



BULLETIN

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UN Climate Summit 2014: Seeking Momentum for Global Climate Change Negotiations

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A special UN Climate Summit hosted by Ban Ki-moon aimed to garner political will to conclude in 2015 an ambitious climate agreement. During the meeting in New York, the declarations on post-2020 commitments were moderate, although some countries presented new pledges of financial support for future climate actions. It also revealed the growing engagement of businesses and local authorities in climate actions, as shown by the new initiatives adopted at the summit. This increased interest from politicians and business representatives should have a positive effect on the prospects for the conclusion of a global climate agreement.

UN headquarters in New York hosted a special UN Climate Summit on September 23. The summit was organised by the UN Secretary General Ban Ki-moon. The meeting was attended by more than 120 heads of state and government, making it the largest such gathering at such a high level since the UN Climate Change Conference in Copenhagen in December 2009. The UN Climate Summit was not another round of negotiations on global climate change. Rather, the goals were to gather world leaders for a meeting devoted exclusively to the topic of climate change, and to gain assurances from them that climate change would be one of the major political priorities in the months to come. Enhancement of political will for climate actions is a necessary condition if an agreement on a new climate change deal is to be reached in Paris in December 2015. After the failure of the UN Climate Change Conference in Copenhagen, and in spite of numerous actions at the domestic level, the interest of world leaders in global climate change negotiations seemed to decline. The UN Climate Summit hoped to change this.

Moderate Declarations by Leaders. The timing of the UN Climate Summit was no coincidence, but was related to the schedule for negotiations. In December 2014, at COP 20 in Lima, the draft text of the agreement should be determined, and by the end of March 2015 countries should submit their national “contributions” regarding post-2020 climate change actions and targets.

The schedule had an impact on leaders’ declarations during UN Climate Summit in New York. Few countries presented new targets regarding intended greenhouse gas emission reduction, which is one of the main elements of the future agreement. However, the leaders stressed the action taken so far at national level, including their domestic emission reduction objectives.

In case of the European Union, in addition to the proposed target of a 40% reduction in GHG emissions by 2030 in relation to the 1990 level (which will be discussed by the European Council in October), and the aspiration to reduce emissions by 80–95% by 2050, several individual Member States presented their national goals. Denmark will cut emissions by 40% by 2020, Cyprus by 40% by 2030, the United Kingdom and Ireland by 80% by 2050, and Belgium by 85% by the same year. Furthermore, Germany announced it would no longer support any new coal power plants, while Finland aims to phase out the use of coal in power plants by 2025.

The EU was clear on its intended reduction targets after 2020, while other important parties to the future climate deal did not reveal the nature of their commitments for the post-2020 period. The key for working out a climate agreement is first and foremost the position of the United States and China. Both U.S. President Barack Obama and China Deputy Prime Minister Zhang Gaoli stressed the action already taken in their own countries, and reiterated previously stated emission targets for 2020 (the United States will reduce its emissions by 17% compared to 2005, and

China has pledged to cut carbon intensity by up to 45%). As far as their speeches may indicate a willingness and readiness to reach an ambitious agreement in Paris, and despite the importance of the roles of the U.S. and China regarding climate change, neither country hinted at any targets related to post-2020 climate actions. Other countries were equally restrained, unwilling to reveal their cards before April 1, 2015, the deadline for submission of national "contributions" for a future climate agreement. Therefore, speeches delivered in New York were dominated by announcements concerning plans for transition to low-carbon economies, with few declarations related to emission reduction targets.

The UN Climate Summit in New York did bring few specific declarations on the financing of climate action, another important element of the future agreement. The key in this area is the initial capitalisation of the Green Climate Fund, created in 2011 and nine countries made pledges on their contribution to the fund. Germany and France declared \$1 billion, South Korea and Switzerland \$100 million, Denmark \$70 million, Norway \$33 million, Mexico \$10 million, Luxembourg \$6.8 million and the Czech Republic \$5.5 million. However, this only adds up to approximately \$2.3 billion, far below the \$10 billion initial capitalisation assumed for the fund. One challenge for negotiators before the conference in Paris will be to determine sources of the \$100 billion a year to be spent on climate action after 2020.

Engagement of Non-State Players. The UN Climate Summit in New York was not only a meeting of heads of state and government, but also accompanied a number of other meetings with the participation of representatives of the business and finance sectors, local government leaders, and civil society.

Of particular importance was the attendance of 181 representatives of the business and investment community (a special meeting with business leaders was also held at the UN Climate Change Conference in Warsaw last year), because it is business that will play a major role in the implementation of the measures relating to the reduction of greenhouse gas emissions and the funding thereof. Business representatives announced a number of important initiatives. Among these were the plans of three American and European pension funds to accelerate their investment in low-carbon assets up to more than \$31 billion, commercial banks' plans to issue \$30 billion in "Green Bonds," intentions to increase investment in climate-smart development tenfold by 2020, and the commitment by the insurance industry to double its green investment to \$84 billion by the end of 2015. Business representatives also supported an initiative to put a price on carbon in the form of an emissions trading system, carbon taxes or other mechanisms. The implementation of this initiative will be an important stimulus for investment in climate-friendly solutions. Some companies present in New York (including IKEA, Swiss Re, Philips, and Nestlé) also signed another initiative, pledging to use 100% renewable power by 2020.

In addition to the business leaders, the UN Climate summit was attended by city mayors and leaders, who are also cooperating more actively and taking action in the field of climate protection. They adopted a new initiative called Compact for Mayors. Its purpose is to set ambitious, voluntary city-specific climate commitments or targets for reductions in greenhouse gas emissions, and to make publically available reports on progress towards achieving those targets. The initiative was joined by the established networks of cities, including the C40 Cities Climate Leadership Group, which includes the city of Warsaw.

Other important declarations adopted by governments, business representatives and non-governmental organisations concerned, among other things forests (the New York Declaration on Forests assumes, amongst other things, the elimination of deforestation by 2050), transport (the adoption of the Urban Electric Mobility Initiative anticipates that the number of new electric cars in urban areas will rise by up to 30% by 2030, and the Low-Carbon Sustainable Rail Transport Challenge anticipates an increase in the use of rail and reduction of emissions in the transport sector).

Conclusions. The UN Climate Summit in New York has –achieved its goal, in that it focused the attention of government and city leaders, business representatives, and non-governmental organisations, on the issue of climate change and the need to develop a global agreement at COP 21 in Paris. On the other hand, some leaders were absent, including the presidents of China and Russia, the Indian prime minister, and the German chancellor. Although the statements of the representatives of the major countries in the negotiations did not include so-called "contributions" to the global climate agreement in the form of the new emission reduction targets for the post-2020 period, they stressed their wish to conclude an ambitious agreement. In addition, the first specific declarations on financing were announced, which may induce other countries to present their intended financial support for climate actions in Lima. In this area, declarations on the capitalisation of the Green Climate Fund are of particular importance.

To reach an ambitious agreement, parties have to agree on many detailed issues. The Climate Summit showed how many states, business representatives and other players are interested in this agreement. The EU is especially interested in reaching consensus during COP 21 in Paris, and has so far presented the most ambitious plans in the field of climate protection. The absence of comparable actions by other large economies could have a negative impact on the competitiveness of the European economy.