

# Reflection on the climate negotiations: a Southern perspective

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The post-2012 climate agenda needs to be redefined to account for inequalities in emissions distribution, energy security, food security and poverty reduction. Consumption in developed countries is the main driver for increasing CO<sub>2</sub> emissions. The limited focus on industrial emissions targets shifts attention away from the need to change consumerism, behaviour and expectations. Paradoxically, although developed countries contribute a substantial share of emissions, those worst affected by climate change will be developing countries with the least amount of adaptive capacity. A focus on industry emissions further reduces developing countries' potential for economic growth and infrastructure development to deal with adverse impacts. The allocation of emission rights need to be based on a more appropriate model of human rights. A more constructive way forward in the current climate negotiations is a focus on transformation of the global economy and human activity in ways that ensure patterns of resource use are common for all countries.

*Keywords:* consumerism; contraction and convergence; developing countries; international equity; North–South; policy design; post-2012 negotiations; poverty alleviation

*L'agenda climatique à l'horizon post-2012 doit être redéfini pour rendre compte des inégalités en termes de distribution des émissions, de sécurité énergétique, sécurité alimentaire et réduction de la pauvreté. La consommation dans les pays en développement est le facteur principal de l'augmentation des émissions de CO<sub>2</sub>. Le centrage limité sur les émissions industrielles détourne l'attention de la nécessité de changer le consumérisme, les comportements et les attentes. Paradoxalement, bien que les pays développés contribuent une part considérable des émissions, les plus affectés par le changement climatique seront les pays en développement ayant le moins de capacité adaptive. Un centrage sur les émissions industrielles réduit d'autant plus le potentiel des pays en développement à la croissance économique et au développement de l'infrastructure pour la gestion des effets néfastes. L'allocation des droits d'émissions doit être basée sur un modèle plus approprié des droits de l'homme. Une manière de mieux progresser dans les négociations climatique courantes serait de se concentrer sur la transformation de l'économie planétaire et de l'activité humaine en vue d'assurer que les modes de consommation des ressources soient communs à tous les pays.*

*Mots clés:* conception des politiques; consumérisme; contraction et convergence; équité internationale; négociations post-2012; Nord-sud; pays en développement; réduction de la pauvreté

## 1. Introduction

The current round of multilateral negotiations on climate change has concluded in Poznan, with no firm commitments on the part of developed countries. The European Union in their summit, held concurrently in Brussels, agreed to cut their emissions by 20% by 2020, stressing that 'they have now delivered' and it is time for the USA, China and India to follow their example. The USA is also considering a policy

shift, conditional on developing countries taking on commitments to reduce emissions. The recent policy proposal of the European Commission, in fact, stresses that developing countries *also* take on 'a commitment to systematically integrate adaptation into national strategies' (Commission of European Communities, 2009). The implications of such linkages need to be carefully considered.

While considerable progress has been made at the multilateral level in identifying issues of common concern,

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even after over 50 years of discussion, debate and dialogue around the environment, considerably less progress has been made in developing a shared conceptualization of how to deal with these issues in the North–South context of burden sharing and the societal transformation that is required (Bodansky et al., 2007). Although the European Union deal offers Eastern European nations billions of euros, Germany has insisted that industrial sectors be exempt, and polluting units can buy ‘offset’ credits from abroad, to the extent of 80% of their reductions, without specifying how the measures would support effective actions in developing countries.

Just as financial wizards did not understand that their increasingly complex models were getting further away from the real world, climate policy-makers are also being lulled into a sense of complacency by new financial products, such as emissions trading with opt-outs, the project-based Clean Development Mechanism (CDM), and reducing emissions from forests and forest degradation (REDD), which essentially offset emissions. Meanwhile, emissions of greenhouse gases continue to rise in developed countries (according to recent UN data they increased 2.3% in the period 2000–2006), even though all these countries had agreed in the Framework Convention on Climate in 1992 ‘to modify longer term trends’.

The basic assumptions of global environmental sustainability – that developed countries will do whatever needs to be done and that international cooperation will support actions in developing countries – no longer hold true. As we now have a better understanding of the nature of the climate challenge in the context of globalization and scarcity of natural resources, the time has come to focus on the missing element in the current paradigm, and ensure global equity where patterns of resource use will have to be common for all countries.

## 2. The unrecognized issue of adaptation

Most of the published literature and assessments have concluded that developing countries, rather than developed countries, will bear the adverse impacts of climate change, with huge economic costs. Agriculture is the sector that will be most adversely impacted, and a majority of the population in developing countries derive their livelihood from agriculture. The IPCC has concluded that agricultural output in developing countries is expected to decline by 10–20% by 2080 (IPCC, 2007).

The International Food Policy Research Institute (IFPRI) and the UN Food and Agriculture Organization (FAO) point out that while early impacts can be reduced by adaptation,

options for developing countries diminish and associated costs increase with increasing climate change impacts (Cohen et al., 2008). According to a recent paper for the Brookings Institution, Darfur is an example of how climate change could leave global development in the balance, and the question is now being raised as to whether, because of the impacts of climate change, many developing countries will be able to grow anything at all (Mendelsohn, 2008).

As the significant determinant of a country’s adaptive capacity is economic wealth, such unprecedented adverse impacts of climate change will severely constrain development and lock the poor in long-term poverty traps. Meeting this challenge will require major new investments, for example in agricultural research to develop new drought-resistant crop varieties and insurance schemes.

The United Nations Development Programme (UNDP) has estimated the *annual* cost of adapting to climate change to be \$86 billion in 2015 (UNDP, 2008), while the amount pledged to date by developed countries (cumulatively, not per year) is \$313 million (UNFCCC, 2008). However, the European Commission’s policy proposal would like developing countries to take on a voluntary ‘commitment to systematically integrate adaptation into national strategies’, to agree to treat adaptation as a ‘shared responsibility’, and to meet the costs primarily from national budgets. At the same time, the *European Climate Change Programme II: Impacts and Adaptation* focuses on new initiatives – such as technological innovations, the development of drought- and heat-resistant crop varieties, working with insurance companies, research to downscale climate models, and improving information exchange and data collection. These activities are equally applicable to developing countries and should form the basis for new programmes at the global level.

The requirements for adaptation measures will increase over time, and raise the question of who should pay for these activities, and how the funds should be generated and their allocation governed? While developing countries have agreed to a 2% share of the proceeds (or profits made by their companies using the CDM) by means of emissions trading going into the multilateral Adaptation Fund for meeting these costs, the developed countries have refused to accept similar provisions for their companies.

## 3. The need to focus on consumption patterns

As the International Energy Agency points out (IEA, 2007), on the consumer side of developed countries’ economies, changes in technology and lifestyles, combined with higher incomes, have significantly altered energy use patterns since

the Climate Convention was negotiated, with over two-thirds of CO<sub>2</sub> emissions now coming from the service, household and travel sectors. Cars are a major contributor to the growth of emissions of greenhouse gases and, on average, every third person in industrialized countries owns a car, and car ownership is increasing. In developing countries, a massive population shift from rural to urban areas is occurring. Therefore, we have to rethink the present model that focuses on industrial emissions, rather than on the activities of private citizens, as the driver of emissions of carbon dioxide.

The Human Development Report, 2007/2008, *Fighting Climate Change: Human Solidarity in a Divided World*, produced by the United Nations Development Programme, also concludes that 'carbon-intensive growth is symptomatic of a deeper problem ... that the economic model which drives growth, and the profligate consumption in rich countries that goes with it, is unsustainable' (UNDP, 2008). Recent analytical work coordinated by the Worldwatch Institute, leading to the *State of the World* report (Worldwatch Institute, 2009), also emphasizes that the planet cannot be saved by technology alone, and 'the way we live will have to change as well' (Worldwatch Institute, 2009). The current limited focus on so-called industrial emissions targets implies that any global deal will need to reconcile old and new emitters, and shifts attention away from the consumer as the ultimate driver of emissions of greenhouse gases, and lifestyles that need to change to meet the threat of climate change.

Climate change is really a problem of the ecological burden of developed countries' per capita consumption and production patterns. However, global attention is increasingly focused on the growing emissions from China and India. International Energy Agency data shows that, in these two countries, three-quarters of the electricity generated is used by industrial production, and any reduction in emissions will have a direct impact on economic growth. In contrast, developed countries' consumption by households accounts for two-thirds of the electricity generated, and reductions will impact only on (wasteful) lifestyles.

Energy services are often suggested to be related to human well-being. The development of infrastructure, urbanization, manufacturing and services are all essential for economic growth, and for the alleviation of poverty. For example, the per capita generation of electricity in India is one-fifteenth that of the USA. Estimates suggest that, currently, 1.6 billion people worldwide lack access to electricity. Therefore, the rise of China and India should not be seen as a zero-sum game, and the objective of international negotiations on climate change should be to determine how their economic growth can take place in an environmentally sustainable manner.

Despite the scientific evidence, developed countries continue in their efforts to alter the agreed balance of rights and obligations in the climate treaty in order to shift the burden onto developing countries. For example, they are not willing to accept a climate agreement based on equal per capita emissions allocations or historical cumulative emissions, because of the implications for them. Moreover, even those that acknowledge that over the long term there is no real alternative to convergence on roughly equal per capita emissions at very low levels (about 2 tonnes per head), suggest a graduated approach that eliminates the 'simplistic' division between developed and developing countries, as well as a shift to the principle of capacity in place of responsibility. Such a view goes back to 1992, when the USA insisted on introducing capacity into the principles of the climate treaty. Differentiation was also proposed by developed countries during the Montreal Protocol negotiation in the 1990s, arguing that wealthy developing countries should not get any assistance (and a formula based on per capita emissions was agreed). These elements are currently being raised again in the climate negotiations to divert attention from the real issue of the ecological burden of developed country lifestyles.

Joseph Stiglitz, winner of the 2001 Nobel Prize in Economics, recently pointed out that the key issue is how to allocate emission rights, currently valued at about \$2 trillion annually, which is 5% of global GDP, and that the 'only serious defensible principle is equal emission rights per capita adjusted for past emissions ... as a process of slowly easing in emission rights would increase inequities associated with past emissions' (Stiglitz, 2008). Even if this entails large-scale redistribution, it is not clear why the issue should be treated differently than other property rights. Stiglitz went on to argue that climate change will require a new economic model – changed patterns of consumption and innovation, as 'only through changes in patterns of demand will adverse effects on developing countries be mitigated'.

#### **4. Patterns of resource use have to be common for all countries**

The time has come to take a strategic view and redefine the climate agenda. One way out of the current impasse is to shift the focus from assessments of damage, and the attendant emissions targets and timetables, to a fundamental transformation of the global economy and human activity in ways that will ensure that patterns of resource use are common for all countries.

The North–South divide can be overcome by recognizing poverty alleviation as the key strategy for dealing with the interrelated challenges of climate change, energy security,

food security and equity. Since raising standards of living and international equity are related issues, patterns of natural resource use will have to be common for all countries. It is in this framework that mitigation measures should be identified, to determine where modification of longer-term trends is needed. Considering the full range of natural resources, ecosystem services and activities impacted by the concentration of greenhouse gases will also bring adaptation to the fore as a global concern. A broader perspective is the only way to ensure that conflict over natural resources – food, water and energy – is avoided in the coming decade.

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