

# Climate Change

## Won't Wait

**YVO DE BOER** describes recent accomplishments, and present and future challenges, in climate politics as the reality of climate change becomes ever more evident

**C**limate change is increasingly an everyday reality. The growing intensity and frequency of droughts, floods, extreme weather events, and other impacts speak loudly for the need to deal with this real and serious threat.

The international response to climate change has evolved around the United Nations Framework Convention on Climate Change and its Kyoto Protocol, which together provide the institutional basis for action on a global scale. The latest round of international talks – the United Nations Climate Change Conference in Nairobi – deals with important issues for advancing international action to mitigate the causes of climate change, and to adapt to its impacts.

Africa is particularly vulnerable to climate change. In Kenya, where millions of people must already cope with climate impacts, one can truly feel the urgent need for action. So taking concrete steps to strengthen support to developing countries in their efforts to tackle climate change is a major priority for the Nairobi conference.

Action on adaptation to adverse effects of climate change will be a key theme. In the past few years the international process has laid a solid basis for addressing adaptation. The 2002 New Delhi declaration on

climate change and sustainable development, which recognized it as a high priority, was followed by the adoption of the Buenos Aires programme of work on adaptation and response measures in 2004. The next year, the United Nations Climate Change Conference in Montreal adopted a five-year work programme on impacts, vulnerability and adaptation to climate change, intended to help develop the technical basis for increasing resilience. Agreement is needed on the specific activities within the programme to be carried out up to 2008: countries are expected to take decisions in Nairobi that will enhance action on adaptation on the ground.

### Critical elements

Developing countries will be hurt most by climate change. Yet they are often those with the least capacity to respond to its impacts. The Adaptation Fund was therefore established under the Kyoto Protocol to support adaptation activities in developing countries. The Fund is financed by a share of the proceeds generated by the Clean Development Mechanism (CDM) – one of the Protocol's market-based instruments – and by voluntary contributions. Countries adopted a decision at the Montreal conference giving initial guidance for the operation of the Fund, but a number of



issues relating to its management remain to be agreed. Ministers have an opportunity in Nairobi to reach political agreement on critical elements of the governance and management of the Adaptation Fund. This is especially important as the CDM is already generating income, which must be channelled to finance adaptation projects that make a real difference for communities in the developing world.

### Emission reductions

There has been progress in implementing the Protocol's market-based mechanisms. The CDM – combining support for sustainable development in developing countries with ►



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capacity-building for CDM host countries, and other actions to promote more equitable geographical distribution of projects. It is important that the sustainable development benefits of the CDM, such as the transfer of cleaner technology and improved energy efficiency, are more accessible to communities around the world.

**Global dialogue**

Joint implementation, another of the Protocol's project-based market mechanisms, was only formally approved in 2005. It allows industrialized countries with emission reduction targets to earn credits by jointly implementing projects that reduce emissions or remove carbon from the atmosphere. This is particularly important to countries with economies in transition, many of which have enormous potential for low-cost measures to reduce greenhouse gas emissions but lack the investment capital to implement them. The Joint Implementation Supervisory Committee, which governs the mechanism, has done much since it was established at Montreal, and the mechanism is now close to operation. Countries are expected to take important decisions in Nairobi to strengthen and further operationalize joint implementation.

Dealing with climate change in the longer term is a central challenge. Countries made a major step towards addressing it in Montreal by launching two new processes on future policy. One track is a global dialogue on long-term cooperative action by enhancing implementation of the Convention. Structured around four thematic areas – sustainable development, adaptation, technology, and

enhanced cost-effectiveness of emission reduction in industrialized ones – is the first to become operational. It is now booming. The number of registered CDM projects grew from a few dozen at the end of 2005 to 270 by the end of August 2006. About a thousand more are in the pipeline, heading for formal evaluation prior to registration. In February 2006 it was estimated that the CDM pipeline would deliver more than 800 million tonnes worth of certified emission reductions by the end of 2012. By the end of August 2006, just six months later, this estimate is increased to more than 1.2 billion tonnes – equivalent to the combined emissions of Canada and France in 2003. By October 2005, 50,000

tonnes of certified emission reductions had been issued; now this stands at over 11 million tonnes. The current CDM pipeline is expected to generate some \$12 billion in carbon credits by 2012, if the price of a tonne of carbon is around \$10. If the post-2012 value of credits can be ensured, and the CDM continues to grow, the actual income is likely to be much higher.

**Cleaner technology**

The Montreal conference decided to strengthen the CDM by streamlining its procedures and increasing financial resources to support its governance structure, giving it more muscle. The conference in Nairobi is to consider steps to enhance

market-based opportunities – it is designed to allow countries to exchange experiences and analyse strategic approaches for longer term action.

### Advance development

The other track is for negotiating new commitments beyond 2012 for industrialized countries under the Kyoto Protocol, focussing on quantified emission reduction commitments, and addressing such issues as the duration of the commitment period; differentiation of commitments and burden sharing; and sectors and sources of emissions and removals. A new subsidiary body to the Convention – the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol – has been established for this purpose

After a successful start in May 2006, discussions on future action continue in Nairobi. A workshop under the dialogue focuses on how to advance development in a sustainable way and how to realize the full potential of market-based opportunities. Discussions

under the Protocol on further commitments for industrialized countries continue with an in-session workshop on the exchange of scientific, technical and socio-economic information – including a presentation by the Intergovernmental Panel on Climate Change and ones by countries on the scientific basis for determining their further commitments, on emission trends and on the mitigation potential of policies and technologies. The two processes are closely related and support the same objective.

### Future policy

Significant longer-term emission reductions will largely depend on deploying new and more efficient technologies. So it is not surprising that making clean technology available to developing countries is one of the great challenges facing the process, one on which the success of climate policy might depend. Technology is a central common element in discussions on future policy, and negotiators are expected to agree in Nairobi on a set of actions to enhance

its transfer to developing countries.

The Protocol calls for a review to take place at the second Conference of the Parties, serving as a Meeting of the Parties to the Kyoto Protocol (COP/MOP). Countries must decide in Nairobi on how to conduct it, building on the momentum of the two-track process on future action already under way.

### Grave responsibility

Holding the twelfth Conference of the Parties and the second COP/MOP on a continent so vulnerable to climate change starkly demonstrates to negotiators their grave responsibility to make substantial, meaningful contributions to the fight against climate change, for communities both in Africa and around the globe. Climate change will not wait for them, but might be slowed down by the will of determined nations working together ■

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