

G8 Impact on International Climate Change Negotiations

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Good or Bad?

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1. Introduction

The paper analyses the recent G8 Summit outcomes and its practical impacts on international climate change negotiations under the UNFCCC.¹ The paper provides first an overview about the political character of the G8 as “actor” and subsequently analyses the G8 recent Summits (2005 -2007) and their relevant decisions on climate change. The provisions for implementation of these decisions will be discussed briefly. Focussing on the more recent UNFCCC Conference of the Parties (COP) in Montreal, and Nairobi and including the “Vienna Talks”, the paper then evaluates whether the UNFCCC negotiations have benefited from G8 input. From a governance point of view, the paper makes reference to the fact that the G8 is not a negotiating body in a legal sense, and seeks to analyse to what extent this structure has influenced the climate related work of the G8.

2. The political relevance of the G8

The Group of Eight (G8) is one of the most important international forums for dealing with global issues. The current G8 members include Germany, France, the United Kingdom, Italy, Japan, the United States, Canada (since 1976) and Russia (since 1998). The European Commission is also represented at all the meetings. The G8 Presidency plays a very important role due to the organization’s loose structure.

At the initiative of the then French and German Head of States, Heads of State and Government of the leading industrial nations met for the first time in France in 1975 to discuss developments in the global economy. The global economic recession and the global oil crisis in the seventies inspired the first global economic summit in 1975. At that time the world’s six or seven largest economic powers were represented. The oil crisis at that time had triggered a need for closer cooperation among the largest energy-consuming countries. This was the founding moment of the G 8 summits.

The G8 produces about two thirds of global social product. They account for nearly half of world trade and provide three quarters of global development aid. They are the biggest contributors to international organizations. The G8 members include four members of the EU (UK, France, Germany and Italy). Four of the five permanent members of the UN Security Council are in the G8 (France, Russia, UK and USA).

The G8 is organized as an informal forum of Heads of State and Government. The Group is not an international organization; it does not have its own administrative structure with a permanent secretariat or office for its individual members. The G8 summits are usually the climax of the annual presidency of each state. The organization and agenda for the annual G8 summits is traditionally a matter for the relevant presidency.

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From the outset, the main issue facing the G8 was shaping globalization. What started out as a coordinated approach to economic and monetary policy now includes responsibility for all global issues. The range of issues under discussion now covers the whole spectrum of global politics. Foreign and security policy and development issues are discussed in addition to economic matters.

The G8 is nowadays probably the most known example of informal high-level forums in the context of "Global Governance". The commonly and officially held values of freedom, democracy, human rights, market economy, free trade and the rule of law form a framework for making joint decisions. The G8 works with other international organizations like the United Nations and the European Union, for example, through joint initiatives and understands itself as complementary to these other organizations.

The G8 has launched a large number of global initiatives. The G8 operates mainly through political communiqués based on consensus, responding action plans and partnership initiatives. The usual G8 summit outcomes tend to have a declaratory character without any binding legal targets or frameworks, deploying largely soft political instruments. However, given the economic and political power of its members in global politics, the G8 summit outcomes can provide strong political signals to other ongoing processes to an extent that one could talk about the informal provision of political mandates to enhance political processes in other fora. Opinions about the relevance and legitimacy of G8 summit outcomes, however, are mixed and in general hard to define given its lack of legally binding follow-up processes, the declaratory character of summit results and the complexity of underpinning issues.

Examples for G8 decisions with wide-ranging impacts on further political developments include, for example, multilateral debt relief initiatives for developing countries. At the 1999 G8 Summit in Cologne/Germany, the G8 committed to the Cologne Debt Initiative of debt relief for heavily indebted developing countries, thus enhancing and complementing an on-going Worldbank initiative in this policy area. The debt relief efforts initiated at Cologne 1999 were taken up again at Evian 2003 (Paris Club measures for bilateral debt relief) and Gleneagles 2005 (multilateral debt relief measures). Other G8 summit outcomes, however, were soon forgotten and remained a one-week event.

Criteria to assess G8 outcomes may vary widely from interest group to interest group. Bayne's comprehensive investigation of G8 summit outcomes is based on the three central objectives of G8 summits: to demonstrate (1) political leadership, (2) to initiate collective management and (3) to reconcile international pressures and domestic feasibility. In Bayne's assessment, the last one fails frequently, while the first two have yielded substantial results (Bayne 2005, Hodge et. Al. 1999).

Bayne has further developed a number of criteria which may help to measure the importance and impact of G8 Summit decisions, including leadership; effectiveness; solidarity; durability; acceptability and consistency. In addition, the urgency of a political issue at international level, its frequent and repetitive treatment at summits as well as the skillful outcome preparation of the hosting country seem to matter a great deal. Each G8 presidency has the freedom to choose its agenda priorities. While the urgency of a political issue is not necessarily under control of the G8 participating countries, the preparation of a Summit is. This distinction supports the notion of political leadership as important, even crucial criteria for the relevance of G8 Summit outcomes.

3. Recent G 8 Activities relevant for Climate Change Policies

3.1 Overview of the G8 Negotiations before 2005

G8 Summit in Evian, France 2003: Climate change on the agenda for the first time

Energy - framed as energy security theme - has been a frequent G8 Summit top agenda topic - given that one of the original triggers of the G8 summits was the 1970/80s oil crisis. Various G8 summits in the late 1970s and early 1980 featured energy security as one leading topic for discussion, notably 1978 - Bonn I, 1997 -Tokyo, 1980 – Venice. However, before the UK decided to take up climate issues

for the first time in 2005, environment topics have hardly ever featured on G8 Summit agendas, with the 2003 G8 Summit in Evian being an exception.

Central to the Evian Summit was a package of measures on sustainable development, notably on water and sanitation issues. The Evian Action Plan adopted in full support of the United Nations Millennium Development Goals (MDGs), including the goal of halving the number of people without access to potable water and sanitation facilities by 2015. The summit also supported the application of science and technology to questions of global environmental issues and issued an action plan addressing observation, air pollution, climate change, agriculture and biodiversity. On climate change, the Summit Action plan stresses in very general terms the need for enhanced technology and knowledge transfer with regard to cleaner, sustainable and more efficient energy use. More specifically, the acceleration of research, development and diffusion of energy technologies should be supported in line with existing international processes. No significant political follow-up processes, however, developed after the Evian Summit.

3.2. The 2005 Gleneagles Summit

The UK Prime Minister Tony Blair defined climate change as *“probably, long-term the single most important issue we face as a global community”* and made climate change one of his priority topics during the UK’s G8 Presidency, along with Africa. Climate change was also made a priority for the UK’s EU Presidency (1 July 2005 - 31 December 2005). In a keynote speech on climate change, Tony Blair set out three ambitious targets for the UK’s G8 Presidency in 2005:

- To secure an agreement as to the basic science on climate change and the threat it poses, to provide the foundation for further action
- To reach agreement on a process to speed up the science, technology and other measures necessary to meet the threat
- To engage countries outside the G8 who have growing energy needs, like China and India

A few days before the start of the G8 Summit in 2005, US President Bush urged other G8 countries to shift the debate on climate change away from a discussion about limiting GHG emissions towards a shift towards new energy technologies. After considerable initial disagreement during the Summit on climate change, the US eventually agreed to sign a text that recognizes the anthropological impact on climate change but refused to include specific emission targets. Overall, no significant breakthrough occurred that helped aligning the fundamental gap of opinion between the US and the other G8 members widely known from the UNFCCC negotiations.

At Gleneagles, the G8 leaders signed a communiqué which included a political statement and an action plan covering climate change, clean energy and sustainable development.

The climate change parts of the communiqué included:

- A political statement on the importance of climate change and an agreement to “act with resolve and urgency now”. This was the first time that G8 leaders reached an agreement on the role of human activity in global warming and the need for urgent action.
- Agreement that greenhouse gas emissions need to slow, peak and reverse and that G8 countries need to make “substantial cuts” in emissions. However, no national targets were introduced.
- A package of measures to combat climate change, building on existing work in order to increase the speed with which to reduce Greenhouse Gas emissions. The package included improvements to energy efficiency in appliances and buildings, cleaner vehicles, aviation, work on developing cleaner fuels, renewable energy and promoting research & development and the financing of future projects. In order to assist with this the G8 engaged with the International Energy Agency (IEA) and asked them to undertake further work on actions to reduce emissions.
- Agreement for the G8 to engage with the World Bank and other Multilateral Development Banks to improve the harnessing of funding for clean technology in developing countries.
- Agreement to a new Dialogue on Climate Change, Clean Energy and Sustainable Development between G8 countries and other interested countries with significant energy needs. The Dialogue was intended to allow for continued, more informal, discussion of the issues around climate

change and measures to tackle it, such as those agreed at Gleneagles. This Dialogue was also intended to help create the condition for more constructive negotiations within the UNFCCC framework. Japan agreed to receive a progress report on implementation of the Gleneagles communiqué at the G8 Summit in 2008.

- Agreement to improve climate observation networks in Africa and to build capacity in African research institutions. This will be achieved by building on the existing Global Climate Observing System (GCOS).
- Agreement to support the work of international donor organisations and multilateral development banks as they develop and implement 'best practice' guidelines for screening the extent to which new infrastructure investments could be affected by climate risks and how those risks can best be managed.

Gleneagles Plan of Action on Climate Change, Clean Energy and Sustainable Development

The adopted Gleneagles Plan of Action (GPoA) outlines ways of combating climate change in different sectors by transforming the current energy system towards a low-carbon energy system. The GPoA sets six cornerstones for the G8 regarding climate change, clean energy and sustainable development and elaborates detailed policy recommendations for each:

- Transforming the way we use energy
- Powering a cleaner future
- Promoting research and development
- Financing the transition to cleaner energy
- Managing the impact of climate change
- Tackling illegal logging

In delivering the Gleneagles Plan of Action, the G8 pro-actively engaged a number of additional international players, such as the International Energy Agency and the World Bank, for further support on technological and scientific advice and referred many aspects of the GPoA for further investigation and elaboration to the IEA. The IEA was asked, to deliver additional scientific and technological support on six broad areas, including alternative energy scenarios and strategies; energy efficiency in buildings, appliances, transport and industry; cleaner fossil fuels; carbon capture and storage; renewable energy and enhanced international cooperation in the energy sector.

Gleneagles Dialogue on Climate Change, Clean Energy and Sustainable Development

The UK Government planned to carry the momentum around climate change generated from the Summit through the rest of its Presidency and importantly, also beyond 2005 by initiating an on-going informal dialogue series with the most important political players in the climate change arena. The "Gleneagles Dialogue" was intended to include annual meetings back –to –back with the regular G8 Summit until 2008 and was intended to complement the UN Framework Convention on Climate Change. The invited participants included in addition to the regular G8 members the EU Commission, China, India, South Africa, Brazil, Mexico, Australia, Indonesia, Nigeria, Poland, Spain and South Korea. These countries are experiencing rapid economic growth and are projected to increase their emissions of greenhouse gas emissions. The Multilateral Development Banks, the International Energy Agency and the UN Climate Change Secretariat were also invited.

The communiqué set out the objectives of the Dialogue as follows:

- addressing the strategic challenge of transforming our energy systems to create a secure and sustainable energy future;
- monitoring implementation of the Gleneagles Plan of Action and exploring how to build on this progress;
- sharing best practice between participating governments.

The first Gleneagles Dialogue was launched in London on 1 November 2005. The second ministerial meeting took place from 2-4 October 2006 in Monterrey/Mexico and the third was held in conjunction with the German 2007 G8 Summit in September, 9-11, 2007 in Berlin/Germany. A final dialogue will be held in Japan in spring 2008. The results of the four-year Gleneagles Dialogue sessions will be reported at the 2008 G8 Summit under the Japanese G8 presidency.

The agenda of the Dialogue Series focuses on the dissemination of climate-friendly technologies, investments in climate protection and required political framework conditions. The Gleneagles Dialogue set up four fixed working groups on technologies, climate-friendly investments and policy frameworks which met on a continuous basis over the period of the Dialogue series.

3.2.3. G8 +5 Climate Change Dialogue

Another important building block for the implementation of the Gleneagles Plan of Action was the launch of the G8 +5 Climate Change Dialogue. The Dialogue was launched already before the actual Gleneagles Summit on 24 February 2005 with support of the UK Prime Minister Blair, the Vice President of the World Bank, the International Energy Agency (IEA), the German Government, the European Commissioner for Environment, the National People's Congress of China, the Pew Centre for Global Climate Change (USA), BP, Holcim, Vattenfall and other corporate sponsors.

The G8 + 5 Climate Change Dialogue was intended to provide an informal discussion platform for a wide range of stakeholders with high interests in an elaborated future climate regime. This Dialogue drew together senior legislators from the G8, India, China, Brazil, Mexico and South Africa with international business leaders, civil society representatives and opinion leaders to discuss a post 2012 climate change agreement. It was set up to shadow the G8 Head of State Summits until the Japanese G8 Presidency in 2008 as well as the Gleneagles Dialogue workshop series. Following the first meeting, the invited countries issued a joint statement expressing interest in building a "new paradigm for international cooperation" in the future.

3.2.4. Public Reactions

Although climate change was designated as a 'priority' of the G8 Summit, many NGOs and civil society groups doubted from the beginning that the discussions would end in agreement, let alone action. As Dr. Rajendra K. Pachauri, Chair of the UN Intergovernmental Panel on Climate Change stated, *"Frankly, I don't think we should have very high expectations of a single event like this. What would be far more important than anything that happens at the summit is the desire and decision to keep moving and to engage in dialogue on a regular basis, because I think a lot will have to be done after the summit."*²

When the first draft of the climate communiqué was leaked to the press on June 14, 2005, many NGOs and civil society groups feared the worst. In the weeks before the summit, activist and environmental groups expressed their disappointment and frustration with the leaked text, particularly with its lack of targets and timetables for action as well as its questioning stance on the science behind climate. Despite their frustration, however, many groups refocused their efforts and outlined new demands to the G8 leaders, challenging them to produce a better text. In a joint document, Greenpeace, WWF, Friends of the Earth, The Royal Society for the Protection of Birds, and Tearfund called for the G8 leaders to make a clear statement that they accept the science behind climate change, send a clear signal to the business community that G8 is committed to a cap and trade emissions trading system and further emissions reductions even after 2012 (post-Kyoto), and firmly commit to assistance for developing countries to adapt to climate change. WWF added its call for the G8 to recognise that the rise in overall global warming must be kept well below 2 degrees Celsius in comparison to pre-industrial levels.

Arguing that, with only 14 percent of the world's population, the G8 are responsible for 47 percent of the carbon dioxide emissions, national science academies also joined forces, hoping that their

² Inter-Press Service. "Expect little on climate, says top UN expert". July 2, 2005.

intellectual appeals would influence the G8 leaders. The academies of the G8 countries, together with China, Brazil, and India called on the leaders to prevent further warming by substantially reducing emissions. Appeals for action also emanated from the business community. Leaders of some major multinational corporations, such as BP, Ford, British Airways, Rio Tinto, and Toyota, called for a worldwide carbon trading system that would define emissions rights and set limits on how much carbon dioxide businesses could produce in order to create a level playing field for corporations operating in different countries. Despite their energetic campaigns for improvements to the climate change text, however, many groups eventually were resigned that Gleneagles would produce concrete actions in terms of clear commitments to emission target reductions.

3.2.5. Assessment of Gleneagles

While the Gleneagles G8 Summit agreed upon the urgency of the climate change problem, the participating countries – largely due to US resistance – could not agree on specific, binding measures or even emission reduction targets, much to the disappointment of non-governmental organizations and stakeholders. On the key issue of climate change, US president Bush reiterated his total rejection of the Kyoto Protocol before the summit discussions even began. Bush confirmed that he had no intention of supporting a G8 climate deal and rejected all suggestions that the US would consider any agreement that would cut its emissions of greenhouse gases. In a pre-summit interview, Bush stated frankly, *“If you’re trying to make me say I support Kyoto, the answer is no”*. In place, he said he preferred to focus on the development of new technologies and called for a worldwide effort to invest in oil and gas alternatives. Arguing that Kyoto *“didn’t work for the United States and it frankly didn’t work for the world”* because it excluded developing countries, Bush claimed he was now searching for post-Kyoto solutions.³

The political leadership by UK’s Prime Minister Tony Blair on climate change did not help to bring the United States on board. Perhaps in recognition of the apparent impossibility of reaching agreement on climate change, Blair later acknowledged that *“there is no way we are going to resolve the historic disagreement on Kyoto...nor is the G8 the place to negotiate a new treaty.”*⁴ However, and politically most important, the Gleneagles G8 Summit had set in motion a well designed follow-up process in form of several informal dialogue workshops series with varying participant coalitions, which intentionally “forced” the following G8 summit presidencies to at least continue work on climate change. While follow-up processes over several years have resulted from G8 summits, and are no rarity, the UK presidency succeeded to secure the creation of political momentum for its G8 agenda-setting beyond a one week event with much careful planning. Given the strong resistance of the US, sometimes openly supported by other strong players, the outcomes of the Gleneagles summit have marked progress, as for the first time G8 leaders discussed climate change in detail. Despite the apparent lack of adequate and concrete action, the Summit was more than just one step in the right direction on a long journey.

3.3 The 2006 St. Petersburg Summit

The Russian Federation’s first ever G8 presidency in 2006 identified three priority topics: global energy security, fight against infectious diseases and development of modern education systems. Climate Change was not explicitly mentioned, neither as a priority for the Summit itself nor as a major issue for the overall G8 presidency. In some way, the Russian Federation’s decision to prioritize global energy security continued the tradition of G8 summits of the early 1980s, which discussed this topic at length. However, as there are multiple inter-linkages between climate change issues and energy security aspects, the results of G8 Summit in St. Petersburg in July 2006 also touched upon climate relevant aspects. The Summit’s political declaration includes only two brief references to climate change as while the adopted St. Petersburg Plan of Action encompasses three paragraphs on climate change.

³ Reuters, “Bush urges G8 to lead shift from oil and gas”, July 7, 2005.

⁴ Reuters. “G8 close to climate deal but it could lack detail.” July 7, 2005

3.3.1. Climate change Parts of the Summit's Communiqué

The Summit's Communiqué explicit political references to climate change are short, vague and limited to acknowledging existing on-going climate change processes, such as the various efforts under the UNFCCC and derived from its COP11/MOP1 decisions in 2005.

“ We adopted the St.Petersburg Plan of Action to enhance global energy security through efforts to increase transparency, predictability and stability of the global energy markets, improve the investment climate in the energy sector, promote energy efficiency and energy saving, diversify energy mix, ensure physical safety of critical energy infrastructure, reduce energy poverty and address climate change and sustainable development.”

“We reaffirmed our commitments to meet the objectives of reducing greenhouse gas emissions and dealing with climate change, including through promoting an inclusive dialogue on further action in the future.”

3.3.2. The St Petersburg Plan of Action on Global Energy Security

Similar to the Communiqué, explicit references to climate change in the St. Petersburg Plan of Action are vague and restricted to three paragraphs of re-confirmations of and welcoming ongoing political processes, such as the Gleneagles Dialogue as part of G8 efforts on climate change and existing on-going climate change processes under the UNFCCC climate regime.

In more concrete terms, the Action Plan confirms:

- commitments made in Gleneagles and welcomes related work reports by the IEA and the World Bank as well as the Gleneagles Dialogue on Climate Change, Clean Energy and Sustainable Development;
- affirms the UNFCCC's objective of stabilizing greenhouse gas concentrations in the atmosphere at a level that prevents dangerous anthropogenic interference with the climate system as well as the shared commitment under the UNFCCC and its related mechanisms (CDM, JI);
- welcomes the dialogue on long-term cooperative action to address climate change by enhancing implementation of the convention as a result of the XI Conference of the Parties to the UNFCCC (Montreal, December 2005); and
- highlights partnership arrangements in support of climate change efforts of the various G8 partners.

The full elaboration on energy security contains a number of political commitments on future energy policies with direct implications for climate change. The Action Plan states that energy security can only be achieved through enhancing energy efficiency and energy savings, diversifying the energy mix and addressing climate change in the context of sustainable development. In the context of energy efficiency and energy savings, the St. Petersburg Action Plan affirms the flexible mechanisms of the Kyoto Protocol (Clean Development Mechanism, Joint Implementation and Emission Trading) as important tools for implementation. With respect to the diversification of the energy mix of G8 countries, countries agreed to develop low-carbon and alternative energy, to make use of renewable energy sources and to support innovative technologies throughout the entire energy sector. The Action Plan further shows the split view on nuclear energy issues by explicitly acknowledging them and gives great importance to carbon capture and storage technologies.

The Communiqué as well as the St. Petersburg Action Plan reflect the lowest common denominator within the G8 on climate change policies by not extending any confirmation or introducing any new commitments beyond the status quo of the then topical UNFCCC COP decisions. Overall, the G8 Presidency of the Russian Federation did not change nor explicit set back the climate policy of the G8 started at Gleneagles, but merely confirmed the status quo of the various climate change interest of the G8 countries.

3.4 The 2007 Heiligendamm Summit

Germany's G8 Summit core priority theme was broadly identified as "Growth and Responsibility in the World Economy". Under this rather broad term, the German presidency addressed climate change – framed as "Climate Change, Energy Efficiency and Energy Security" - as one core agenda item. The Germany G8 Presidency basically merged the top agenda items of the two previous G8 presidencies by continuing the UK G8 climate change agenda of 2005 and inserting energy security principles of the Russian 2006 Presidency. The Summit's Chair's summary states at the beginning:

"We met at Heiligendamm to address key challenges of the world economy, climate change and Africa. Under the core theme of the German G8 presidency "Growth and Responsibility" we addressed economic, social and environmental aspects of the political shaping of globalization....."

The Heiligendamm Summit Declaration contains eleven pages with explicit commitments to climate change, energy efficiency and energy security. The core political achievement on climate change of the Heiligendamm Summit, however, is the explicit reference to national reduction emission targets and timeframes, i.e. the commitment to *consider seriously* the decision of some countries to halve their emissions by 2050. Paragraph 49 of the Summit Declaration summarizes this commitment as follows:

"We are therefore committed to taking strong and early action to tackle climate change in order to stabilize greenhouse gas concentrations at a level that would prevent dangerous anthropogenic interference with the climate system. Taking into account the scientific knowledge as represented in the recent IPCC reports, global greenhouse gas emissions must stop rising, followed by substantial global emission reductions. In setting a global goal for emissions reductions in the process we have agreed today involving all major emitters, we will consider seriously the decisions made by the European Union, Canada and Japan which include at least a halving of global emissions by 2050."

Prior to the Heiligendamm Summit, the March 2007 summit of the Heads of the European Union under the German EU Presidency had adopted far-reaching political decisions on future EU energy policies and climate change reduction targets. The European Council on 9 March 2007 agreed, after lengthy negotiations, on an action plan to put in place a European climate and energy policy by the year 2009. The most ambitious targets agreed upon include a binding target to reduce EU emissions by 20% by 2020, regardless of progress made in international negotiations for a post-Kyoto agreement, and a binding 30% target, provided that other industrialized nations, including the US, take similar steps and that economically more advanced developing countries contribute adequately according to their responsibilities and respective capacities (double conditionality) . The package also includes a binding target to have 20% of the EU's overall energy consumption coming from renewables by 2020, and as part of the overall target, a binding minimum target for each member state to achieve at least 10% of their transport fuel consumption from biofuels.⁵

This decision, which had been pushed for, inter alia, forcefully by the German Chancellor Angela Merkel, impacted heavily on the G8 Heiligendamm agenda on climate change. This recent strong political commitment by the European Union was strongly lobbied for among the European G8 political leaders present at Heiligendamm, including Germany's chancellor Angela Merkel, UK's Prime Minister Tony Blair (at his last major political conference), France's new president Nicolas Sarkozy and Italy's Romano Prodi. The phrasing of *"consider seriously the decisions made by the European Union, Canada and Japan which include at least a halving of global emissions by 2050"* had been strongly disputed until the very last moment, opposed mainly by the US.

In addition to the commitment to consider strong emission reduction targets, the Heiligendamm Summit stressed the commitment to move forward in the UN climate process and called for active and constructive participation in the next COP 13 meeting in Bali/Indonesia in December 2007 with a view to achieving a comprehensive post-2012 agreement. According to the G8 communiqué, negotiations under the UNFCCC should be finished by 2009. This would give governments enough time to ratify the agreement before the first commitment period of the Kyoto Protocol expires in 2012.

⁵ Council of the European Union, press release, Presidency Conclusions of the Brussels European Council, 8/9 March 2007, http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/93135.pdf

The G8 also addressed issues such as adaptation, technology, deforestation and market mechanisms. One key focus of the outcome document is on adaptation, with G8 leaders acknowledging that considerable funds will be needed to enable the most vulnerable to adapt to the inevitable effects climate change and expressing a willingness to work with developing countries on the issues. Another key element of the document is the call to expand the Clean Development Mechanism (CDM).

The Executive Secretary of the United Nations Framework Convention on Climate Change, Yvo de Boer, officially welcomed the Heiligendamm agreement on climate change. In his words, the outcome paved the way for negotiations in Bali in December 2007 and has given climate talks under the auspices of the UN a considerable boost. *“The multilateral climate change process under the United Nations has been reenergized: “This is a breakthrough in terms of making progress towards an enhanced future climate change regime and will send important signals to developing countries on the readiness of industrialised nations and emerging economies to act.”* Alluding to the large emerging economies of China, India, Brazil, South Africa and Mexico, he further added: *“There is now a need to engage these economies on how best to address the challenges of climate change. It is very encouraging that the G8 is ready to work with the +5 countries on long-term strategies and that major emitters of the process will report back to the UNFCCC by 2008.”*⁶

4. The Impact on the UNFCCC negotiations

The G8 Summits of the time period 2005-2007, in particular the outcomes and initiatives launched of the Gleneagles and Heiligendamm G8 Summits, should be understood as pro-active promoter as well as complementary policy processes with direct as well as indirect influence in relation to the on-going climate change negotiations under the UNFCCC. At the latest since COP 10 in Buenos Aires in 2004 and the entry into force of the Kyoto Protocol in 2005, it was clear that a new round of negotiations regarding the further operationalization of the Kyoto Protocol flexible mechanisms as well as a post-Kyoto 2012 agreement and deliberations on the future of the climate regime would be needed. It is no surprise that the development of such complex agreement would cover several Conference of the Parties meetings and years of negotiations, respectively.

The Gleneagles G8 Summit and the launch of its three-tier follow-up process (Plan of Action, Gleneagles Dialogue, G8 +5 Dialogue) had helped push climate change to the top of the international political agenda. The G8 summit took place a couple of month prior to a new UNFCCC COP meeting that was already hyped far in advance as a decisive meeting concerning the future direction of the UNFCCC process. Taking into account that it was also the first G8 Summit deliberating on climate change as a top priority, the political momentum that it created for the upcoming UNFCCC COP11/MOP1 in December 2005 can not be ignored.

The UK had been very vocal about climate change as global challenge for the international community during the Summit preparations and the Summit itself. The decision to launch several follow-up processes including two well orchestrated dialogue series on climate change to be conducted over a period of four years and four G8 summits, respectively, indicates conscious agenda-setting politics with the objective to provide medium-term external and additional high-level political support for a complex international negotiation process with an uncertain future at that moment in time. In other words: the decision to put climate change on the G8 agenda in 2005 was a clear political leadership decision in support of a larger on-going political process and its well known political differences in opinion among G8 participants. The Gleneagles G8 Summit further created a politically important momentum of confidence-building among major climate change players on concrete means of implementation by focusing on hard-core UNFCCC agenda items such as technology transfer, investments flows and policy frameworks.

⁶ UNFCCC Executive Secretary, PRESS RELEASE: *G8 document reenergises multilateral climate change process under the United Nations*, 7 June 2007, http://unfccc.int/files/press/news_room/press_releases_and_advisories/application/pdf/20070607_g8_press_release_english.pdf

4.1 COP 11 Montreal (2005) and COP 12 Nairobi (2006)

4.1.1 11th Conference of the Parties to the UNFCCC & 1st Conference of the Parties to the Kyoto Protocol (COP11 / MOP 1)

The highly anticipated COP 11 and COP/MOP 1 took place in Montreal, Canada, 28 November to 10 December 2005, a five month after the Gleneagles G8 Summit. Overall, this particular COP turned out to be a milestone COP in moving the process forward. Most importantly, this COP agreed on a process for considering future action beyond 2012 under the UNFCCC. This included a decision to establish a new subsidiary body, the *Ad Hoc Working Group on Further Commitments for Annex I parties under the Kyoto Protocol (AWG)* as well as a series of four dialogue workshops that would constitute an “informal dialogue” on the matter through to COP 13 in 2008. Equally important, this COP/MOP 1 adopted decisions on the outstanding operational details of the Kyoto Protocol, including formally adopting the Marrakesh Accords. COP 11 further addressed issues such as capacity building, technology development and transfer, and the standard financial and budget-related issues.

The future of the climate regime –parallel consultations

The main outcome of the discussions on the future of the climate regime resulted in the launch of two major parallel consultation processes. By advocating for a process to consider the future under both the Kyoto Protocol and UNFCCC, the Canadian UNFCCC President Dion as lead conference facilitator helped to secure an outcome that maintained the momentum and integrity of the Protocol while also engaging the US and other countries that have not ratified the Protocol.

- The final COP11 decision here reaffirmed that development and poverty eradication are the first and overriding priorities of developing country parties, and recognized a diversity of approaches to address climate change and the essential role of technology in addressing climate change. The decision concentrated on the launch of a new “*Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention*”⁷, with the purpose to exchange experiences and analyze strategic approaches for long-term cooperative action to address climate change including advancing development goals, adaptation, technology and market-based opportunities. The character of the proposal for an open dialogue had taken into account the resistance of the US to engage in further talks on legally-binding emission targets and new commitments. In addition, it was agreed that the dialogue would take place in form of four workshops and will report to COP 12 and COP 13. It should identify actions to promote sustainable development, mitigate and adapt to climate change, and explore ways to promote access by developing countries to climate-friendly technologies.
- The *final COP/MOP decision* on consideration of commitments for subsequent periods for parties included in Annex I to the Convention under Article 3.9 of the Kyoto Protocol, encompassed the launch of an “*Open-ended ad hoc group to consider further commitments by Annex I Parties beyond 2012*”⁸ with the objective to complete its work and have it adopted by the COP/MOP in time to ensure that there is no gap between commitment periods.

The overall COP11 outcome was important insofar as it provided strong political signals to the international community and the private sector about future directions of climate change negotiations under the UNFCCC umbrella. Business and the private sector, respectively, had been particularly vocal prior to and during the conference in their call for predictability given required long-term investment horizons.

4.1.2. 12th Conference of the Parties to the UNFCCC & 2nd Conference of the Parties to the Kyoto Protocol (COP12 / MOP 2)

⁷ (FCCC/CP/2005/L.4/Rev.1)

⁸ (FCCC/KP/CMP/2005/L.8/Rev.1)

Unlike the COP11/MOP1 in Montreal, the Nairobi conference will not be remembered as UNFCCC critical milestones conference. The major conference outcomes of Cop12/MOP2 included an agreement on concrete activities for the five-year programme of work on adaptation; further decisions on the operationalisation of CDM projects, Joint Implementation, “new thinking” on technology transfer linked to discussions on the mandate of the Expert Group on Technology Transfer (EGTT) and maintaining momentum in talks on the future.

A major focus of discussion was again the future of the climate regime and on developing a long-term framework for action. The “multi-track” approach to these issues, agreed at COP 11 / COP/MOP 1, continued in Nairobi.

- In response to the on-going deliberations of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol, the COP agreed to send a clear message that Annex I parties to the Kyoto Protocol are taking a lead through action to maintain their overall emissions on a declining trend beyond 2012, through domestic and international efforts. However, disagreement also remained on future commitments. While China called for a strong signal to the carbon markets in the form of a commitment from Annex I parties to new reduction targets, the EU stressed that action by Annex I parties would not be sufficient to tackle climate change. Australia, for the so-called Umbrella Group, highlighted the need for adaptation and technology transfer. Many parties highlighted the urgency of agreeing on a post-2012 regime, with some stressing it should involve all major emitters, and others underscoring the principle of common but differentiated responsibilities. The standard discussion on shared responsibilities was continued with developed countries stressing that they not seek to impose binding targets on developing countries but to explore a range of options while developing countries argued that they should first be “empowered.” The US stressed the need to better link climate goals with “more immediate” socioeconomic goals in order to broaden the “coalition for action.”
- A second workshop of the “*Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention*” considered, inter alia, the newly published Stern Review on the Economics of Climate Change, which had been inspired by the work of the G8 Gleneagles Summit. It was decided to hold a third workshop addressing action on adaptation and realizing the full potential of technology.

In stark contrast with the negotiating environment when the Kyoto Protocol was concluded in 1997, in particular business and industry frequently pressed country negotiators to ensure that outcomes are sufficiently robust and underpin long-term investments. This was evidenced in repeated calls again from business organizations in Nairobi for long-term certainty regarding responses to climate change. The World Business Council for Sustainable Development called for a clear policy framework that includes carbon markets beyond 2012, agreement on a negotiating mandate at COP 13 and conclusion by 2009 at the latest.

In the course of negotiations at COP 12 it became obvious that a wider range of policy instruments and possibilities is now available compared to 1997, such as sectoral approaches, the prospect of an exponential increase in CDM projects and innovations, and incentive-based mechanisms. In addition, scientific knowledge has increased tremendously, from the findings of the IPCC Second Assessment Report to the forthcoming Fourth Assessment Report and multiple additional national and regional studies on different facets of climate change and its impacts (for example, by the G8 Gleneagles Dialogue with strong input from, inter alia, the International Energy Agency and the World Bank). On many occasions during COP 12, such as side events and other expert panels, experts point out that action on climate change is taking off with increasing autonomy at the national and international levels, thereby referring to, for example, California’s cap-and-trade system or initiatives by the G8, such as the Gleneagles dialogue series.

4.1.3 Between COP 12 and COP 13 – The “Bonn” and “Vienna Talks”

In the aftermath of COP12 and prior and after the G8 Heiligendamm Summit with its strong message on climate change commitments by Annex I Parties, two further meetings of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties workshops and the Convention Dialogue took place. While the 3rd AWG session in Bonn, May 2007 did not yield much notable progress, the 4th

session in Vienna from 27-30 August 2007 was seen as a crucial step towards constructive negotiations on the post-2012 framework at COP 13 and COP/MOP 3. The fourth AWG session focused on the analysis of mitigation potentials and the identification of possible ranges of emission reductions for Annex I parties. After lengthy informal consultations, conclusions were reached that Annex I parties as a group would be required to reduce emissions by a range of 25-40% below 1990 levels by 2020 to achieve the lowest stabilization level.

The fourth Convention Dialogue workshop focused on bringing together ideas from the previous workshops and addressing overarching and cross-cutting issues, including financing. The workshop was generally perceived as useful and constructive, with countries elaborating on building blocks for long-term cooperative action on climate change and next steps to take the process forward. The final report of the whole workshop series will be handed over to COP 13, December 2007. The Convention Dialogue workshop included a long debate on finance issues in response to a Secretariat report on investment and financial flows needed in 2030 to meet worldwide mitigation and adaptation requirements, commissioned by COP 12 (Dialogue Working Paper 8, 2007).

The “UNFCCC Vienna Climate Change Talks” in August 2007 took place in the aftermath of the German G8 Heiligendamm Summit in June 2007 as well as UN General Assembly high-level informal thematic debate on the subject of “Climate change as a global challenge” from 31 July to 2 August 2007, in New York, initiated by the UN General Secretary. Both events resulted in rather unusually strong political signals with regard to required future commitments by the world’s largest emitters as well as a call for urgency for further action.⁹ It can be argued that the strategic timing of these high-level events and political framing of the on-going politically crucial informal UNFCCC deliberations throughout the summer 2007 had been strongly influenced by the German G8 Presidency.

5. Conclusions

The impact of G8 Summit outcomes and associated political signals are difficult to measure. The impact of the three G8 Summits from 2005-2007, which were framing on-going protracted political negotiations under the UNFCCC, however, can be traced to some degree. The found evidence suggests a productive feedback process between strong political leadership exerted by two G8 Summit presidencies (UK 2005, Germany 2007), intelligently framed G8 follow-up processes with implications for UNFCCC discussions (Gleneagles 2005) and in general a politically well-timed framing of a complex on-going negotiation process on climate change in need of strong additional political support.

Parallel to the entry of force of the Kyoto Protocol in 2005, the end of the Kyoto Protocol commitment was already looming at the horizon. It was also clear that a successful operationalization as well as continuation of the Kyoto flexible mechanisms would require a long-term predictable policy framework for interested investors and the evolving carbon market. It was obvious from 2005 on that a number of contentious political issues as part of the UNFCCC process would need to be tackled rather sooner than later: New ambitious commitments in form of national reduction targets from Annex I Parties, a clarification of the nature of further involvement of and commitments from upcoming large emitters among developing countries and the overall direction of the future climate regime were undeniable on the agenda. UNFCCC negotiations on more ambitious commitments from Annex I Parties had been stalled for some years largely due to the resistance of the US, and to a lesser extent Australia, to engage in legally-binding commitments which in turn did not inspire large developing country emitters to show more engagement. The potential political stalemate in 2005 was broken, partly through the decision of the UK government to make climate change a top priority of its G8 presidency.

While the UK Gleneagles G8 Summit eventually failed to deliver on concrete targets, it nevertheless had sent strong political signals to the then upcoming UNFCCC negotiations at COP 11 in Montreal. The Montreal COP’s successfully strive to keep going the political momentum of future climate regime talks, of course, can not be easily linked to a specific G8 initiative concerning negotiations on a future climate regime. However, given the overall strong resistance of the US against any binding processes,

⁹ Compare Earth Negotiation Report on Vienna Talks, September 2007

the overall positive Gleneagles message may have been the ultimate threshold that the US could not ignore further.

The Gleneagles G8 Summit including its follow-up process was based on thorough and skillful preparations which created a political momentum that was supported and prolonged through the repetitive treatment by subsequent G8 Summits. If the capacity of demonstrating political leadership coincides with the ability to design or associate policy processes with new or existing medium and long-term objectives and manageable goals (as in the case of the UK presidency in Gleneagles), an informal policy structure such as the G8 Summits may yield remarkable political influence.

While the Russian G8 Summit did not provide any further political push for climate issues, by neither ignoring nor promoting it beyond the status quo, the German G8 Presidency in June 2007 eventually provided a major diplomatic breakthrough for climate change negotiations. Despite continuous resistance from the US, the German chancellor Angela Merkel managed to include a far reaching commitment - in diplomatic terms - into the Heiligendamm Political Declaration, specifying a political commitment from Annex I Parties for more ambitious emission reduction targets. This diplomatic success was strongly backed by a recent decision of the Council of the European Union from March 2007 to launch ambitious internal EU policy targets on climate and energy issues that served as guideline for the G8 Summit negotiations. At that moment in time, on-going UNFCCC informal climate negotiations (AWG, Dialogue series) were not progressing. The Heiligendamm G8 Summit in conjunction with a major high-level debate on climate change at the United Nations General Assembly initiated by the UN Secretary General provided a much needed energizing effect on stalled discussions at the UNFCCC informal Vienna Talks on the future direction of the climate regime.

The influence of G8 Summit outcomes on UNFCCC climate change policy developments can be traced back for three policy issues:

- Political support for a future climate regime: strong political signals derived from two almost subsequently held G8 Summits (Gleneagles 2005 and Heiligendamm 2007) for a post 2012 UN climate regime based on emission reduction targets for UNFCCC Annex I Parties (largest GHG emitters) and the affirmation for predictable long-term policy frameworks.
- Confidence –building efforts through informal engagement among major political actors from Annex I and NON-Annex Parties countries: the accompanying Dialogue series initiate under the UK G8 Presidency (the Gleneagles Dialogue series but in particular the G8 +5 Climate Change Dialogue), helped building political confidence among the most important developing country emitters by engaging them in direct talks on concrete efforts to tackle climate change, such as technology transfer, investments and policy frameworks.
- Continuous and complimentary discussions on hard-core means of implementation: While technology transfer and innovations in finance have been original UNFCCC agenda items and continue to be negotiated under the UNFCCC, the G8 Summit Gleneagles Dialogue series has forcefully taken up these topics and has broadened the policy support and the involved stakeholder coalition by firmly engaging additional players such as the International Energy Agency and the Worldbank through scientific and technological advisory work as well as private investors and by including corporate, alternative and scientific stakeholders.

Deploying Bayne's criteria for measuring the impact of the G8 Summit outcomes on climate change negotiations, the Gleneagles and Heiligendamm G8 Summits reflect the exertion of strong leadership through consistent political agenda setting; the creation of political solidarity and incorporated effective follow-up processes to its outcomes (Gleneagles dialogue series).

Overall, original UNFCCC-related aspects of the climate change debate are more influenced than ever before by pro-active involvement of numerous heads of state in other fora, such as the G8 Summits (as evidenced in Gleneagles 2005 and Heiligendamm 2007), the EU, the UN General Secretary and others due to the recent increase in political attention. In addition, climate change has also been driven up the political agenda by links to other strategically important debates, including energy security and energy efficiency. To varying degrees, these parallel and high-level influences have created centers of political gravity beyond the UNFCCC process, however, as with the G8 Summit outcomes reflected in this paper, it seems to yield overall positive political feedback on the UNFCCC processes, although

more ambitious action needs to be taken and – most importantly – implemented in order to solve the threat of climate change.

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