

A Guide to the Latest United Nations Negotiations

From December 3-17, 2007, representatives of 188 nations met in Bali, Indonesia as part of the United Nations Framework Convention on Climate Change (UNFCCC). Their goal was to launch negotiations for a new international agreement on global warming, to take effect when the emission reduction commitments negotiated in Kyoto a decade ago expire in 2012. The Bali climate conference was the 13th Conference of the Parties (COP-13) to the Framework Convention, and the 3rd Meeting of the Parties to the Kyoto Protocol.

Having ratified the Framework Convention on September 8, 1992, the United States is a full party to that treaty. Its concurrence is required for decisions to be adopted by conferences of the parties, which proceed by consensus, not by majority vote. When matters specific to the Kyoto Protocol are under discussion, the United States may participate as an observer, but its concurrence in decisions is not required since it has signed but not ratified the agreement.

What Happened in Bali

The Bali conference launched formal negotiations on a new, post-2012, international global warming agreement and set a firm deadline for its adoption in December 2009, when the 15th Conference of the Parties will meet in Copenhagen, Denmark. The outline of those negotiations is contained in the Bali Action Plan,¹ approved in a dramatic conclusion to the talks on December 15, 2007.

One of the most important new developments in Bali was the fact that developing countries came to the table willing to discuss emission reductions of their own. The Bali Action Plan opens discussion on “measurable, verifiable and reportable” emission reduction actions that may be undertaken by developing countries. While the developing countries stepped up and brought this new position to Bali, the United States maintained its long-held rejection of binding numerical commitments for emission reduction targets and renewed its obstructionist behavior of previous climate change talks.

What the developing countries wanted in exchange for their willingness to consider making reduction commitments was assurance from the developed nations that they would help them acquire cleaner technologies. On the final day of the conference, India proposed that the same language used to describe mitigation actions, “measurable, verifiable and reportable,” also be applied to technology transfer and financing assistance from developed countries. The meeting almost ended without an agreement to launch negotiations when the U.S. stood to oppose this concession. However, when its traditional cast of allies, including Canada, Japan, and Australia (who ratified Kyoto on the second day of the talks), refused to join this position and the U.S. was faced with the possibility of being solely responsible for the breakdown of the negotiations, the U.S. backed down and the language was adopted.

Key Decisions Reached in Bali

- Emission Reductions: While the purpose of the next two years of negotiations is to determine what the new term of emissions reductions should be, much of the Bali talks were aimed at setting some guidelines for those negotiations, building largely on the recommendations of the Intergovernmental Panel on Climate Change (IPCC). The Ad Hoc Working Group on Further Commitments for Annex I Parties (AWG on Article 3.9) under the Kyoto protocol had approved

language in the meetings prior to the Bali conference which suggested that the next round of emission reductions by developed countries should be guided in the range of 25 - 40% below 1990 levels. Early drafts of the decision also suggested that countries agree that global emissions should peak in 10 - 15 years and decline to “well below half” of 2000 levels by 2020.² The U.S. took the position that there should be no numerical guidelines in the opening negotiating text, fearing this context would “prejudice” the negotiations. The final compromise relegated any numerical targets to a footnote reference in the IPCC reduction scenarios in its Fourth Assessment Report.³ The final decision also called for the development of a long-term global reductions goal.

- Reducing Emissions from Deforestation: Since the Montreal talks in 2006, the UNFCCC has been considering options for developing countries that would incentivize forest conservation, thereby avoiding emissions from deforestation activities. The hope was that the Bali decision would conclude those discussions and include a specific proposal for the new agreement on how to provide those incentives. Reducing deforestation does not qualify as a Clean Development Mechanism (CDM) project, which is currently the only structured way for developing countries to get credit for emission reduction activities under the Kyoto Protocol. Due in part to opposition by the U.S., no clear agreement was reached, but progress was made. The Bali Action Plan encourages tropical forest countries to undertake demonstration projects and sets up a new committee to consider “policy approaches and positive incentives” for reducing emissions from deforestation.⁴ The key questions facing that body are whether the incentives will come in the form of carbon credits or direct financial assistance and whether or not sub-national projects will qualify.
- Adaptation: Just prior to the Bali negotiations, the United Nations Development Program estimated that the adaptation needs of developing countries to cope with the impacts of global warming will cost more than \$80 billion up to 2015,⁵ making adaptation a key issue for many developing countries. Overcoming U.S. objections, the Bali Action Plan provides a solid basis for creating the necessary adaptation assistance, calling for better access to more assistance for both adaptation and emissions reduction activities in developing countries. It includes a call for “innovative means of funding,” which references proposals including levies on international aviation and maritime fuels. Negotiators also reached agreement on implementation of the Adaptation Fund that was created under the Kyoto Protocol by resolving a dispute between developing and developed countries about which institution should oversee the fund. The Global Environment Facility (GEF), which many developing countries felt has not adequately met their needs and is governed by a council controlled by developed countries, will be the day-to-day implementing body for the fund. But the adaptation operations of the GEF, including its choice of projects and programs, will be overseen by an executive board comprised of a majority of developing country representation from the countries that belong to the Kyoto Protocol.⁶
- Technology and Finance: There is general agreement that the key to reducing emissions globally lies in the accelerated deployment of clean technologies. But issues around intellectual property rights have bogged down these discussions for several years. The UNFCCC secretariat earlier this year issued a paper on financing of mitigation and adaptation as a way to shift the focus of the discussion. The developing countries came to Bali determined to get a commitment to make progress on this issue, which they demonstrated just minutes after the ceremonial opening, by requesting that technology be added to the UNFCCC committee on implementation (the Subsidiary Body on Implementation). In addition to adding the words “measurable,

verifiable and reportable,” to the technology and adaptation language in the final deal, the Bali decision reconstitutes an ‘experts group’ with a 5-year mandate to establish a strategy for overcoming the barriers to technology transfer.

- **U.S. Participation:** Throughout the talks, there were proposals offered to set up a separate negotiating track to determine the emission reduction goals for non-Kyoto countries, (U.S., Kazakhstan, Belarus and Lichtenstein). But none of those prevailed. Over the next two years parallel negotiations will take place on developing country commitments under the UNFCCC, and under a more detailed process that has been set up under the Kyoto protocol. The Bali Action Plan language guiding the UNFCCC discussion was clearly designed to create a space for eventual U.S. re-entry, establishing that the U.S. would have to agree to: “Measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives,” consistent with those of developed country Parties under Kyoto but also “taking into account differences in their national circumstances.”⁷ The U.S. has agreed to fully participate in the UN negotiations in 2008. Most leading presidential candidates also support mandatory caps in the U.S., setting up a hopeful expectation by other nations that the U.S. will join the successor agreement in 2009.

¹ United Nations Framework Convention on Climate Change, 2007, “Decision- CP/13: Bali Action Plan.” <unfccc.int/files/meetings/cop_13/application/pdf/cp_bali_action.pdf>.

² Pew Center on Global Climate Change, 2007, “Thirteenth Session of the Conference of the Parties to the UN Framework Convention on Climate Change and Third Session of the Meeting of the Parties to the Kyoto Protocol,” <www.pewclimate.org/docUploads/Pew%20Center_COP%2013%20Summary.pdf>.

³ UNFCCC Bali Action Plan, 2007, *Op cit*.

⁴ *Ibid*.

⁵ United Nations Development Program, “Fighting Climate Change: Human Solidarity in a Divided World,” *Human Development Report, 2007/2008*. Summary, p. 26-27. <hdr.undp.org/en/reports/global/hdr2007-2008/>.

⁶ Statement of James R. Lyons, Vice President for Policy and Communication, Oxfam America Regarding “International Climate Change Negotiations: Bali and the Path Toward a Post-2012 Climate Treaty,” Senate Committee on Foreign Relations, January 24, 2008. <www.senate.gov/~foreign/testimony/2008/LyonsTestimony080124p.pdf>.

⁷ UNFCCC Bali Action Plan, 2007, *Op Cit*. Section 1(a)i.

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