



A global climate deal – if not now, then when?

by Balazs Ujvari

With just two weeks until the 21st Conference of Parties (COP21) for the United Nations Framework Convention on Climate Change (UNFCCC), most of the world seems to have rallied to the call to create a global regime on climate change. By the final deadline of 1 October, the UNFCCC secretariat had received 119 position papers – called Intended Nationally Determined Contributions (INDCs) – from 147 parties. Taken together with the 12 additional contributions submitted since, the 131 INDCs account for around 92% of total global greenhouse gas (GHG) emissions.

For most countries, however, climate diplomacy is not about sustainable development or pro-active environmental policies, but economic growth: measures are costly, benefits are long-term and countervailing forces are strong. As a result, the current commitments are largely deemed to be insufficient by climate scientists to limit the increase in average global temperature to 2°C above pre-industrial levels by 2100 – the initial goal of the UNFCCC process. The synthesis report released by the UNFCCC secretariat, assessing the aggregate impact of INDCs submitted by 1 October, seems to have reached a similar conclusion: while the submitted INDCs may well result in a noticeably lower emission trajectory, they will only suffice to cap the global temperature rise at around 2.7°C.

Unity in diversity

The 55-page document finalised by the UNFCCC parties in the last official COP21 preparatory meeting

in Bonn on 23 October is the latest draft text of a prospective climate agreement in Paris. Yet three main sticking points remain. First, although around 72% of the INDCs concern a GHG target, the types of targets vary significantly. Some of the largest GHG emitters (EU, Russia, US) have declared ‘base year targets’ that aim to reduce GHG emissions by a certain percentage by a given year.

The difficulty, however, is that these declarations refer to different starting points: whilst the EU’s contribution, for example, takes 1990 as a base year, those of the US and Canada are formulated *vis-à-vis* 2005. Other key emitters such as China and India have committed to ‘intensity targets’, whereby the emphasis is on lowering emission intensity per unit of GDP.

Another group of countries – including Armenia, Costa Rica and Ethiopia – have chosen to adopt ‘fixed level GHG targets’, which set an upper limit for the quantity of CO₂ they intend to produce. Finally, other parties – such as South Korea or Turkey – have put forward ‘baseline scenario targets’ whereby reduction in GHG emissions is envisaged with respect to the ‘business-as-usual’ level.

Furthermore, around 13% of the INDCs unveiled thus far consist simultaneously of GHG and non-GHG targets. This means that some countries like Indonesia, Chile and Ecuador have linked their GHG reduction targets – whatever type they may be – to renewables and energy efficiency goals.

Additionally, 10% of mitigation commitments, mostly stemming from small states with marginal contributions to overall global GHG emissions, lack specific targets. This group – which contains, among others, Belize, Bolivia and the Gambia – have presented a series of activity/sector-based commitments, including mitigation and adaptation actions in various domains such as afforestation, agriculture, transport and waste disposal. The remaining, small cluster of parties has devised exclusively non-GHG targets with or without adaptation actions.

What further clouds the picture is that some of these actions have been made contingent upon the provision of climate finance resources and technology transfer from developed to developing nations. Overall, while such diverse contributions may facilitate broader participation in the Paris agreement, the difficulty in comparing or even understanding the environmental impact of INDCs may render a fair distribution of efforts a near-impossible task.

Limited ambitions

If the 2°C objective is to be met, national contributions must not only be comparable, but also sufficiently ambitious. The bilateral climate deal reached between the two largest emitters of CO₂, China and the US, in November 2014 is of great importance in this regard. By reaching a joint agreement on climate change for the first time, the earth's two principal polluters have generated unprecedented political momentum for a global climate deal. This also represents a success for the EU, which this time has successfully led 'by example' following the adoption of the world's most ambitious climate-related target (a 40% GHG emission cut by 2030) in October 2014.

That said, if policy – rather than politics – is taken into account, the picture is more blurred. While the US's decarbonisation pledge is widely considered to go beyond the 'business-as-usual' scenario, the 26% to 28% cut in GHG emission is argued to be the minimum required in order to comply with the 2°C goal. Conversely, Beijing's pledge to achieve the peak of its carbon emissions by 2030 and to increase the share of non-fossil fuels in primary energy consumption to around 20% by 2030 is less impressive than it may seem at first glance. China's carbon emissions are already due to peak around 2030 under the business-as-usual scenario, and the International Energy Agency (IEA) expects the country to derive 18% of its energy from non-fossil fuels by the same year.

Any further effort on the part of the two giants will have to be matched by a similar upping of ambition

by other key polluters such as Australia, Canada, Japan and Russia, which have all made relatively weak commitments. They will also have to be joined by the Gulf states which, with the exception of Saudi Arabia, have yet to submit any contributions. Nevertheless, as was demonstrated at COP15, pledges are volatile in climate politics, and what matters most are the concrete actions which follow.

Dividing lines

Another key challenge for a Paris deal will be overcoming the divisions between developed (so-called Annex I parties) and developing countries. The US-China agreement has demonstrated that the stand-off on differentiated responsibilities between these two groups can be overcome and there is indeed room for factoring in specific national circumstances in formulating INDCs. However, new dividing lines appear to be emerging over financial concerns and the review system.

As the principal victims of heat waves, droughts and rising sea levels, developing nations seek more certainty over developed countries' pledge to mobilise \$100 billion annually by 2020 to support adaptation and mitigation efforts in the 'Global South'. Moreover, the G77 – a loose coalition of 134 developing countries – also wants to see this number increase further post-2020, and many of its members firmly oppose the binding review mechanism championed by the EU.

By contrast, the Umbrella Group – a loose coalition of non-EU developed countries – and the EU prefer vaguer wording on the matter with no explicit mention of rising funds from 2020 onwards. In addition, developed nations' call to expand the donor base from the Annex I list to comprise all countries 'in a position to do so' is not backed by the G77 group which remains a staunch supporter of differentiated financial responsibilities.

After an informal ministerial gathering of representatives from 70 countries from 8-10 November in Paris, US Secretary of State John Kerry stated that the US remained opposed to legally binding reduction targets. So as it currently stands, a potential climate deal in Paris may be less than a treaty, contain voluntary national pledges, and foresee a regular review mechanism. While such an outcome would clearly be more in line with stances of the US and China, it should not be forgotten that the EU's proactive climate diplomacy has been instrumental in paving the way to a global agreement.

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