



## Happy end in Bali-wood?

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It was probably one of the most emotional UN climate negotiations in history. In Bali, delegates saw tears on stage, the US were booed in public. Papua New Guinea was unusually frank when it brought a common adage to bear against the US, asking it to lead, follow, or “get out of the way.” And then, of course, the happy end: The US, faced with becoming the main scapegoat for a breakdown in negotiations, decided to go along with the proposed compromise. In the evening, when the Conference President gavelled the final decisions, yet more tears – tears of relief from some delegates, embraces, general fatigue, but overall happiness.

After a year of intense preparations and two weeks of controversial negotiations, delegates adopted the Bali Roadmap on the future climate protection regime. But when the public sought to understand what had been accomplished during those two dramatic weeks, they may have been surprised to find no concrete reduction commitments in the many pages of decisions. So what was it that has been achieved in Bali? What is the international community’s response to the disturbing scenarios on climate change presented by the Nobel-prize winning Intergovernmental Panel on Climate Change (IPCC) in its recently published Fourth Assessment Report?

In sum, the outcome of Bali was something less impressive than a new or amended Protocol, but nevertheless a precondition to any future regime: A comprehensive negotiation mandate. The UN negotiations in Bali – encompassing both the negotiations under the United Nations Framework Convention on Climate Change (UNFCCC) and those under the Kyoto Protocol (KP) – focused on negotiation mandates, work programs and timetables for the creation of a comprehensive future climate regime, not so much on specific numbers or commitments (despite long nights of discussions about mitigation ranges). Still, this outcome should not be underestimated. Up until Bali, there were e.g. no formal negotiations on future

actions and commitments under the UNFCCC. There had been a ‘dialogue’, which ended in 2007, but it was not yet decided what should follow after the dialogue ended.

The hopes of the EU were outlined in its submission to this dialogue. In its paper, the EU underlined the view expressed by the EU Council that ‘negotiations on a global and comprehensive post-2012 agreement [...] need to be launched at the UN international climate conference beginning at the end of 2007 and completed by 2009’. According to the EU, the building blocks were to encompass mitigation and adaptation as well as technology and financing. Still, it was clear from the beginning that the US would be hesitant about becoming involved, and would also insist on contributions from emerging economies such as China. The developing countries, in turn, were expected to underline not only their right to development and their need for support, but also insist on clear leadership in climate efforts by industrialised countries.

In Bali, the parties to the UNFCCC – including the US – agreed to negotiate not only a shared vision, but also ‘enhanced national/international action on mitigation’. In this context, ‘measurable, reportable and verifiable nationally appropriate mitigation commitments or actions’ by industrialised countries will be addressed, as well as such action by developing countries ‘supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner’. Enhanced action on adaptation will also be considered, as will technology development and transfer and the provision of financial resources.

Though it was a compromise built on flexibility from all sides, the EU ultimately succeeded in having all its building blocks reflected in the outcome. Nevertheless, the efforts of the EU and developing countries to include an indicative mitigation range of 25-40% for industrialised countries by 2020 compared to 1990 levels failed at the resistance from countries such as the US, Russia, and Canada. At the same time, the US was apparently dissatisfied with the mandate on actions by developing countries. Yet they did not oppose its adoption. The decision was passed – and the future will show whether and how the US will contribute to the negotiation process set up in Bali. The timeline for the negotiations is ambitious – a decision is scheduled for 2009. With this in mind, constructive contributions and flexibility will be necessary on all sides over the next two years to ensure a success.

But what about the negotiations under the Kyoto Protocol? Although conducted without the US (which have not ratified the Protocol), these also had importance and, according to the EU, complemented the UNFCCC decisions to form the basis for a future climate protection regime. Two negotiation tracks under the KP have been of particular importance for the future regime post 2012: the negotiations under Article 3.9 of the KP on future commitments of industrialised parties (Annex I parties), and the negotiations according to Article 9 of the KP on the second review of the Protocol.

In the Article 3.9 negotiations, controversies have centred on indicative ranges for emission reductions. In the end, parties were able to agree to recognise ‘that the contribution of Working Group III to the AR4 indicates that achieving the lowest levels assessed by the IPCC to date and its corresponding potential damage limitation would require Annex I Parties as a group to reduce emissions in a range of 25–40 per cent below 1990 levels by 2020, through means that may be available to these Parties to reach their emission reduction targets.’ This consensus was achieved in large part due to the flexibility shown by Russia, Canada, and Australia. This is all the more important, given that the aforementioned UNFCCC decision calls for ‘the comparability of efforts’ among developed country parties. Accordingly, if Annex I Parties agree on a certain range under the KP, the decided range will also become an influential factor under the UNFCCC negotiations.

In keeping with the timeline under the UNFCCC, the AWG aims to conclude its negotiations by 2009. No such schedule has been decided upon with regard to actions taken on the ground of the second review under Article 9, which will take place in Poznan in 2008. In Bali, the discussion on the Article 9 review failed to develop a clear profile linked to any of the most important future negotiation issues – notably commitments and action by all parties. Overall, the Bali decision appears to focus rather on implementation and technical aspects. According to the Protocol, of course, the review undertaken in Poznan should form the basis for the parties to ‘take appropriate action’. Such actions will have to be defined, along with a deadline for the adoption of decisions on such action. Still, there is a great chance that at least some of the topics will become part of a package on the future climate regime.

Negotiators face busy times now: Many submissions are already due in February and March, Intersessionals and Workshops are planned, roundtables and the ‘usual’

negotiations by the Subsidiary Bodies and the Conferences of the Parties have to be attended. But intensive exchange and negotiation as well as good will and ambition on all sides is needed to frame the negotiations. Bali was a success, maybe even a breakthrough. But it needs to be kept in mind that a successful future climate regime, actions and commitments have yet to be decided upon. The greatest challenges still lie ahead – and the clock is running. It will require good will and flexibility, and possibly a bit of luck, to strike the balance needed and achieve the ultimate objective: ‘prevent dangerous anthropogenic interference with the climate system’.

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