

International climate negotiations and their incidences



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The United Nations Summit on Climate Change, September 2009, UN Headquarters, New York.

To solve the problem of climate change, international negotiations were first focused in priority on the 'mitigation' of warming through the setting up of market instruments to limit global greenhouse gas emissions. This framework has shown its limits as more than 20 years after the coming into force of the United Nations Framework Convention on Climate Change (UNFCCC), emissions have never been as great as they are today. In the face of what seems to be inevitable warming, the theme of 'adaptation' has gradually gained weight in negotiations. The theme also responds to demands for justice and equity from countries in the South.

Critical analysis of the international negotiations concerning the climate makes it possible to examine the framework of the question of climate and especially its separation from other concerns such as international trade, energy policies, etc. Beyond the climate dimension, international climate policies have also been studied as a process of construction of global environmental governance with incidence on national policies.

Third United Nations
Earth Summit,
Rio de Janeiro, 1992.



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From mitigation policies to adaptation policies

At the 3rd Earth Summit in Rio de Janeiro in 1992, a consensus on climate risk resulted in the parties involved undertaking to set up global climate governance under the aegis of the United Nations. A global multilateral agreement was then planned to apply to all states. The UNFCCC is based on a strategy of 'sharing the burden' in which countries share efforts to reduce emissions. This choice put reduction undertakings by countries in the foreground of international negotiations. A distinction in treatment was nevertheless set up between the industrialised countries and the so-called developing countries according to the principle of 'common but differentiated responsibilities'. The countries in the South do not have an obligation to reduce emissions as western countries are historically responsible for increasing the quantities of greenhouse gases in the atmosphere.

Climate negotiations are punctuated by annual Conferences of the Parties (COP) held within the framework of the UNFCCC. The adoption of the Kyoto Protocol at COP 3 in 1997 was the final stage of a multilateral agreement, with the developed countries and certain countries with economies in transition setting themselves precise objectives guided by IPCC conclusions. The agreement was widely praised even though the efforts made to reduce greenhouse gas emissions (calculated as equivalent CO₂) were modest (average 5% for 2008-2012 in comparison with the 1990 level). It was based in particular on the setting up of 'carbon markets'. These market mechanisms were supposed to reduce emissions inexpensively by a system of emission rights trading aimed at industries. The non-emitted CO₂ units then became the unit of measurement

in combating climate change. The same market logic was soon applied to deforestation through the mechanism 'Reducing emissions from deforestation and forest degradation' (REDD+).

The actual causes of emissions were not examined

However, it has to be admitted that these choices are ineffective. There is a patent gap between the increasingly alarmist IPCC forecasts and the bogging down of negotiations. Reduced to a purely quantitative view, the global approach has made it possible to separate the climate question from other realities such as increased exploitation of fossil energy, accelerated competition from emerging economies, etc. The causes of emissions were not examined. Negotiations thus long remained independent of questions of international trade, energy policies, geopolitics and the economy and also social questions in general. This led to a form of autism: while timid undertakings were formulated during negotiations, international trade agreements and national policies operated against a reduction in emissions.

Industrial chimneys on the bank of the São Francisco River, Brazil.

Human activities, and mainly the massive exploitation of fossil fuels, result in greenhouse gas concentrations that tend to warm the atmosphere.

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Box 45

Market instruments and the market approach to biodiversity

The Climate Convention gave market instruments an important role in the solving of emission problems.

This economic approach then spread to other sectors of environment policies.

For this reason, the INVALUABLE project focused on this mercantile approach to nature, with the latest feature being payments for ecosystem services.

So-called 'market instruments'—carbon markets in particular—were favoured in the Climate Convention.

This economic approach to environmental policies that stressed the potential of market instruments for solving global problems has gradually been applied in other areas: biodiversity, fighting deforestation and desertification, etc.

Strongly used by international institutions, this approach appeared in the United States at the end of the 1980s, first for regulating air pollution problems and then those of decreased biodiversity.

This use of market instruments was chosen ideologically in opposition to the regulatory power of the state and its so-called 'command and control' instruments. The main argument was that of the supposedly greater effectiveness of market instruments than legislation and/or administrative control.

From theory to practice

The INVALUABLE project, with considerable participation by IRD scientists, shows that the difference between theory and practice is often surprising. The IRD researchers used studies based on the comparative analysis of countries, *in situ* observations and even participation in various specific projects combining historical, economic, institutional and legal analysis to show that in practice there tends to be a hybridisation of instruments.

In all cases, 'markets' are more an incantation than a model of economic theory.

For example, the 76% decrease in annual deforestation in Brazil since 2005 is mainly the result of federal policy, that is to say a state 'command and control' policy.

It took time—over and above the question of ineffective negotiations and the increase in emissions—for the 'adaptation' theme to come into force. This indicated awareness that in contrast with what was planned in the agreement on the climate, mitigation would not take place at the speed of a natural adaptation of ecosystems to climate change. Adaptation is thus aimed at guaranteeing collective means of action to prepare for a world that is 2°C warmer. The emerging of adaptation also involves developing countries which call into question the rules for mitigation while they are the first to suffer damage resulting from the industrialisation of the developed countries. At the Bali Conference (2007), they imposed the adaptation theme as a second objective of the agreement, seeing it to be as crucial as mitigation.

Planning backed by legislation and other actions (repression and incitation, the development of surveillance techniques and the creation of protected areas) has given results. The influence of the use of market instruments is not seen in this success.

Ecosystem services

Reducing climate change to CO₂ measurement contributes to the creation of a unit of measurement that can serve as merchandise, that is to say it enables trade between buyer and seller. This economic approach in environmental policies is indeed the source of the ecosystem services concept current in international biodiversity circles. It generates strong opposition from a non-negligible fringe of civil society that refuses to see nature protection policies based on the economic assessment of the services that ecosystems render to humans.



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Illegal deforestation in Mexico.

Countries in the South in geopolitical negotiations

The UNFCCC divides signatories into two blocs: Annex 1 countries (OECD countries and the former Soviet Union countries) that are responsible for most emissions and the non-Annex 1 countries (developing countries in UN terminology). Negotiations concerning the climate have not recovered from this division of the world. The developing countries first lost interest in the climate problem caused originally by the industrialised countries and in which the same industrialised countries awarded themselves leadership.

The division was also at odds with the new geopolitical pattern with, in particular, the economic boom in China and the affirmation of major emerging countries (Brazil, Russia, India and South Africa). By 2030, most emissions will be from the United States and China, neither of which made undertakings within the framework of the Kyoto Protocol. And Europe, which had put all its energy into obtaining the Kyoto agreement, will account for less than 5% of global emissions.

The 'developing country' category called into question

The United Nations 'developing country' category is obsolete and the countries in the group are now questioning the rules governing the climate question. Their strategies are fragmented into as many divergent interest groups, forming pressure groups with variable geometry: oil-producing countries demanding compensation for the forecast decrease in oil consumption, emerging countries refusing any constraints for development, small island states threatened by rising sea levels, the least developed countries counting on aid for adaptation, ALBA countries led by Ecuador and Bolivia stressing climate injustice and problems of the merchandise approach to nature, the Climate Vulnerable Forum (a strategic group focused on losses and damage that wants the development of an aid system to cover the inevitable or irreversible impacts when adaptation has reached its limits), etc.

COP 20 in Lima,
Peru, 2014.



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The few 20,000 people who participated in the negotiations (the representatives of 195 signatory countries and also other stakeholders such as industries and NGOs) thus represent specific interests that are increasingly disconnected from the prime aim of the Convention, that is to say limiting emissions of greenhouse gases. The issue is that of obtaining funding, whether as compensation for damage caused by the west (the ecological debt) for performing adaptation actions (reconfiguration of aid for development) or for covering the cost of climate catastrophes (losses and damage, reconfiguration of humanitarian aid).

Reconfiguration of aid for development

The poorest countries in particular have drawn up national action plans for adaptation to climate change (NAPA) in order to receive aid from the UNFCCC and the Global Environment Facility (GEF). This financial opportunity has encouraged them to incorporate adaptation to climate change risks in all their general development and sector plans.

'Climate loans', another form of aid, have developed since the end of the 2000s. Indonesia was the first country to have benefited from a budgetary loan for its climate plan. Funded by development agencies, the World Bank or the Inter-American Development Bank, these loans for countries with intermediate economies can exceed a billion euros.

Some consider that this reconfiguration of aid centred on climate has favoured a kind of depoliticisation of development by imposing climate change as the ultimate environmental problem, overtaking all the other environment-related questions (biodiversity, desertification, etc.) and those of society (economy, governance, etc.).

The issue of COP 21

COP 21 in Paris in 2015 should mark the beginning of a new cycle of negotiations with an important change in the framework of the climate question. This was outlined at COP 20 in Lima in December 2014. The supreme objective of negotiations will no longer be the reduction of greenhouse gas emissions but other strategies incorporating questions of adaptation and losses and damage. But this readjustment does have contradictions: whereas the objective of keeping emissions below the 2°C threshold was maintained, the adaptation objective envisages temperature increases of 3°, 4°, 5°C... The financial aspect will also be essential for the southern countries to accept constraints. The issue is thus that of setting up a fund of 100 million dollars per year from 2020 for developing countries.

Indonesia: assesment of international budgetary aid centred on climate change

The cooperation agencies in Japan (JICA), France (AFD) and the World Bank award *ad hoc* Climate Change Policy Loans (CCPL) to provide effective aid for southern countries in fighting climate change, and especially those with intermediate economies that will in time become the main sources of GHG emissions.

The first test was in Indonesia from 2008 to 2010 (800 million dollars of loans provided by AFD alone). It was soon repeated in Mexico, Vietnam and Mauritius. The loans awarded are not for the undertaking of particular actions against climate change but to catalyse the taking into account of the issue in all public policies.

In 2014, researchers at the DIAL unit evaluated the support provided to Indonesia. Evaluation of budgetary aid is obviously very complicated as it is not possible to establish a direct link between incoming funds (paid to the Treasury) and the results of public policies, especially as

the Indonesian government launched an ambitious plan to fight climate change in 2007 when the country hosted COP 13 in Bali (Indonesia is world No. 16 in GHG emission ranking).

The emission reduction objective

Researchers had to define an *ad hoc* evaluation procedure because the standard method used by OECD is applied above all in fighting poverty in the poorest countries. It therefore had to be adapted to the context of a budget loan to an emerging country.

An evaluation showed that budgetary support (especially during the 2008 financial crisis when countries with intermediate economies had no resources) had had a positive impact on the taking into account of climate change by the planning agency (BAPPENAS) which was thus able to exert pressure on the most recalcitrant ministries (especially the Ministry of Forestry) and to a lesser degree on provincial authorities.

Some concrete measures were implemented, such as the introduction of forest management units and an increase in the purchase price of alternative energy (Indonesia has an enormous potential for geothermal energy). In addition, the CCPL supported the dynamics of a country already firmly engaged in the fight against climate change and marked in particular by an emission reduction target for 2009.

An important measure was taken in January 2015 after the change of government: subsidies for the consumption of fossil energy were abolished (except for fishermen and public transport).

Oil palm plantation in deforested areas in Sumatra, Indonesia.

Six million hectares of forest were cleared from 2010 to 2012 in the archipelago as a whole.



With the prospect of a new agreement, 'Intended Nationally Determined Contributions' should replace the reduction undertakings calculated according to a global volume of emissions not to be exceeded. The voluntary contributions should allow all countries to put forward plans to address climate change that are anchored in their national policies and match their priorities and possibilities. For countries in the South, this opening is an encouragement to end the aid approach by proposing national GHG emission reduction policies alongside adaptation policies. Of course it is legitimate to doubt that this bottom-up movement of contributions might result in substantial GHG reductions but the top-down governance of undertakings has not really given convincing results.

Leadership by the industrialised countries has been replaced by a set of disparate stakeholders. One of the objectives of COP 21 is to involve all stakeholders, NGOs, social movements, local communities and unions in a multi-objective policy framework and award more value to questions of innovation, technological partnership, solidarity and production and consumption methods. All these questions have hitherto been hidden by the emission reduction imperative via market mechanisms. Thus policies to address pollution, waste recycling and public health can operate with mechanisms other than commercial ones and not directly within the framework of a climate policy in order to reduce emissions. This is referred to as 'co-benefits' or 'double dividends'.

The incorporation of climate change in biodiversity conservation policies

International negotiations centred on climate have participated in the development of global environmental governance with effect on national environmental policies. Research at IRD has shown how the emergence of **global issues** has partially reconfigured environmental governance in the countries studied (Madagascar, Brazil, Mexico, Cambodia and Vietnam). Stakeholders, sources of funding, the rules of the game and intellectual property rights or simply the concepts used now go beyond frontiers and,



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Message painted on a wall in Vientiane in favour of the protection of the environment (Laos).

in a way, are involved in debates on national sovereignty. Analysis of policies for the conservation of biodiversity shed light on the balance of power and the new standards involved in this reconfiguration.

Addressing climate warming helps protected areas

National biodiversity conservation policies have incorporated the climate change agenda for about a decade. This took place mainly in the mid-2000s at the international level within the framework of the Kyoto Protocol. It is reminded that initially the latter did not at all cover biodiversity conservation stakeholders. Forest was incorporated in the Kyoto Protocol little by little with encouragement from countries in the South and NGOs concerned with the conservation of biodiversity (WWF, Conservation International, Fauna & Flora International, WCS). The argument is twofold: firstly, photosynthesis in forests captures CO₂ (the carbon sink function) and secondly deforestation by fire releases this CO₂, increasing the greenhouse effect (see Part 2, p. 147). Protecting forests (especially tropical forests) has thus become an issue in the addressing of climate warming and replanting policies were incorporated in the Kyoto Protocol in 2001. To combat single-species reforestation that is harmful for biodiversity and to focus on countries in the South, it was the turn of avoidance of deforestation (REDD+ mechanisms to reduce emissions resulting from deforestation) to enter the field of negotiations.

Work at IRD has shown that the determination to incorporate climate change in biodiversity conservation policies results from the promises of funding of the carbon market. Countries in the South set up large networks of protected areas from the 1950s onwards under the influence of the international community. These biodiversity conservation policies are focused on tropical forests in particular. However, the maintenance of the protected areas has always been a source of problems. On the one hand, the countries in question see these forest areas as a source of economic development. On the other, their budgets are slender and their contribution to funding protected areas is small. To date, public aid for development has financed much of these policies. But funding requirements have increased while aid for development is faced with other undertakings: health, education, crisis management and rural development.

For stakeholders in the conservation of biodiversity, the 'climate regulation' function has become an argument for receiving additional funding whether through REDD+ funds linked to the Climate Convention or from voluntary independent funds. Thus pilot projects have taken shape in the last decade aimed at funding the maintenance of these protected forests by multinational corporations that wish to use carbon neutral strategies (this is the case of Air France and Microsoft in Madagascar for example) or to anticipate future regulations.



Protected area in Madagascar. The conservation of Malagasy forests is also part of the fight against climate change.

A problem of sovereignty

The research carried out at IRD has identified several problems related to the incorporation of the climate question in policies for the protection of biodiversity. The search for foreign funding in the name of the services rendered by these protected ecosystems has often elbowed out countries in the management of protected ecosystems to the benefit of NGOs and multinational corporations. This is particularly flagrant in countries in which there is a strong foreign influence, as in Africa and part of Asia. Western multinational corporations have been the main sources of funding for protected areas in the name of the prevention of deforestation. They have been out ahead in their search for compensation for their CO₂ emissions as they were concerned by national agreements on the reduction of such emissions or used a 'greenwashing' strategy. Western conservation NGOs operating in these countries were thus perfect partners. Recognised by the western public and an assurance of a certain degree of good governance of funds, they were targeted immediately as key participants in these new features (REDD+ and voluntary agreements). The countries that generally own the land and the forests often play a minor role in these negotiations (Box 47) and this has

The protection of Madagascar forests in the name of the climate

A first REDD+ pilot project was implemented in Madagascar in 2005 with the creation of the largest protected area in the country, Makira, covering 400,000 hectares of forests.

Within the framework of the SERENA programme, researchers focused on the effects of the taking into account of the fight against climate change in forest protection governance.

The needs of farming communities in eastern Makira result in the use of land for temporary food crops on slash and burn forest areas or regrowth.

Other practices (fruit plantations, irrigated rice growing, small livestock, etc.) and the surveillance of forests, whose management has been transferred to them, receive financial encouragement from the conservation project.

Faced with the major challenge of financing its forest conservation activities, the Malagasy government listened to the arguments of conservation NGOs and the World Bank according to which the REDD+ mechanism could cover a third of the annual budget requirements for the management of protected areas. A pilot REDD+ project was thus implemented in Madagascar in 2005 with the creation of the largest protected area in the country: Makira. Steered by the Wildlife Conservation Society (WCS), an American NGO, the project consists of encouraging the local populations to change their practices and activities with the aim of reducing deforestation.

Researchers within the framework of the SERENA programme led by IRD wished to check in the field in what way REDD+ is an innovation for the governance and conservation of the forests of Madagascar. Their work addressed three aspects of the Makira project. What will be the scale of forest management? How would carbon revenue be distributed? How would non-emitted carbon be measured?

The REDD+ mechanism is presented as the first attempt at the international management of forests while strengthening the institutional capacities of countries thanks to the carbon accounting at the national scale (with a view to setting up a carbon market). However, the Makira project is governed in the field by the American NGO Wildlife Conservation Society (WCS) to which the state has delegated the management of the protected area and the carbon fund.

Forest protection is still managed by the traditional conservation stakeholders

Another divergence between theory and practice is that the local population is on the fringe of the negotiations for setting up 'payment for environmental services' whereas this population is the direct supplier of the service by changing practices to spare the forest. Protection of the forest is managed above all by conventional conservation stakeholders, WCS and new controllers in the form of certification bodies. The local population receives half of the financial distribution as in the other conservation projects on the island.

A final point is that the funding related to REDD+ must be based on results, in other words on the certification that hectares of forest have been conserved—and the corresponding amount of carbon sequestered—thanks to the project. But these requirements can only be met at the scale of the entire forest and not at the local scale. The contracts with farmers are based on changes in practices and the measurement of the carbon sequestered as a result of these serves no purpose and is technically impracticable.

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created tension and suspicion on both sides, especially in the light of the sums involved. Negotiations also concern very large areas on a completely different scale to that of local environment management dynamics. Local populations are excluded from these negotiations and share to a considerable degree the feeling that they have been dispossessed.

Another problem concerns the validation of the carbon credits given to the corporations in return for their financial engagement. Procedures for the verification of the carbon stored thanks to protected areas are necessary. This means not only measuring the quantity of carbon held by the forest (see Part 2, p. 147) but also demonstrating that it is clearly the 'purchase' of these carbon credits that accounts for forest conservation. If by any chance forest is conserved by other methods (for example by respect of the law or the dismantling of an illegal export system), carbon credits will not be validated. All this makes the establishment of funding facilities for areas protected by carbon credits extremely complicated, especially as paid international expertise that the host countries rarely possess is usually necessary, and this takes a large proportion of the funding made available for these projects (Box 47).

It is noted nevertheless that although 'carbon' funding gives rise to much hope, it forms only a small proportion of current financing. Biodiversity conservation stakeholders consider that carbon is an innovative funding option but it is in no way the only one. Many conservationists feel that it is dangerous to limit the interest of conservation to the carbon dimension alone as the richness of biodiversity is not always linked to biomass carbon content.

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