

BRIDGES SPECIAL EDITION

Negotiation updates from a trade and sustainable development perspective

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BRIDGES DOHA UPDATE #3

Moderate Progress Achieved in Doha as UN Climate Talks Shift into New Phase

Negotiations went into overtime at year-end UN climate talks last week, as countries grappled with the details of closing one familiar set of negotiating tracks and operationalising a new track aimed at securing a new global climate deal by 2015. Many climate observers vocalised their concerns that delegates attending the UNFCCC's eighteenth Conference of the Parties (COP 18) lacked the sense of "urgency" needed to achieve meaningful progress.

In the end, however, parties managed to accomplish much of what they set out to do in Doha. As planned, discussions in the ad hoc working groups on Long-term Cooperative Action (LCA) and Kyoto Protocol (KP) came to a close and a second – though much less ambitious – phase of the Kyoto Protocol was agreed to.

Countries also established a rough timeline for how they intend to work on striking a new global climate treaty under the Durban Platform (ADP) negotiations and set up plans to address future "loss and damage" in developing countries that may arise as a result of climate change – ranging from a rise in sea levels to severe weather events.

Deflated Kyoto given second period

Negotiations to ensure there was no gap between the first and second commitments periods of the 1997 Kyoto Protocol began in 2005. This working group saw remarkable ebbs and flows over the past seven years as many developed countries began to reconsider their support for the Protocol, often citing the lack of binding commitments for emerging countries as an unacceptable oversight.

The first commitment period of Kyoto included binding emissions reduction targets of five percent below 1990 levels for 37 industrialised countries and the EU member states. With the loss of support from several key countries – including Canada, Japan, New Zealand, and Russia – the number of industrialised countries signing onto another round has dropped to EU member states and seven others: Australia, Belarus, Kazakhstan, Monaco, Norway, Switzerland, and Ukraine. Experts say this group accounts for less than 15 percent of global greenhouse gas emissions.

The second phase of Kyoto will cover the gap years 2013-2020, when a new global treaty is expected to take its place. But critics say the agreement will not prevent the planet from warming more than two degrees Celsius above pre-industrial levels, the agreed ceiling for avoiding some of the most catastrophic effects of climate change.

In order to address the lack of binding commitments from the world's top emitters, countries in Doha agreed that one of the two work streams established under the Durban Platform would focus on ramping up ambition before the 2020 pact takes effect.

End of one process, beginning of another

ADP discussions in Doha took a back seat to the more contentious issues being discussed at the meet, specifically the Kyoto Protocol and the closure of discussions under the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA). While parties at COP 17 in Durban last year agreed to close LCA discussions in Doha in order to allow Durban Platform negotiations to move forward on clinching a deal by 2015, it was not clear what would happen to unresolved LCA issues. This led to heated discussion, at times, with some observers questioning whether efforts to finish the LCA would indeed be successful.

Ultimately, intense negotiation and trade-offs allowed negotiators to bring the talks to a close as scheduled. Issues that proved particularly difficult to resolve include financing, the aforementioned issue of "loss and damage," and "unilateral measures." The latter refers to unilateral measures taken by a country to mitigate climate change, such as the EU's controversial inclusion of aviation into its emissions trading scheme at the beginning of 2012.

Rather than abandoning the unilateral measures issue, it was forwarded to the "Forum on the Impact of the Implementation of Response Measures," which was established in at COP 17 to discuss the possible consequences of actions taken by developed country parties to reduce their greenhouse gas emissions. These actions can often have trade implications, but prior to Doha it was unclear whether the scope of the forum would include trade. Some delegates have interpreted the inclusion of unilateral measures as a green light for discussing trade issues in the forum.

With the two major issues of Kyoto and LCA now resolved, countries will have room to focus more directly on moving the ADP discussions forward. In order to achieve this, parties established a rough timetable for cementing a 2020 pact by 2015, but were unable to agree to any further details for moving the discussions forward.

In 2013, parties will meet in Bonn, Germany from 29 April to 2 May, with another possible meeting in September. A minimum of two sessions will also be held in both 2014 and 2015. ADP negotiations will take place under two work streams, with one looking at tackling climate change post-2020 and another looking at ramping up ambition over the next eight years.

UN Secretary General Ban Ki-moon in Doha announced his intention to convene a meeting of world leaders in 2014, to help keep the world's attention focussed on climate change at a crucial time.

Loss and damage complicates financing

Financing, which has been one of the more difficult issues to resolve in recent years, made little progress in Doha. At the troubled 2009 climate meet in Copenhagen, developed countries agreed to provide US\$10 billion per year in "fast start" financing for the period of 2010-2012 to help developing countries begin adapting to a changing climate. They also agreed to a separate goal of providing US\$100 billion in 2020, leaving a void for the period from 2013-2019. With many developed countries facing austerity measures at home, most have been hesitant to agree to further financial commitments. The agreed text emerging from Doha – dubbed the "Doha Climate Gateway" – merely "encourages" developed countries to provide financing at the same level or greater than their fast start financing commitments from 2013 to 2015.

The Doha package includes language aimed at establishing a possible mechanism for addressing loss or damage resulting from climate change – including "extreme weather events" and "slow onset events" – in countries that are particularly vulnerable to the adverse effects of climate change.

The issue has been somewhat controversial, with the United States reportedly adamant that any financial commitments established under the deal would not be in addition to US\$100 billion already promised for 2020. The Australian newspaper reports that US climate envoy Todd Stern vowed to scupper the provision, but proved unsuccessful.

Developing countries welcomed the text as a positive move in the right direction. However, some critics say the language could lead to an unwieldy surge of long-term financing claims for natural disasters that occur in the developing world.

Trade issues also factored into some discussions on financing, with the issue of whether the international shipping and aviation sectors could be used as a means to generate funds to combat climate change. Japan and China said they were against a proposal seeking to establish an expert group – comprised of the UNFCCC Secretariat, International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) – to examine the issue. Saudi Arabia further noted that such an international tax scheme on shipping or aviation would negatively impact developing countries and would be a violation of WTO member country obligations to the global trade arbiter.

New negotiating landscape

In his closing remarks in Doha, COP 18 president Abdullah bin Hamad Al-Attiyah told delegates that the meeting “has opened up a new gateway to bigger ambition and to greater action.” That said, the president also acknowledged that the package falls short of what could have been achieved.

In the short time since the close of the meeting, several of the 9,000 COP participants – from government officials to NGO representatives to the media – say they feel disheartened by the lack of ambition and progress in Doha.

Some observers have been critical of host country Qatar – the first Middle Eastern country to hold a UNFCCC COP – saying that more should have been done to push countries to achieve greater results over the two-week conference. Others, however, say that the missing sense of urgency compared to previous COPs lies in the fact that the focus was placed on tying up loose ends and transitioning to a new set of negotiations.

Moving forward, several changes lie in store, not only in structure of the negotiations, but in the structure of the alliances. The past year has seen cracks develop in the traditional developed / developing country “firewall,” with some poorer developing countries – particularly low-lying island states – acknowledging that they have less in common with emerging developing countries, such as India and China.

A new negotiating group – comprising Chile, Colombia, Peru, Costa Rica, Guatemala, Panama, and Peru – emerged this year and spoke formally for the first time in Doha. The group, known as the Association of Independent Latin American and Caribbean States (AILAC), say they are committed to supporting the UNFCCC as the “most effective way to achieve the objective of a below-2 degree world.”

Another developing country group, known as the “like minded group,” say they are committed to upholding the UNFCCC’s principle of common but differentiated responsibility (CBDR), equity, and developed countries’ collective responsibility for climate change. With several developed countries adamant that any new climate pact include binding emissions reduction targets for all countries, including advanced developing countries, the issue will surely be worth following closely.

ICTSD Reporting; “Summary of the Doha Climate Change Conference: 26 November – 8 December 2012,” EARTH NEGOTIATIONS BULLETIN, 11 December 2012; “Doha climate talks throw lifeline to Kyoto Protocol,” REUTERS, 10 December 2012; “Despair after climate conference, but UN still offers hope,” REUTERS, 9 December 2012; “Doha sets up \$3bn hit for taxpayers as climate deal fails to deliver on emissions targets,” THE AUSTRALIAN, 10 December 2012..

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