Unlike the Copenhagen climate conference which had enormous publicity and great expectations, the Durban conference next month is coming up very quietly. Yet, given the 2012 terminus of the Kyoto Protocol, it's a very important event. Some degree of progress at Durban is important to keep the UNFCC process alive; otherwise, the action is likely to move to smaller clusters of major countries outside of the UN process.

The likelihood of such progress is unclear. There's some indication that positions are hardening. India, China, Brazil and South Africa <u>met</u> at the beginning of this month and reiterated their refusal to adopt legally binding emission targets. At the same time, they demanded that developed countries enter into a second commitment period under the Kyoto Protocol and deliver on financing for the developing countries. Ironically, India is taking the most hardline position among the group — ironic because India may have more to lose from climate change than any other major country.

There are a number of issues on the agenda at Durban, as explained <u>here</u>. But it is increasingly obvious that emission limitations by developing countries will only postpone climate change if the emerging economics fail to act. Some progress was made through "pledges" at Copenhagen and Cancun, but according to <u>Reuters</u>:

Pledges on the table from Cancun totaled a roughly 60 percent reduction, which Artur Runge-Metzger, director of the international and climate strategy directorate at the EU Commission, said would translate into capping global warming at 3 to 4.5 degrees.

Reuters also gives a concise summary of the political state of play:

Poorer nations want the Kyoto Protocol to be extended, but many rich nations say a broader pact is needed to include all the big polluters. Russia, Japan and Canada have said they will not sign up for a second commitment period unless the biggest emitters do too. . . .

Moreover, neither China nor the United States is willing to agree to a new deal unless the other does so first.

The EU, which has taken a lead in adopting targets to cut carbon and increase the share of renewable energy, has said it is open to signing up for a second commitment period, but on condition the major emitters give evidence of a firm intention to join in.

Thus, continuation of Kyoto seems to depend on some kind of agreement on a roadmap toward binding emissions limits. Yet the emerging economies are resisting such an agreement.

Apart from this issue, there are several other important questions on the table. There has been agreement in principle on a green climate fund, with undertakings by developed countries to provide \$30 billion up front and build to \$100 billion per year. Progress on this will depend on whether there is progress on the issue of a monitoring, reporting, and verification system (MRV), which is the condition placed by the United States. If the MRV hurdle is crossed, will the United States and Europe allow significant discussion of a tax to support the system, maybe on bunker fuel for ships? The arguments about the climate fund and how to finance it are getting quite heated.

In terms of REDD+ — the plan for dealing with deforestation — financing for forestry is the big issue. But there are also significant process issues on transparency and on the right of "consultation" for indigenous communities.

I'm beginning to have my doubts about the UN process. In theory, the annual sessions and multilateral participation should provide a basis for building relationships and making incremental progress. And it would also obviously be desirable to have a global agreement to deal with a global problem. But the UN process has fallen short in practice. It seems to encourage countries to form coalitions, which then take rigid positions in the hope of getting bargaining leverage. It also provides an annual opportunity for grandstanding.

On the whole, the UN process probably favors developing country interests because it allows them to negotiate as a bloc. But in order to keep the process going, they may need to make some concessions.