

## Editorial

Dear Readers,

*The outcome of the Climate Conference in Copenhagen left many people disappointed: the agreement on and the substance of the Copenhagen Accord have not served to provide clarity and planning security for the carbon markets.*

*Since the conference, many countries have registered their climate change efforts with the UN Climate Secretariat. That all key emerging economies are among them is one of the most useful things to come out of the Copenhagen summit. It is, however, too early to use the many and varied submissions to draw any conclusions as to a global effort. For this reason, the analysis provided in the article on page 8 looks primarily at the different types of action reported.*

*Also in this issue, we present the key outcomes of the climate summit in general and in relation to CDM/JI. To round off the newsletter, we provide a brief overview of the implications concerning demand for CDM/JI certificates generated under the EU Emissions Trading Scheme (ETS).*

*I wish you an interesting and informative read.*

*Christof Arens*

## Contents

- ▶ CDM: Minor Reform and Uncertain Future  
Climate summit fails to bring clarity on future of flexible mechanisms and instead agrees mini CDM reform
- ▶ No KyotoPlus Agreement  
Little Progress at Copenhagen Summit
- ▶ Copenhagen Retains Status Quo for EU
- ▶ Global Climate Change Agreement Essential

## JIKO Report

### CDM: Minor Reform and Uncertain Future

#### Climate summit fails to bring clarity on future of flexible mechanisms and instead agrees mini CDM reform

**The climate change conference held in Copenhagen at the end of 2009 did not generate the hoped-for agreement on international climate policy beyond 2012. Rather, it produced only a minimum consensus which the Plenary merely "took note of" (see article below). The work performed by the two ad hoc working groups on the Kyoto Protocol and the Climate Change Convention will continue in 2010. The situation is open regarding the future structure of the flexible mechanisms. For the period up to 2012, the Conference of the Parties was only able to agree on a moderate reform of the existing CDM rules.**

In the course of 2009, numerous proposals were discussed on the further development of the CDM in the post-2012 regime. These ranged from positive/negative lists for certain project types, discounting of CERs to limit the problem of additionality, and standardised baselines or the setting of benchmarks for each project type.

*Continued on page 2*

## JIKO Report

### No KyotoPlus Agreement

#### Little Progress at Copenhagen Summit

**According to the Bali Action Plan, an agreement on the future of the climate regime should have been reached in Copenhagen. But the nearer the summit got, the clearer it became that considerable differences of opinion existed between the negotiating parties and that the Copenhagen conference would only bring an interim solution at best. The dramatic scenes in the last few days of the summit, when it seemed doomed to complete failure, left many people surprised nonetheless. JIKO Info analyses the conference outcomes and potential next steps.**

As at every conference since climate change diplomacy began, the main lines of conflict have involved who should contribute how much of the effort needed to protect the climate. The countries in the South continue to argue that historically speaking, the industrialised countries have produced by far the most emissions and should thus continue to play a leading role in combating climate change. The industrialised nations counter by pointing to rapidly rising emissions, not least in the bigger emerging economies, which immediately negate all climate change activities in industrialised countries. They thus call for the emerging economies to commit to binding measures and targets.

*Continued on page 5*

## JIKO Report

CDM: Minor Reform  
and Uncertain Future  
Continued from p. 1

### Plenary Discussion

Photo: © Ministry of Foreign  
Affairs of Denmark



Nonetheless, the subsequent negotiations in Copenhagen more or less stalemated. All key topics were either struck or deferred, with the development of standardised baselines the only far-reaching reform option to remain in the negotiation text. How these baselines might be structured was left unaddressed, however. Signatory states and observer organisations have until the end of March to submit their proposals, which will then be discussed at SBSTA 32 in June.

### Download AWG LCA

final text:

<http://unfccc.int/resource/docs/2009/awglca8/eng/17.pdf>

The possibility of approving CCS as a CDM project activity and consideration of forests in exhaustion will also be revisited at the SBSTA sessions.

### Post 2012 Decisions Deferred

The debate on potential new market mechanisms also saw little progress. Hence, there are hardly any new findings on the much-discussed sectoral mechanisms or the extent to which developing countries' Nationally Appropriate Mitigation Actions (NAMAS) can be integrated into the carbon market. The final text of the Working Group on Long-Term Cooperative Action Under the Convention (AWG LCA) remains extremely vague in respect of the flexible mechanisms: Also, the Copenhagen Accord only contains a brief reference to the opportunities to be had from market-based instruments.

### No Fundamental CDM Reform

The following reforms were agreed for the CDM:

#### *Procedural Improvements/Governance*

The Conference of the Parties agreed, among other things, to introduce an appeals procedure concerning decisions made by DOEs and the Executive Board. In relation to the EB, project rejections can be questioned, but not decisions on project registrations. Those entitled to submit an appeal are 'directly involved stakeholders, specified in a conservative manner'. Who this refers to exactly remains unclear and must now be defined in more detail by the EB.

In addition, the EB must be more stringent in its instructions to and monitoring of DOEs. The CMP has therefore requested the Executive Board to intensify its monitoring of DOE performance and to make its findings public. The Climate Secretariat is to support auditor training. And in future, the Secretariat will conduct a technical evaluation of project proposals with the aim of reducing the EB's workload. In turn, project developers and DOEs will find it easier to respond to deficits highlighted in EB reviews.

Furthermore, the agreed and approved code of conduct for EB members is to be expanded: biographies of and statements by EB members

## JIKO Report



US Secretary of State  
Hillary Clinton talks to  
Lars Løkke Rasmussen,  
Prime Minister of Denmark

Photo: © Claus Bjørn Larsen/  
POLFOTO

on potential conflicts of interest must now be published on the UNFCCC website. A clear definition of what constitutes a conflict of interest has still to be provided, however. A further step towards professionalisation of the EB comes in the form of the CDP requirement to develop quality standards for future EB members.

### *Baselines/Monitoring*

With regard to the methodologies and to additionality, the Conference of the Parties instructed the EB to develop a simplified Additionality Test for renewable energy projects below 5 MW and for energy efficiency projects with annual energy savings below 20 GWh. The EB may also give priority to methodologies which are suitable for under-represented sectors or regions. The EB must also draw up clear parameters for investment analysis and barrier analysis of projects conducted as the first of their kind. The same applies for the *Common Practice Test*.

National policies which promote clean technologies must be recognised by the EB as long as they do not provide incentives which might be detrimental to climate change efforts. The reason behind this decision was the rejection of numerous Chinese wind energy projects at the end of 2009. The EB had argued that the

reduced feed-in tariffs had a negative impact on the projects' additionality.

### *Geographical Distribution of Project Activities*

Countries with fewer than 10 registered projects are to be promoted in particular. Firstly, loans will be provided for upfront financing of PDD development, validation and initial certification. Also, the registration fees will only be due following the first issuance of CERs. Secondly, the EB may take the initiative to develop methodologies which are suitable for such countries; the EB must no longer wait for methodology proposals from specific projects.

## **Jl: Gradual Expansion**

The debate on Joint Implementation largely focused on whether the share of proceeds should be expanded to Jl. This relates to the share of two percent on all issued CERs generated from CDM projects, which flow into climate change adaptation measures in developing countries. The developing countries called for this payment to be expanded to cover ERUs from Jl projects. The proposal could not, however, be implemented due to objections from the industrialised countries and especially Russia.

## JIKO Report



**Brazil's President**

**Lula da Silva**

Photo: © Ministry of Foreign  
Affairs of Denmark

The exact wording of the CDM decision is available for download at:  
[http://unfccc.int/files/meetings/cop\\_15/application/pdf/cmp5\\_cdm\\_auv.pdf](http://unfccc.int/files/meetings/cop_15/application/pdf/cmp5_cdm_auv.pdf)

The CMP-approved *guidance on JI* is very general. The Conference of the Parties instructed the Joint *Implementation Supervisory Committee* (JISC) to intensify its relations with approval authorities, auditors and project developers, clarify the detail involved in project reviews conducted by certifiers and report on verification of JI projects at the next CMP.

### Conclusion

The lack of a post-2012 agreement hails an uncertain future for the CDM and not least for JI. The carbon markets urgently need a clear set of signals regarding the continuation of the flexible mechanisms: a drop in the number of projects being developed can already be observed. 2010 will thus be the year of decision for the Kyoto Protocol's flexible mechanisms – see also the subsequent article, *Global Climate Change Agreement Essential*.

While the reform of the existing CDM is a step in the right direction, it is however too moderate. A positive development is seen in the possibility of allowing the EB to develop methodologies in a top-down approach. This should

be taken further. Ideally, it would be combined with further professionalisation which would also take in EB members being officially appointed to permanent positions. The work on standardised *baselines* is also the right way to go, but it is fraught with open issues, particularly as regards country and location-specific differences.

According to observers, support for countries with fewer than 10 registered projects is too broad because most of the difficulty is experienced with the first three projects during the initial phase. Also, emphasis on promoting projects in least developed countries (LDCs) was struck out of the decision, yet it is precisely these countries that need the greatest support in the fight against climate change.

**CHA**

## JIKO Report

*Little Progress at  
Copenhagen Summit  
Continued from p. 1*

### Download

Copenhagen Accord:

[http://unfccc.int/files/meetings/cop\\_15/application/pdf/cop15\\_cph\\_auv.pdf](http://unfccc.int/files/meetings/cop_15/application/pdf/cop15_cph_auv.pdf)

Apart from the specific targets and measures, this conflict also takes in the legal form of the future climate regime. The developing countries are relying on the Kyoto Protocol being continued as a vital prerequisite for the signing of an agreement. They believe that the two current negotiation paths – the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG KP) and the Ad Hoc Working Group on Long-Term Cooperative Action Under the Convention (AWG LCA) – should also lead to two results: new targets for industrialised countries in the Kyoto Protocol and a new agreement under the Convention. Such a new agreement should contain targets for the US, action by developing countries, climate change adaptation measures, and financial and technological cooperation.

By way of contrast, the industrialised countries to differing degrees speak in favour of creating a new, universal agreement which covers all countries. For example, Australia has cautiously formulated its preference for a universal agreement, but says it could also live with a two-pronged result. In contradiction to this, Japan and Russia, among others, have stated that a continuation of the Kyoto Protocol is completely out of the question. The EU has taken the stance that a universal agreement should be reached which contains the core components of the Kyoto Protocol. In particular, these would be the system for binding targets for industrialised countries together with the flexible mechanisms. In contrast, the US says it would prefer to see a fundamental move away from Kyoto. In Copenhagen, the US said there was a need for a 'very different structure' from the Kyoto Protocol. It should take a bottom-up approach based on measures which are implemented at national level.

In addition to these and other fundamental issues, opinions in Copenhagen varied considerably in respect of many detailed issues. When the high level segment began with the ministers and subsequently the 119 heads of state and government in the middle of the second week, the negotiation texts were still full of brackets and there were fears that the conference would fail altogether.

## Minimum Consensus: The Copenhagen Accord

Finally, a minimal consensus was found with the Copenhagen Accord (CA). This was negotiated outside the formal UNFCCC negotiations by 29 states, most of which were represented by their heads of state and government. The minimal consensus covers both the content and the legal status. The CA is in no way legally binding, it is merely a policy statement. Also, the Conference of the Parties was unable to agree on formal adoption of the CA and instead only formally "took note".

With regard to its content, the CA refers to the 2°C target, but not to medium-term or long-term reduction targets. As the CA was not adopted, all states that wanted to see its adoption were asked to report to the Climate Secretariat by 31 January stating that they wished to associate themselves with the Accord. Further, the industrialised countries had until 31 January to inscribe their 2020 emissions targets into Appendix I to the CA, while the developing countries also had until the same date to inscribe nationally appropriate mitigation actions in Appendix II to the CA. In the meantime, however, the Climate Secretariat has announced that 31 January was not a hard and fast deadline, but merely a cut-off date for the official conference report. Later submissions are possible.

Some 55 states responded to the call by 31 January. While these include most of the key states, some bigger countries like Argentina and Mexico have not signed up. Most of the submissions do not differ from proposals the states made in Copenhagen. However, some countries like Canada have proposed slightly less-ambitious targets than those previously announced.

One particularly difficult issue during the negotiations was the extent to which developing countries should subject their actions to international monitoring and control. They had only wanted to agree to international verification of actions which would be backed both financially and technologically by the industrialised states, and not to international verification of

### List of proposed targets and action:

<http://unfccc.int/home/items/5262.php>

## JIKO Analysis

actions they would implement using domestic resources, which they saw as an affront to their national sovereignty. In response, the industrialised nations demanded international monitoring and control of all activities. The CA contains a compromise wording: 'provisions for international consultations and analysis under clearly defined guidelines that will ensure that national sovereignty is respected.'

Along with the emissions targets and reduction activities, the CA contains pledges by the industrialised nations to provide 'fast start' financing in the amount of USD 30 billion for the period 2010 to 2012. The industrialised countries also recognise the 2020 target of jointly mobilising USD 100 billion from various sources (public and private, bilateral and multilateral, including alternative sources). The CA also provides for the creation of a 'high level panel' to analyse the potential offered by specific funding sources.

In addition, the CA establishes the Copenhagen Green Climate Fund and a Technology Mechanism. It does not, however, contain any details of how these might be implemented.

### After the Summit

While officially, the Copenhagen summit brought only minimal results, the process has taken on a clearly positive momentum. The need to prepare for the Copenhagen summit considerably speeded up and further specified the national debates in all key nations. In the course of the past two years, and especially in 2009, one country after another produced a draft national climate change strategy – in some cases already highly detailed. This would not have occurred if Copenhagen had not been there as a target to aim for.

The participation at the summit of over 100 heads of state and government underlined the fact that climate change has finally moved from a niche issue to a top-level priority. It also sends out the message that emission restrictions are not a temporary phenomenon and will remain with us into the future.

The question still to be answered, however, is what form they might take. Aside from its vague legal status, it was not clear what role the CA would play in further development of the climate regime. Some observers believed it merely represented a snap-shot of the current status in climate negotiations and as such served as input for subsequent negotiations within the AWGs. Others said that the CA effected a fundamental 'reset'. The CA will now provide the necessary framework within which to enhance the climate regime, and will no doubt be further developed outside the FCCC process, demoting the latter to an endorsing role. In the meantime, at a ministerial meeting held at the end of January, the four big emerging economies of Brazil, South Africa, India and China (BASIC nations) took the very clear position that the CA should merely serve as input for the AWG negotiations. Hence, some key states like China and India only submitted their planned activities by 31 January and did not explicitly associate themselves with the CA.

What also remains unclear is how negotiations should continue in 2010. According to the decisions adopted in Copenhagen, the regular meetings in May/June in Bonn and in November/December in Mexico should still take place. There are, however, considerable doubts as to whether this will be enough to cope with the tasks that lie ahead. The UNFCCC has therefore now scheduled a meeting for 9-11 April to discuss the negotiation schedule.

**WSt**

## JIKO Report

# Copenhagen Retains Status Quo for EU

**At the Copenhagen summit and in its reports on the Copenhagen Accord, the EU has upheld its prior position:**

- Firstly, a unilateral commitment to cut emissions by 20 percent by 2020 compared with 1990 levels.
- Secondly, the willingness to increase this target to 30 percent if an international climate change agreement is signed which contains similar commitments by other industrialised nations and provides for significant efforts by developing countries to reduce their greenhouse gas emissions.

To implement the 20 percent target, the EU adopted an integrated climate and energy package in December 2008 which entered into force in mid-2009. The provisions relating to the 20 percent target are thus legally binding and are implemented irrespective of the outcome of international climate negotiations. The need for review only arises if, in the course of international negotiations, the EU agrees to a target which is greater than 20 percent.

The main provisions affecting further use of the flexible mechanisms consist of the revised Emissions Trading Directive and the Effort Sharing Decision. With these two pieces of legislation, emissions in the EU are separated into an ETS portion and a non-ETS portion.

The **ETS sectors** must achieve the major share of the **20 percent target**. Emissions in these sectors must be reduced by 21 percent by 2020 compared with 2005 levels. Use of the CDM and JI is subject to maximum thresholds set out in the revised ETS Directive. These are based on whether operators have already participated in the current trading period or are new ETS participants. For the EU ETS as a whole, the overall quantity of emission reductions achieved using the CDM/JI may not exceed 50 percent of the total reductions required.

In addition to these quantitative restrictions, the climate and energy package will allow the development of implementation provisions to limit the use of certificates from specific project types, for example the much-criticised projects to reduce HFCs. The exact provisions still need to be negotiated, however.

Alongside the revision of the ETS, the Effort Sharing Decision reached as part of the climate and energy package is also significant with regard to use of the CDM and JI. With this decision, implementation of the **20 percent reduction target is regulated in those sectors not covered by the EU ETS**. By 2020, these sectors must have achieved reductions of 10 percent below 2005 levels. These reductions are distributed across the various member states, taking account of relative national wealth.

Each member state may use the CDM and JI in an amount equal to three percent of its 2005 emissions. Special provisions are in place for some states, allowing them to increase their share to four percent per year. Overall, member states may meet two-thirds of their reduction targets for non-ETS sectors using CDM/JI projects.

If the international negotiations lead to the **signing of a new climate change agreement** in which the EU agrees to a target in excess of 20 percent, the partial targets for the ETS and non-ETS sectors must be tightened accordingly. In doing so, the allowable quantity of CERs and ERUs would be increased both for the ETS sectors and for non-ETS sectors by an amount equal to half of the additionally required reductions. This adjustment will not occur automatically, however, but will require a renewed revision of the Emissions Trading Directive and a new version of the Effort Sharing Decision.

### Additional information:

EU Commission website: Text and overview of the revised Emissions Trading Directive

[http://ec.europa.eu/environment/climat/emission/ets\\_post2012\\_en.htm](http://ec.europa.eu/environment/climat/emission/ets_post2012_en.htm)

EU Commission website: Text and overview of the Effort Sharing Decision

[http://ec.europa.eu/environment/climat/effort\\_sharing/index.htm](http://ec.europa.eu/environment/climat/effort_sharing/index.htm)

## JIKO Analysis



A view of the dais during the high level ceremony

PHoto: © Ministry of Foreign Affairs of Denmark

## Global Climate Change Agreement Essential

**Although some time has passed since the events in Copenhagen, it is difficult to stamp the outcome of the conference as a milestone on the road to a global climate agreement and to simply go over to business as usual in climate change negotiations. The overwhelming consensus, to at least adopt the Copenhagen Accord (CA) as a minimum consensus, suffered only symbolic failure in its rejection by less-prominent states like Bolivia, Sudan, Tuvalu and Venezuela. However, the differences between the traditional industrialised states, the large emerging economies, the developing countries and the least-developed countries (LDCs) are so severe that many people doubt that a new climate change agreement and an associated negotiation format will evolve in the shorter term. The climate conference to be held in Bonn this coming spring, which Chancellor Angela Merkel announced in Copenhagen, offers a great opportunity to overcome the obstacles that hinder the negotiation process.**

The Copenhagen Accord (CA) is in itself ambivalent. On the one hand, it shows the way by

addressing a number of issues such as financing, support for Nationally Appropriate Mitigation Actions (NAMAs), technology cooperation and the 'fast start' for approved activities in the period 2010-2012. Yet on the other, issues like a legal basis for an international climate agreement, a global framework and the structure of the carbon market go largely untouched. One great failing is that the CA is not legally binding, either in respect of industrialised nations' commitments, or of developing countries' efforts – not to mention any provision for operationalising the agreed targets and actions. That COP15 only recognised the CA can actually be of benefit if the 'follow-up' – the process of adding substance to the issues and commitments – concentrates solely on continuing negotiations within the Ad hoc Working Group on Long-term Cooperative Action (AWG LCA) and the Ad hoc Working Group on the Kyoto Protocol (AWG KP).

In preparation for the climate conference in Mexico at the end of 2010, the deciding factor will be whether the international community can be won over to the goal of agreeing legally binding decisions on the basis of the findings of both AWGs. For the carbon market, the target is to agree on a binding arrangement for the seamless transition into a second commitment period. The information that many industrialised and developing countries submitted

## JIKO Analysis

**The German Chancellor  
Angela Merkel addresses  
the delegates**

Photo: © Ministry of Foreign  
Affairs of Denmark



by the 31 January deadline regarding their climate change actions and planned emissions targets in the Appendices to the CA constitutes its, the CA's, political recognition by large emitter states and their willingness to comply with it. Material progress would not be expected at this stage in the negotiations. In consequence, it was foreseeable that the submissions would not provide a sufficient basis on which to define a second commitment period. Too many explicitly cited auxiliary conditions for the states' agreement to the proposed targets and activities hinder any reliable assessment of the global reduction effort. However, the auxiliary conditions make it very clear in what circumstances and to what extent the states can and will commit themselves. In contrast to Copenhagen, the task now at hand is not to bet on the highest possible stakes, but to perceive politics as the art of making things happen.

The contracting parties will have to rethink their negotiating positions and their negotiating tactics. Age-old negotiation logic must be replaced by greater openness and a willingness to enter into dialogue. This is especially the case when it comes to reaching an agreement in the final minutes of a conference: when the clock is about to strike midnight in Cancun on 10/11 December 2010, neither heroine nor hero will have the power to summon

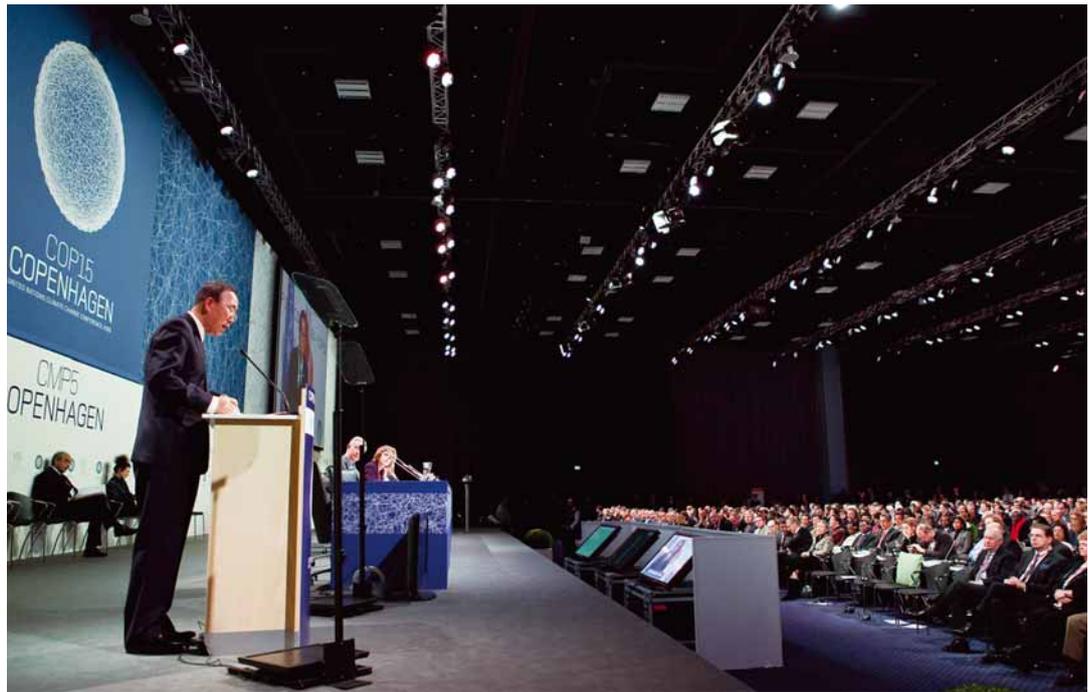
an agreement if the months leading up to the conference were fraught with reluctance and lack of compromise. This applies both to meetings held under the auspices of the UN and to the many bilateral talks where the international climate regime graces the agenda. The climate conference in Bonn offers an opportunity outside the routine negotiating process to bring new ideas to the UNFCCC negotiation table.

### **Multipolarity Acknowledged**

Multipolarity, a word invoked frequently following the demise of the bipolar system of extremes between East and West, has since become reality in the global balance of power: no clearly defined blocs and not a state in sight that is able to assume a global leadership role. While this could perhaps be seen as an opportunity, the current situation is marred by uncertainty as to which structural or rather which cooperational principles to pursue in the multipolar constellation.

What is needed is a thorough analysis of the altered global power structures and policy requirements, and an assessment as to which barriers can be overcome between now and the climate conference in Mexico. The climate conference in Bonn can serve not only to highlight these barriers, but as a forum in which to

## JIKO Analysis



UN Secretary-General  
Ban Ki Moon during his  
speech

Foto: © Ministry of Foreign  
Affairs of Denmark

join forces and adopt new ways of restoring the capacity to agree policies and take action within the framework provided by the UN.

The analysis must, however, be based on clearly envisioned targets. In light of the Copenhagen conference, it is paramount that a minimum consensus be defined which ensures the continuation of a legally binding climate change agreement. Apart from the necessarily tight management of the negotiations within the AWGs, the issue of follow-on rules for the first commitment period under the Kyoto Protocol is an integral component of the climate change negotiations and is one of the core tasks at hand. In both AWGs, results are needed which at least enable a decision on principle on the second commitment period. This decision is essential to the future existence of the carbon market – it would be irresponsible to allow the carbon market to disintegrate if, as mentioned in the Copenhagen Accord, it is meant to provide a considerable share of the financing volume which the industrialised nations are to make available to developing countries.

### Different perceptions

The differing perceptions of the Copenhagen conference and of the Copenhagen Accord by the participating parties is therefore remark-

able. While the EU expressed dissatisfaction, the US response was quite the opposite: it was satisfied with the CA because it had achieved what it needed to go ahead with its own national climate policy. Because the decision on national legislation is deemed to be largely dependent on participation by the emerging economies, especially China, US acceptance of the CA and reporting of national climate change activities listed in its Appendix II constitutes real progress. However, looked at from a different angle, recognition of a multipolar world order by the US (particularly in the statements made by the head of the US delegation) relative to climate policy is also seen by the US as a justification for the US setting its own emission reduction targets in relation to the emission reduction contributions made by the industrialised emerging economies. For the EU, and also for other Annex I states, this is certainly not in line with the minimum reductions agreed under the Kyoto Protocol.

Whether this will work in favour of US climate policy is difficult to foresee given the political majorities that prevail there. If President Obama succeeds in pushing through the Clean Energy Act and if the US agrees to a binding target of cutting its emissions by 17 percent by 2020, then, for all other groups of states, the question arises as to whether the contribution made by the US can be seen as sufficient

## JIKO Analysis



The Bella Centre,  
venue of the conference  
Photo: Vagn Guldbrandsen,  
© Bella Centre A/S

to enable negotiations on the second commitment period to produce a decision. The issue here is whether or not notions of increasing US reduction contributions to 20 percent on the condition that other states achieve sufficiently high emission reductions are feasible – but at least they should be explored further.

### Conditions for engaging the US

What must not be entirely overlooked, however, are the conditions under which the US would be able to ratify a climate change agreement. Hence, those aiming to achieve a global climate agreement should refrain from drawing conclusions in relation to internal barriers in place in the US, which affect not just climate policy but all policy areas that call for multilateral action, as this would make the rest of the world dependent on domestic policy structures in the US which cannot be directly influenced. It is thus necessary to avoid creating secondary barriers to progress by making allowance for the behaviour of the US Senate. This represents a key strategic challenge for the EU: if it wants to regain its leadership capability, it should use its own approach to

neutralise the threat of such secondary barriers arising from the US's limited capacity to cooperate. In the final analysis, global climate change effort is reliant on actual emission reductions. Given the statements in the respective national climate change strategies submitted by the states listed in the Appendices to the Copenhagen Accord, in the lead up to COP16 any waiver of the auxiliary conditions contained in these strategies would be a great achievement.

Multipolarity also has its down side, however: If new groups of states are formed, as in the case of the BASIC group (Brazil, China, India and South Africa) formed in relation to climate change policy – these are in many respects already industrialised countries – then such groups must also recognise multilaterality. The Annex I states are not a monolithic bloc of industrialised states: Ukraine and Russia are still transition countries whose per capita income lies significantly below that of many emerging economies. Japan, given its eco-geographic location, is even more dependent on cooperation with the emerging economies in its immediate region than the US and the EU. The US is only just starting to adopt serious

## JIKO Analysis

Analysis of the entries in the Copenhagen Accord's Appendices

Copenhagen Accord Follow-up: Climate Change Targets of the Various States / Entries in the Appendices	
Appendix I	
Absolute Reduction Targets for 2020	39 States
Non-conditioned Targets	Australia 5% (2000) EU 20% (1990) Canada 17% (2005) Kazakhstan 15% (1992) Liechtenstein 20% (1990) Monaco 30% (1990 und CO <sub>2</sub> -neutral/2050) Norway 30% (1990)
Conditioned Targets (including agreement of an ambitious climate change agreement)	Australia 15–25% (2000) EU 30% (1990) Japan 25% (1990) Iceland 30% (1990: together with EU) Liechtenstein 30% (1990) New Zealand 10–20% (1990) Norway 40% (1990) Russia 15–25% (1990)
Domestic Obstacles	USA 17% (2005) medium term: 30% (2025) 42% (2030) 83% (2050)
Transitional Problems	Belarus 5–10% (1990: participation in KP and potential use of the Kyoto mechanisms) Croatia 5% (1990: target change on EU accession)
Appendix II	
Nationally Appropriate Mitigation Actions (NAMA)	27 States
CO <sub>2</sub> neutral	Costa Rica (2021) Maldives (2020) Papua New Guinea (2050)
Intensity targets (to GDP)	China 40–45% (2020 to 2005; plus: sink targets) India 20–25% (2020 to 2005)
Emission reduction „Business as usual“	Brazil 36,1–38,9% (2020; plus: sink targets) Mexico 30% (2020) South Afrika 34% (2020 and 42%/2025) Indonesia 26% (2020) Israel 20% (2020) Korea 30% (2020) Marshall Islands 40% (2020 to 2009) Morocco (targets for each measure) Moldavia 25% (2020 to 1990) Papua New G. 50% (2030) Singapore 16% (2020)
Measures	Armenia; Ethiopia; Botswana; Georgia; Jordan; Congo, Madagascar; Macedonia; Mongolia; Sierra Leone

measures to mitigate climate change and cannot make up over night the time lost by previous administrations. Thus, the developing countries' stance, that the industrialised states should first reduce their greenhouse gas emissions due both to their historical emissions since the start of industrialisation and to their disproportionately high per capita emissions today, comes up against a range of conditions and climate policy responses from the traditional industrialised nations.

For the EU, this poses the problem that it cannot allow itself to be held in what amounts to some kind of Babylonian captivity by a fictitious community of industrialised states. Multipolarity also means recognising the willingness to contribute and the global climate change efforts of individual groups of states, and judging each of them according to their ability to perform. This follows a principle already contained in the Framework Convention on Climate Change – that of 'common but differentiated responsibilities and respective capabilities'.

If the auxiliary conditions relating to national emission reduction targets are withdrawn and the basic pledges contained in the Copenhagen Accord are further refined and then transposed into binding provisions, then a global climate agreement becomes ever-more tangible. This is, however, reliant on one or other supporting initiatives. As German Environment Minister Norbert Röttgen recently wrote: "One important lesson learned in Copenhagen is that the multilateral negotiation process must be further underpinned with policy initiatives and cooperation projects with like-minded states."

## Imprint

### *Edited by:*

*Wuppertal Institute for Climate,  
Environment and Energy,  
Döppersberg 19, 42103 Wuppertal*

### *Responsible for the contents:*

*Wolfgang Sterk, Energy-, Transport-  
and Climate Policy Research Group,  
Wuppertal Institute for Climate,  
Environment and Energy,  
Tel. +49 202-2492-149*

### *Editorial Staff:*

*Christof Arens (CA, final editing)  
Thomas Forth (TF)  
Frederic Rudolph (FR)  
Wolfgang Sterk (WSt)  
Rie Watanabe (RW)*

### *Translation:*

*Words-Worth, Stocks & Stocks GbR,  
Bonn*

### *Subscription:*

*JIKO Info is distributed in electronic  
form only. Entry into the subscription  
list is free of charge.*

### *Internet Address for subscription:*

*[www.jiko-bmu.de](http://www.jiko-bmu.de)*

### *Layout:*

*VisLab, Wuppertal Institute*

### *JIKO Info*

*covers current developments in the  
policy field project-based mecha-  
nisms in Germany and worldwide. The  
newsletter is published as part of the  
project JIKO at the Wuppertal Institute  
for Climate, Environment and Energy  
(see [www.wupperinst.org/jiko](http://www.wupperinst.org/jiko)). The  
editorial staff works independently  
from the JI-coordination unit at the  
German Ministry of the Environment.*

*JIKO Info is published quarterly and on  
special occasions.*