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CAN THE EU LEAD?

Can the EU be a leader again in global climate change talks?

With the US unable to provide leadership on climate change at home or abroad, the world now turns to the EU to reclaim the mantle of developed country 'leader' of the international climate negotiations.

If there had been any expectation that the US could play a constructive role in the global climate talks, the events of the last year have crushed them. When the prospect of US legislation died in the Senate last August, it became clear that the US would not be in a position, now or in the near future, to be part of a legally-binding climate deal at the United Nations Framework Convention on Climate Change (UNFCCC).

This has crucial implications for the European Union and the role that it must play in the international process. It is time for the EU to accept that the US is not in a position to be part of a fair, ambitious and global solution to climate change at this stage. It is time for the EU to recognise its role in this global project: that it could again be a developed country leader. EU leadership must focus on saving the existing architecture that has been negotiated since 1992 and which is based on science and equity.

The EU must reclaim a role as leader

At the 1990 negotiations on the Climate Change Convention, the EU provided developed country leadership in international climate policy by pushing for stringent international commitments. In the 1997 negotiations on the Kyoto Protocol the EU proposed the deepest emission cuts among the developed countries and accepted the highest reduction target. The EU also played a vital role in saving the Kyoto Protocol in 2001, securing agreement on the Marrakech Accords and the entry into force of the Protocol, despite the Bush administration's declaration of opposition. In 2007, heads of state committed the EU to reduce its emissions by 20% by 2020 (based on 1990 levels) and declared their intention to commit to a 30% reduction in light of an ambitious and comprehensive global deal. The EU was recognized as a committed partner in seeking to solve global problems through multilateral processes.

However, since then, the lack of EU leadership has been in stark contrast with its historical role. In Copenhagen the EU failed to raise its mitigation target (preferring to stick to the ageing 20% target); moreover, the EU watered down its stance on the Kyoto Protocol by stating that its preferred option would be a single legal instrument that would subsume the Kyoto Protocol, and with it, the principle of historical responsibility that underpins the existing climate regime. This has been interpreted as a way

to accommodate the US 'new paradigm' in climate negotiations, which is at odds with the basic elements of the current system and also the position held by the EU.

US participation in a global climate regime is essential to ensure the environmental integrity of the international response. However, the reality today is that the absence of any US ambition is incentivising a 'race to the bottom' in the international talks. This threatens to dismantle the basic agreed architecture to govern climate change which the EU so strongly championed.

EU efforts before Copenhagen to bring the US on board a climate regime have backfired in another fundamental way: it has contributed to the distancing of developing countries from the EU, rendering itself ineffectual in the global process. But the truth is that an ambitious climate deal is only possible and will only prove effective if developing countries are involved in an equitable paradigm.

What sort of leadership from the EU?

The world needs climate leaders that champion a multilateral solution to climate change, the only possible way to solve this global commons problem in the long-term. The alternative is the bottom-up approach of the Copenhagen Accord, with no consideration of science or equity. There is a big risk that the Accord framework will prevail, as demonstrated by the traction that it has gained among developed countries such as the United States, Japan and Canada. Unless a viable multilateral alternative is championed, we risk locking in a system that could see temperatures increase 3.9°C, with disastrous consequences around the world that hit the poorest hardest and perpetuate poverty. This would be a disaster for impoverished countries, many of which look to the EU for leadership to address climate change and support their right to development. The EU can and must fulfill this role.

Doing so will require outreach to developing countries and proactively engaging with them to fully understand the development implications of tackling climate change in the South, while also confronting poverty and going about the task of sustainable development. As a climate leader in the North, the EU must move from looking at climate change as a purely environmental issue and recognise that it is the

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social justice and human welfare cause of the 21st century. To do so would mean:

- **Trust- building with developing countries:** Developing countries perceive the EU’s strategy as prioritising the US at all costs – even if that means allowing climate change to spiral out of control in order to meet US domestic political constraints. The EU must demonstrate to developing countries that it is more willing to pressure the US in order to achieve a science-based, equitable agreement. For trust building to be effective, the EU must broaden its outreach to developing countries – beyond the AOSIS and LDC groups – especially with regards to BASIC countries and other middle income and emerging economies, whose development is built on the expectation that they too would enjoy the right to their fair share of the global commons, just like the industrialised countries, but with an intention to do so sustainably. The EU should dedicate resources to obtain a broader and deeper understanding of developing countries’ expectations and limitations, towards ambitious action on climate change.
- **The EU is perceived by developing countries as a trustworthy interlocutor in negotiations.** It must explicitly acknowledge the legitimacy of developing countries’ positions on equitable effort sharing and the historical responsibilities of developed countries. Developing countries consider the EU as having double standards – rhetorically saying one thing to the public and then arguing the opposite at the negotiating table (i.e. the EU’s position on the KP).
- **A commitment to the primacy of the UNFCCC** as the only legitimate fora for climate negotiations is crucial. This also includes supporting the two-track process agreed to in the Bali Roadmap in 2007.

Policy necessary for EU leadership

1. The EU must commit unequivocally to the continuation of the Kyoto Protocol. The EU has said it is willing to consider a second commitment period. This is inadequate. It must unequivocally state that it will honor its legally binding commitments under the Kyoto Protocol and work tirelessly to establish a second commitment period. Until it is demonstrably clear Annex I countries will honor their existing commitments, the EU cannot credibly call upon developing countries to undertake new mitigation actions. If the Kyoto Protocol is to survive, the other developed countries must not go the way of the US. The EU must persuade its developed country partners, including Canada, Japan and Russia, to fulfill their Kyoto commitments. Annex I Parties must also honour their commitments in the Bali Action Plan to enable and support mitigation actions and adaptation in developing countries.

2. The EU must demonstrate to the international community that it is prepared to lead by example by unilaterally increasing its emission reduction target, and supporting a more ambitious aggregate science- and equity-based target in the Kyoto Protocol. The EU’s 20% target is already 3 years old, and the EU is in a position to commit to a more ambitious target. Science and equity demand more. The EU’s own studies have indicated that the economic cost of increasing its target to a more ambitious one is only marginal but will deliver huge social and environmental benefits to Europe. The EU must also ensure the environmental integrity of any target by taking immediate action to close the loopholes in the European Trading Scheme (by tightening the cap, getting rid of offsetting and implementing a 100% auctioning of the permits). The EU must acknowledge that developing countries are unanimous in expecting more ambitious mitigation commitments from the EU and other developed countries, and for their aggregate target to be commensurate with the science and equity. This is a red line for many G-77 + China members, even more so given the absence of a significant finance and technology package.

3. The EU must support the establishment of a financial mechanism under the authority of and accountable to the COP, to help developing countries adapt to climate change and build a low carbon future. It must support sources of finance that are in line with equity principles and the Convention. The EU must show in Cancun that it is scaling up its short-term finance commitment by agreeing to further funding and by reporting it in a transparent and detailed manner. It must commit to delivering its fair share of the long-term finance required in light of the latest scientific and economic assessments, additional to its current ODA commitments. The EU should also be at the forefront of efforts to realise innovative sources of public finance, such as international financial transaction taxes, redirecting fossil fuel subsidies and tackling global tax avoidance instead of calling for an extension of carbon markets which is high risk, irresponsible and dangerous and does little to reduce emissions. It should clearly reject failed financing mechanisms of the past, such as the highly climate polluting World Bank.

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Christian Aid

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and Northern Ireland (FOE EWNl)

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Pan African Climate Justice Alliance
(PACJA)

Third World Network (TWN)