

Presentation on:

# Emerging new framework after Durban

May. 16, 2012

**Jusen ASUKA**

Director, Climate Change Group, IGES, Japan

Tohoku University, Japan

[asuka@cneas.tohoku.ac.jp](mailto:asuka@cneas.tohoku.ac.jp)

# Contents

**1. New Alliances**

**2. Climate Unilateralism**

**3. Conclusion**

# 1. New Alliances

# The Context

**Lowest common denominator agreement**

**or**

**Ambitious countries' alliance and actions → Bipolarization**

# Newly Emerging Alliances

- **Cartagena Dialogue**
- **Durban Alliance**

# Cartagena Dialogue

- **Came together in last 48 hours of Copenhagen**
- **Six meetings in 2010-2011**
- **Key to Cancun success**

**(Yamin 2012)**

# Cartagena Dialogue

**Countries:** Antigua & Barbuda, Australia, Bangladesh, Belgium, Burundi, Chile, Colombia, Cook Islands, Costa Rica, Democratic Republic of the Congo, Denmark, Dominican Republic, Ethiopia, European Commission, France, Germany, Guatemala, Ghana, Indonesia, Kenya, Malawi, Maldives, Marshall Islands, México, Netherlands, New Zealand, Norway, Panama, Peru, Poland, Rwanda, Samoa, Spain, Switzerland, Sweden, South Africa, Tanzania, Thailand, Tajikistan, Timor-Leste, United Kingdom and Uruguay.

## Durban alliance

- **Countries willing to do Kyoto/CP2 as part of larger political bargain**
- **Cartagena minus umbrella group (Australia/NZ) plus South Africa (Yamin 2012)**
- **Majority is energy-importing countries**



## 2. Climate Unilateralism

## **EU ETS Extension to Aviation**

- **Ambitious, controversial and high-stakes experiment**
- **Substitute for climate inaction**
- **Appeal for fairness from the business sector in the EU**
- **“Way-forward” or “Dead-end”**

## Criticism

- **Extraterritoriality**
- **No production-based accounting**
- **Chicago convention compatibility**
- **WTO compatibility**
- **CBDR/RC**
- **Procedure**

# Coalition against EU ETS Extension to Aviation

**Countries:** Argentine Republic, Brazil, Canada, China, Chile, Colombia, Cuba, Egypt, Japan, Republic of Korea, Malaysia, Mexico, Nigeria, Paraguay, Peru, Philippines, Qatar, Russian Federation, Saudi Arabia, Singapore, South Africa, Thailand, Turkey, United Arab Emirates and United States of America (Member countries of Joint declaration at ICAO meeting, Sep., 2011)

# **Countries which join both “Against the EU ETS Extension Coalition” and “Cartagena dialogue”**

**Chile, Colombia, Mexico,  
Peru, South Africa,  
Thailand**

## CBDR/RC (1)

- **No net incidence**
- **No net South-North flow of money**
- **Arbitrary “equivalent measures assessment”**

## CBDR/RC (2)

**Apparently, more sophisticated  
procedures and auction revenue  
re-routing scheme needed**

# EU ETS Extension and Border Tax Measures

- It is almost equal
  - EU may extend it to other sectors (shipping, cement, etc.)
  - WTO compatibility
  - Technical feasibility
- A fool's errand? (Moore 2010)



# **New (positive) counter actions against EU ETS Extension to Aviation**

**China consider Inclusion of  
aviation sector in China's  
domestic emissions trading  
schemes**

**(Point Carbon, May 9, 2012)**

# 3. Conclusion

## To go ahead or not? (1)

- **It may be true that we can expect only “lowest common denominator agreement” in the near future.**

## To go ahead or not? (2)

- **Unilateral actions may work if carefully articulated and targeted.**

## To go ahead or not? (3)

- **So unilateral actions led by ambitious countries' alliance will create momentum and may gain support gradually.**

# References

- **Moore, Michael (2010) “Implementing Carbon Tariffs: A Fool’s Errand?” Policy Research Working Paper 5359, The World Bank.**
- **Point Carbon (2012) “China ponders aviation in national ETS”, 9 May 2012.**
- **Yamin, Farhana (2012) Presentation at Climate Strategies Meeting, 20 January 2012, Copenhagen.**