

# **Environmental Governance and Climate Change**

**Presentation at Nagoya  
University**

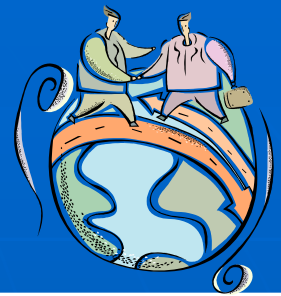
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January 31, 2011**

# Contents

1. What is governance?
2. Governance and climate change
3. Why is it difficult to reach a climate change agreement?
4. Broader thinking about governance
5. National level governance
6. Case study: The United States
7. How can governance be improved?



# 1. What is Global Environmental Governance?



*"Environmental Governance comprises the rules, practices, policies and institutions that shape how humans interact with the environment."\**

*\* UNEP, "Environmental Governance,"  
<http://www.unep.org/pdf/brochures/EnvironmentalGovernance.pdf>*

*"We understand global environmental governance (GEG) as the sum of organizations, policy instruments, financing mechanisms, rules, procedures and norms that regulate the processes of global environmental protection."\*\**

*\*\* Adil Najam, Mihaela Papa and Nadaa Taiyab, *Global Environmental Governance: A Reform Agenda*, IISD 2006. <http://www.iisd.org/pdf/2006/geg.pdf>*

# What is governance?



## GovernANCE

### GovernMENT: (basic form of governance)

- Makes decisions, regulations, policies
- Military, police power \*\*\*
- Power of taxation \*\*\*
- Decisions can be implemented
- ❖ Decision making process varies
  - (Democratic, communist, dictatorship; usually a constitution)

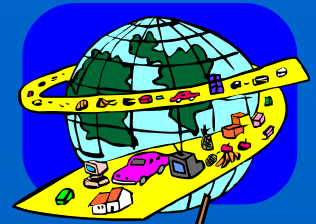


- Governance -- also makes decisions
- Includes government
- "Governance" emphasizes actors other than government
  - Corporations, NGOs, international organizations
- Sometimes non-governmental actors can create a decision making mechanism (often voluntary) separate from (or in cooperation with) government
- Sometimes "wishful thinking" – hope to avoid governments





# INTERNATIONAL / GLOBAL GOVERNANCE



- International: "means between nations"
- Global "government" does not exist
- United Nations, Environmental Agreements, International Institutions



- Based on agreements between governments
- Agreement is voluntary (not based on force)
- Financial contributions are voluntary (a country will not pay if it does not agree)
- Unanimous decisions (each country has a veto)
- Agreements must be "self enforcing"
  - No military, police force
  - No power of taxation
  - No power of sanctions



# International Relations Theory: Power of Nation-States?



## GENERALLY WEAKENING

- Rise of Non-state actors (Multinational corporations & NGOs)
- Decentralization (more power to local governments)
- Difficult domestic policy implementation



CITY HALL

However,

## THEY STILL DETERMINE INTERNATIONAL AGREEMENTS

- Only they raise revenue from taxes
- Only they can make and enforce laws and regulations



# What is Accountability?

- Some people say global environmental governance “lacks accountability.”
- Definitions: responsibility, “answerable to” (many definitions are circular)
- Main idea: someone should act on behalf of, or for the benefit of someone else



# How does climate change governance lack accountability?

- Accountable to whom?
  - There is no global government over nation states. They are accountable to themselves.
  - World citizens?
  - Environmental NGOs?
  - Nature?
- Governments of countries (and their politicians) argue that they are already accountable to their citizens.
- Do countries' citizens want their governments to do more on climate change?





Section 2:

# **GOVERNANCE AND CLIMATE CHANGE**



# Global/ International Climate Change Governance

- Main inter-governmental framework (between national governments of countries) UNFCCC (United Nations Framework Convention on Climate Change, Kyoto Protocol)
  - These are international agreements
- Other climate frameworks, e.g. Asia Pacific Partnership
  - Inter-governmental
  - But focused on discussion, voluntary measures
  - Gather together 7 major countries (not Europe), accounting for ½ global population, economy, energy
- Other general frameworks
  - G8, G20, OECD, etc.



# Non-Governmental Global Climate Change Governance

- Non-governmental actors also make agreements, frameworks, voluntary initiatives (mostly voluntary, membership-based)
  - Various business initiatives
  - Private carbon offset schemes that individuals can subscribe to
  - International intercity networks, (ICLEI, Kitakyushu Initiative)
  - Chicago Climate Exchange (2003-2010)



- Seem to move faster than governments, international negotiations
- Limited in scope, not backed by the power of governments
- But may be the best hope, if government action is stalled.



Section 3:

# WHY IS IT DIFFICULT TO REACH A CLIMATE CHANGE AGREEMENT?

# (In General) Why National Governments do Not Want to Support Climate Change Actions (Mitigation)

- Benefits are far in the future
  - Politicians' time frame is only until the next election
- Fear of costs
  - Reduced consumption
  - Higher energy costs
- Worry about effects on economic and trade competitiveness
  - (If it takes action and others don't, then its goods/services become more costly than others. For example, energy may become more expensive.)
- May still be doubts about climate change science
- Who will pay?



# Position of Many Developing Countries: Issue of Fairness

- In their view, the problem was caused by developed countries
- Economic development and poverty reduction the main priority
  - Desire to achieve the high consumption lifestyle
- Even other environmental problems are a higher priority than climate change
  - Waste management, water & air pollution
- Worried about losing trade competitiveness if energy costs rise
- Developed countries should make largest reductions
- Developed countries should pay for mitigation and adaptation costs for developing countries



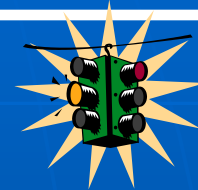


# Position of Many Developed Countries (especially the US)

- Developing countries must contribute to mitigation
  - GHG emissions from big developing countries rising rapidly.
  - China now surpassed the US as the world's largest emitter
  - Problem cannot be solved by developed countries alone
  - The global environment cannot support a Western lifestyle for everyone in the world (but developed country citizens do not want to give up their own)
- Will not/ cannot pay even modest costs for developing countries
  - Many developed countries have budget crises
  - Many developing countries are becoming wealthier
    - China: world's 2<sup>nd</sup> largest economy, largest foreign exchange reserves
- Worried about trade competitiveness/ unemployment. Developing countries already have a cost advantage.
- May be using objections of developing countries to avoid doing something themselves (e.g. avoid an agreement)

# Dissatisfaction with International Environmental Governance

- Slow decision making
- Many countries block or weaken agreements
- International agreements are often too weak to solve problems
- Lack of coordination; no one in charge



Can anything be done?





Section 4:

# **BROADER THINKING ABOUT GOVERNANCE**

# Multilevel Governance

**Global**

**Regional**

**National**

**Subnational (local)**

**Individual**

- Governance has multiple levels
- Coordination is important but difficult
- (Both within & between levels)

- Multilevel governance exists, but is it a solution?
- How can coordination between levels be improved?

# Participatory Governance



## Modes

- Participation in decisionmaking (consultation), through formal mechanisms
- Access to information

## Logic

- Participation will lead to better decisions
- Assumes leaders do not represent people's views (or don't have information)

## Questions

- How will participation be organized? Direct participation? NGOs?

## Cautions

- Just because people have information doesn't mean they will use it
- In democracies, people already choose leaders.

## ➤ Examples

- UN & other organizations: Civil society organizations, NGO's representatives, etc.
- Advisory committees
- Involve local citizens in Environmental Impact Assessment







Section 5:

# **NATIONAL LEVEL GOVERNANCE**

# Governance at the National Level

- How do countries make decisions?
  - Need to analyze decision making process
- Who makes decisions?
  - Governments (national, local)
- What can countries make decisions on?
  - Their position on climate negotiations
  - They can make their own policies, for what they can do on their own
    - Energy, transport, agriculture, waste, etc.

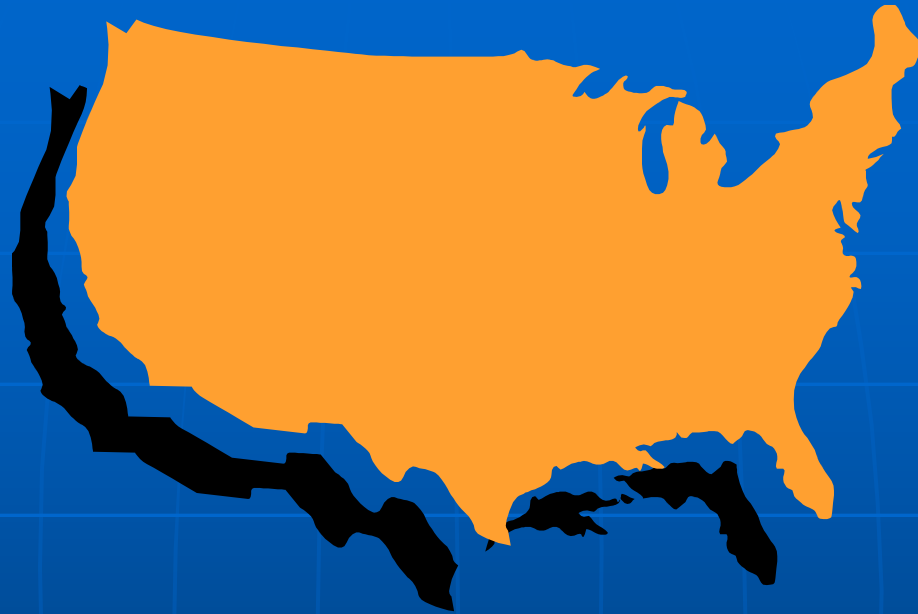


# National Level Governance Issues (relating to climate policy)

- Fragmentation of decision making; several ministries involved
  - (Energy, Environment, Finance, Economy/Trade, Foreign Affairs, Transport, Construction, Agriculture)
- Bureaucratic sectionalism, jurisdictional conflict
  - Environment Ministries usually weaker
- Government capacity, human & financial resources
- Who influences the policy?
  - Business? NGOs? Politicians? Bureaucrats? General Public?
- Corruption?



- Policy integration: climate issues need to be integrated into policies in other issue areas
- Capacity of human resources may be the most important constraint, even if a country decides to increase priority to climate change actions

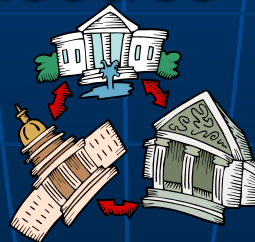


Section 6:

# **CASE STUDY: THE UNITED STATES**

# US Case – Decision making process

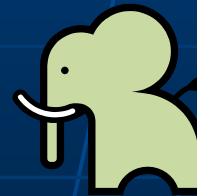
- In the US, a climate change agreement is considered a treaty.
- Implementation requires passing a law
- According to the constitution, a treaty requires approval of 2/3 of the senate.
- Laws require approval of President, House of Representatives, and Senate
- Senate approval usually requires 60/100 on controversial issues ("filibuster" rule)





# US Case -- Senate

- Democrats have a 53/47 majority; not enough to overcome filibuster
- Republicans are opposed to any climate change related actions
- Some conservative Democrats are also opposed



# Reasons Why Republicans (& Others) Oppose Actions to Address Climate Change

- Do not believe that climate change exists, or that it is caused by humans
- Ideology (anti-government, anti-environment)
- Claim it would "kill jobs"
- Political strength of oil, coal, other industries
- Not very interested in energy efficiency or renewable energy
- Believe that many voters are climate skeptics & don't want to spend money
  
- Complains that we have a "bureaucracy that now tells us which light bulbs to buy" Representative Michelle Bachman, (R) Minnesota, Tea Party Caucus



# Bush Administration's Climate Change Strategy

- Main focus: spread doubt about climate change
- In US, top cabinet/department officials are "political appointees" chosen by the President, not professional career officials.
- All government documents related to climate change were reviewed. Top officials of all agencies insisted that scientific "uncertainty" should be emphasized in every document.
- Some conservative news organizations like Fox News adopted similar policies
- As a result, scientific doubts were also reported in mainstream media
- Overall, the campaign was highly effective in spreading doubt among the general public about the seriousness of the climate change problem.



# US Business is Divided

- Many businesses support some measures to address climate change, or do not strongly oppose, especially
  - Multinational corporations
    - More efficient to have global standards
  - Some electric power companies
    - Need regulatory stability to make long term investments
  - Insurance
    - Climate related weather disasters will be costly
  - Emerging renewable energy industry





# US – Climate Regulation?

- If Congress doesn't act, then the EPA will act.
- US Supreme Court ruled that the Environmental Protection Agency (EPA) has the legal authority to regulate greenhouse gasses as air pollutants
  - (Bush Administration argued the opposite)
- Congress & President delegated regulatory authority to EPA under the Clean Air Act. But Congress retains the power to veto regulations it doesn't like.
  - So EPA started the regulation making process, but it needs to be cautious
  - Initial rules likely to be limited in scope

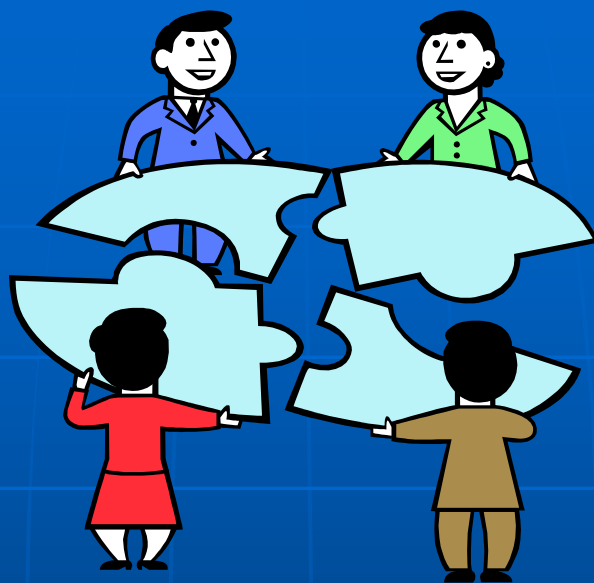




# US – Recent Developments

- President Obama is giving up on climate change/energy action
- Priority is on economic recovery
  - Many perceive climate change action to be economically harmful (“job killing”)
- Democrat majority in the Senate was reduced, Republicans took over the House of Representatives
  - No chance for Climate legislation to pass Congress
- President’s Coordinator for Climate and Energy policy, former EPA Administrator Carol Browner, resigned





Section 7:

# HOW COULD CLIMATE CHANGE GOVERNANCE BE IMPROVED?

# How to make progress (slowly) on International Environmental Negotiations

Way of thinking of opponents of action

## Agenda Setting

Governments recognize there is a problem

Try to delay action, lose momentum, reduce costs

## Monitoring the problem

Evidence for seriousness of the problem

Problem may not be serious. Concern about cost of monitoring, methodology

## Agree to do something in principle

But not committed to specific actions

Problem is complex. Solutions unclear, difficult, costly. Delay more.

## Agree to voluntary measures

Not mandatory, no enforcement

Don't want to be penalized or criticized for not doing enough. Try to delay, avoid costs.

Compliance: Monitoring, public information

Can bring public pressure on governments

Might restrict funds for monitoring & public information. Public might not watch closely.

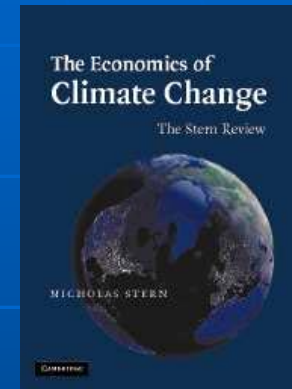
# Broader Thinking on Governance?

- Basic idea: how to bypass national governments
- Action by Non-state actors, NGOs
- Multilevel governance
- Participatory governance



# Are Countries (& Businesses & Citizens) Considering their Interests Correctly?

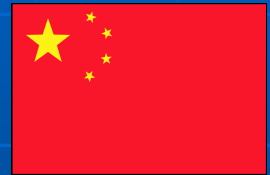
- Stern Report: Costs of action (mitigation) are much less than the costs of inaction (adaptation)
- Energy efficiency is profitable (but need initial investment)
- Renewable energy increases energy security for many countries





# Examples of Benefits from Climate Change Actions

- China (unilateral measures)
  - Strong industrial policy to promote renewable energy
  - Strong energy efficiency policy
  - Higher automobile emission standards to promote globally competitive auto industry
- Walmart
  - Energy saving measures bring large profits (light bulbs, package redesign, etc.)
  - Strong effects on global suppliers
- Other countries, businesses are also already taking measures, but not enough to solve the problem



# Cobenefit Approach

Many climate actions have benefits in other areas

- Development
  - Energy efficiency, renewable energy
  - CDM (Clean Development Mechanism)
  - Green jobs
- Environmental areas
  - Air pollution
  - Waste management
  - Water

## Governance Issues

- Requires coordination between ministries in countries
- “Policy communities” may not be used to communicating (interdisciplinary approach)

# Points to Consider on How Could Climate Change Governance be Improved?

## ■ Level?

- Global
- Regional
- National
- Local
- Individual

## ■ By whom?

- Governments
- Businesses
- NGOs
- Individuals

➤ How to get financial resources?



# Thank You!

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