), transportation (31%) and industry/construction (17%). But, having forborne from Kyoto ratification, the U.S. is bound by no numerical carbon reduction commitments of its own. Before the relevant procedure could be initiated by the Clinton administration, the Senate passed unanimously the so-called Byrd-Hagel resolution (a political recommendation to the federal authorities), which laid down the conditions to be met for the U.S. to accede to a treaty curbing greenhouse gases (GHG) emissions. Such a treaty would have to contain reduction commitments from the major developing nations, a condition which the Kyoto Protocol failed to meet.

The experiences accumulated in connection with the Kyoto Protocol have major implications for the U.S. stance in international climate change negotiations. First, any international commitments on climate change are contingent on, first, getting a political and legal go-ahead domestically and having it translated into the negotiating brief. Second, the adoption of binding legal arrangements on the domestic front would surely send a signal of U.S. readiness to seriously engage in a multilateral deal in this field—by indicating that the Senate might consent in future to the ratification of an international agreement. And third, a necessary condition for the U.S. to join a future international treaty is that countries such as China, India or Brazil accept corresponding commitments of their own.

A passage of the climate change bill by U.S. Congress is now a key determinant of whether or not the international negotiating process succeeds. Towards the end of June, the House of Representatives wrapped up its proceedings on the Waxman–Markey bill (American Clean Energy and Security Act of 2009, ACESA), which should be seen as a major reference point for authors of the U.S. negotiating brief. Simultaneously, work is underway on a Senate version of the document (Kerry–Boxer bill) and only the harmonization of both measures will determine the final contents of the future legislation. The declarations on GHG emission cuts, made by President Obama towards the end of November, stay within the ACESA bounds, thus demonstrating the primacy of domestic policy over the U.S.-declared readiness to join the mainstream of the fight against climate change.

Outline of U.S. Position. The parameters of the U.S. position are determined by ACESA and negotiating team briefs. Under ACESA, the targets for GHG emission cuts are 17% in 2020 and 83% in 2050—but this in relation to 2005, rather than the Kyoto Protocol's base year of 1990. With the U.S. emissions of GHG rising by 16% over 1990–2005, the actual reduction from the 1990 level would thus be just 4%. The United States expects other parties to the United Nations Framework Convention on Climate Change (UNFCCC) to adopt quantitative emission reduction targets for 2020 and 2050, and these expectations also apply to the largest developing nations, which should make their own adequate contributions to the ambitious global GHG reduction targets.

A central element of the U.S. mitigation effort is to be the launch of a domestic cap-and-trade system, which, starting from 2012, would cover large polluters responsible for some 85% of the U.S. economy's overall emissions. In the initial years of the system's operation, more than four-fifths of emission allowances would be issued free, but this proportion would then be gradually scaled down to some 30%. But against the EU's expectations, no announcements have been made of the United States' access in 2015 to the global emissions trading system. Another major mitigation mechanism provided for under ACESA is a complex system of offsetting measures, under which individual emission caps can be exceeded (by no more than 30%) if an entity contributes to projects which help cut emissions, such as investments in the development of renewable energy sources or in energy-efficiency improvement. This mechanism may prove instrumental in broadening U.S. entities' participation in projects under the clean development mechanism (CDM).

The United States proposes to establish a new structure serving technology transfer and accessibility (a hub-and-spokes concept). It would comprise a technology hub—responsible for information gathering and exchange, and for increasing individual countries' potential for technology absorption—to be backed by expert teams (spokes) operating on an *ad hoc* basis in technology receiving countries. The essence of the hub-and-spokes mechanism would thus be training and consulting, while it would not cover new technology research. The financial aspects of hub-and-spokes operations have not been specified in greater detail, and the U.S. sees no need to establish new institutions for the financing of technology transfer, opting instead for the use of UNFCCC-provided instruments. A fixture in the U.S. position is its strong emphasis on intellectual property protection.

ACESA contains important provisions from the viewpoint of U.S. direct support for developing nations' mitigation and adaptation effort (outside the UNFCCC mechanism). These include finance allocations to support tropical forest protection and other projects safeguarding against deforestation, transfer of zero- and low-carbon technologies, and improving the efficiency of electricity transmission in developing countries. ACESA also calls for the establishment of a programme of climate change adaptation, oriented towards solving problems that arise from limited availability of potable water, and reducing the adverse effects of flooding and shoreline retreat. Such international ventures would be financed with funds obtained from the allocation of a relatively small portion of emission allowances: some 7%, as against 19% earmarked for support of selected industries at a stage of clean-technology introduction, or 13% for energy efficiency-boosting projects.

Conclusions. The Obama administration is unlikely to take the risk of accepting international climate change commitments before U.S. Congress completes its work on the climate bill. But even then, getting the U.S. Senate's consent to treaty ratification will be anything but certain, given that the proponents of U.S. accession to a new international treaty on climate change do not have the requisite majority of two-thirds. It is thus all the more important for a political agreement to be reached, even with non-binding commitments from other negotiating parties, especially China and India. That would make it possible to prolong the negotiating process into 2010, thus upholding chances for the relevant legislation to pass Congress. The Obama administration could then cite the conclusion of the agreement as proof of major emitters' readiness to cooperate (especially on GHG reduction), while retaining internationally some credibility as a leader in the fight against climate change.