



***PR China and the USA in Copenhagen***

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for the Finnish Institute of International Affairs

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# *Outline*

**Global Realities: What is Leadership?**

**Core Issues for Copenhagen**

**The Political State of Play**

**Country Positions:**

- **China**
- **USA**

**Conclusions and Discussion**

# *Copenhagen - Core Issues (1)*

**Two pillars: Environmental integrity, guided by the best available, most recent science**

An outcome compatible with “well below 2 degrees”

**If you cannot change the science, change the politics!** How to align the necessary with the possible

**A 'dual' obligation for Annex I**

- Key: How much can and will the US commit to?
- Prevent: Loopholes, hot air, non-additionality

**NAI deviation from BAU: cut growth by 15-30%**

# *Copenhagen - Core Issues (2)*

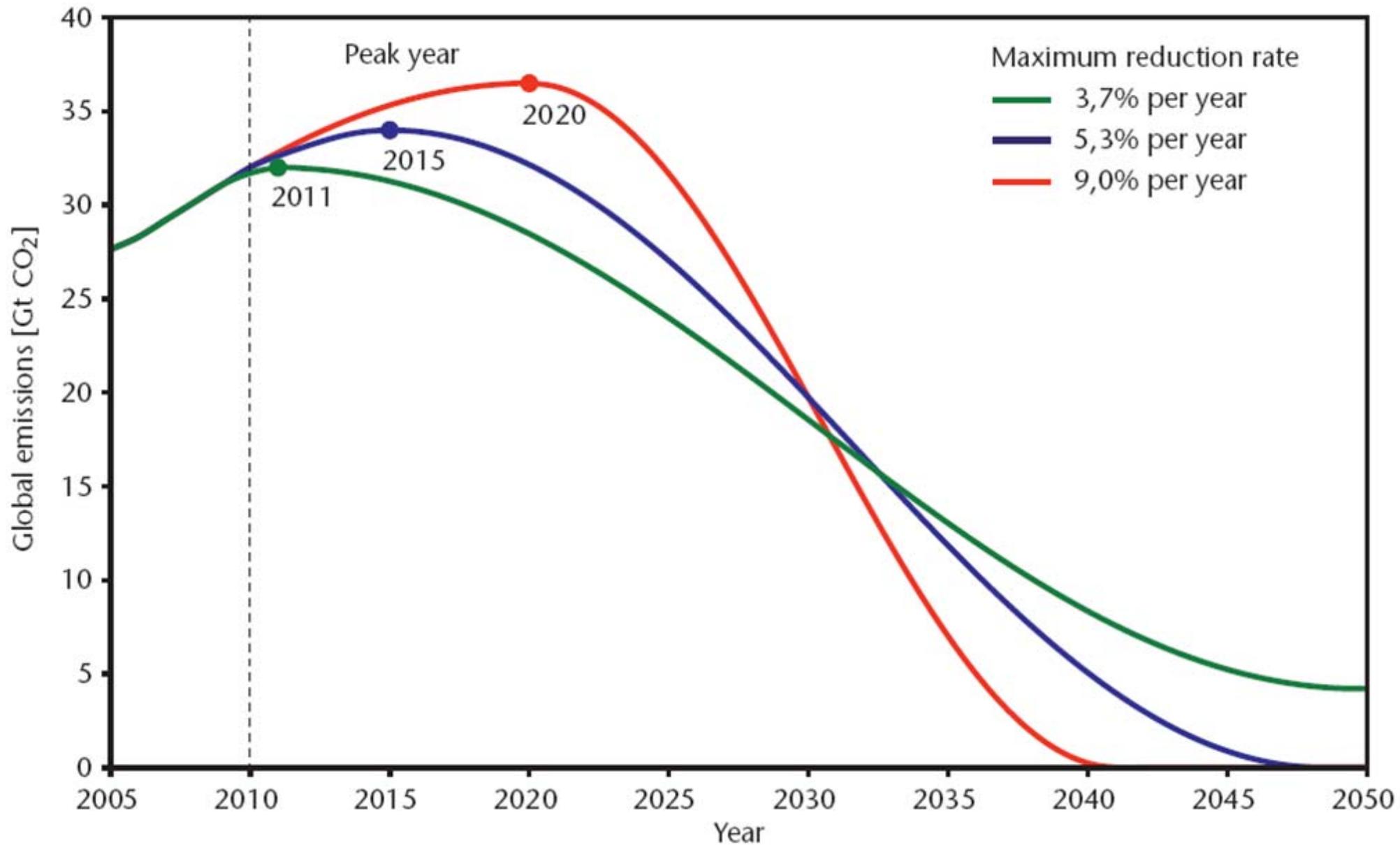
## **To peak and start the decline within a decade**

- Are the vulnerable safe at 450 ppm? → 350 ppm
- How to stimulate early action?

## **Equity - The second pillar**

- common but differentiated responsibilities -  
meeting existing Convention obligations
- new financing for adaptation, additional to ODA (targets)  
and mitigation & technology transfer, incl. deployment  
through markets and FDI (the IPR dilemma)
- governance and institutions

# *A climate 'safe' carbon budget – the consequence of late peaking*



# *The political state of play*

## **Outside of the UN FCCC**

Wider, foreign policy, dynamics (G8 > G20, China-US, Russia-EU, non-proliferation, trade, transatlanticism, South – South, energy and resources)

## **Inside the box - State of play of negotiations**

Too much to do, too little time, too difficult?

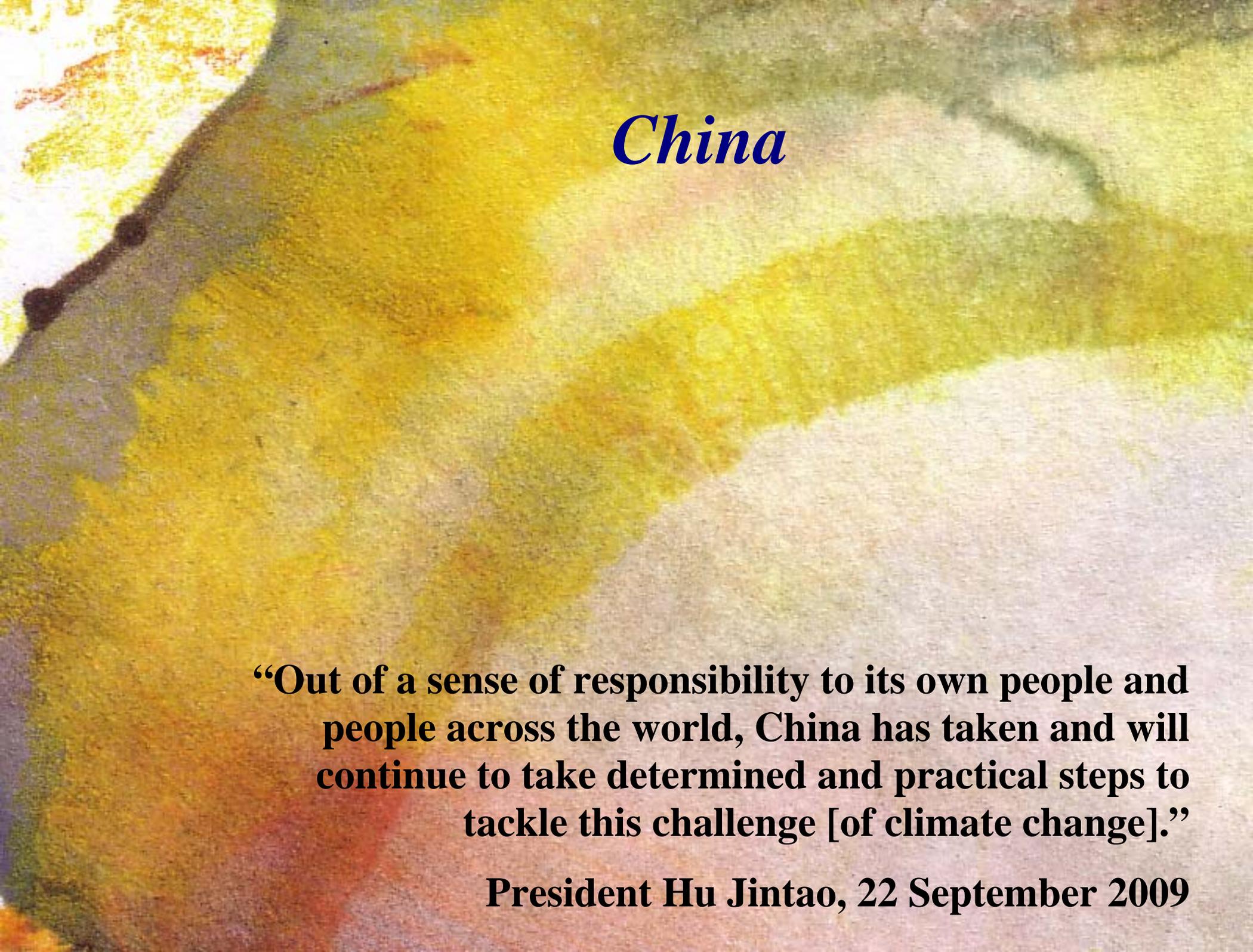
Complexity, political will

“A comprehensive, substantial and operationally binding agreement in Copenhagen leading towards a full legally binding outcome no later than 2010”

## **Scenarios for Copenhagen**

No deal better than a bad deal? What is a bad deal?

**The role of NGOs, business, media, arts, church**

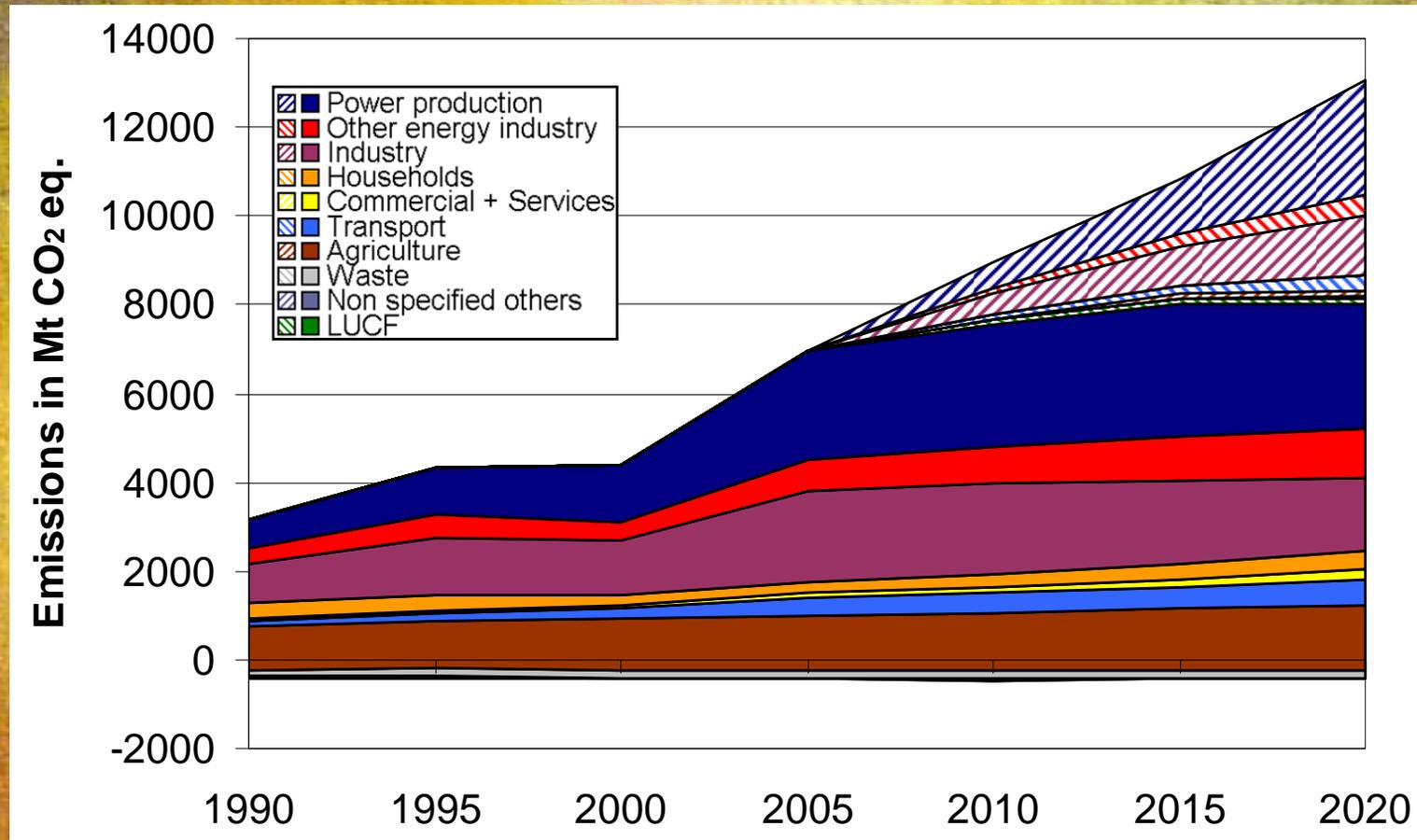


# *China*

**“Out of a sense of responsibility to its own people and people across the world, China has taken and will continue to take determined and practical steps to tackle this challenge [of climate change].”**

**President Hu Jintao, 22 September 2009**

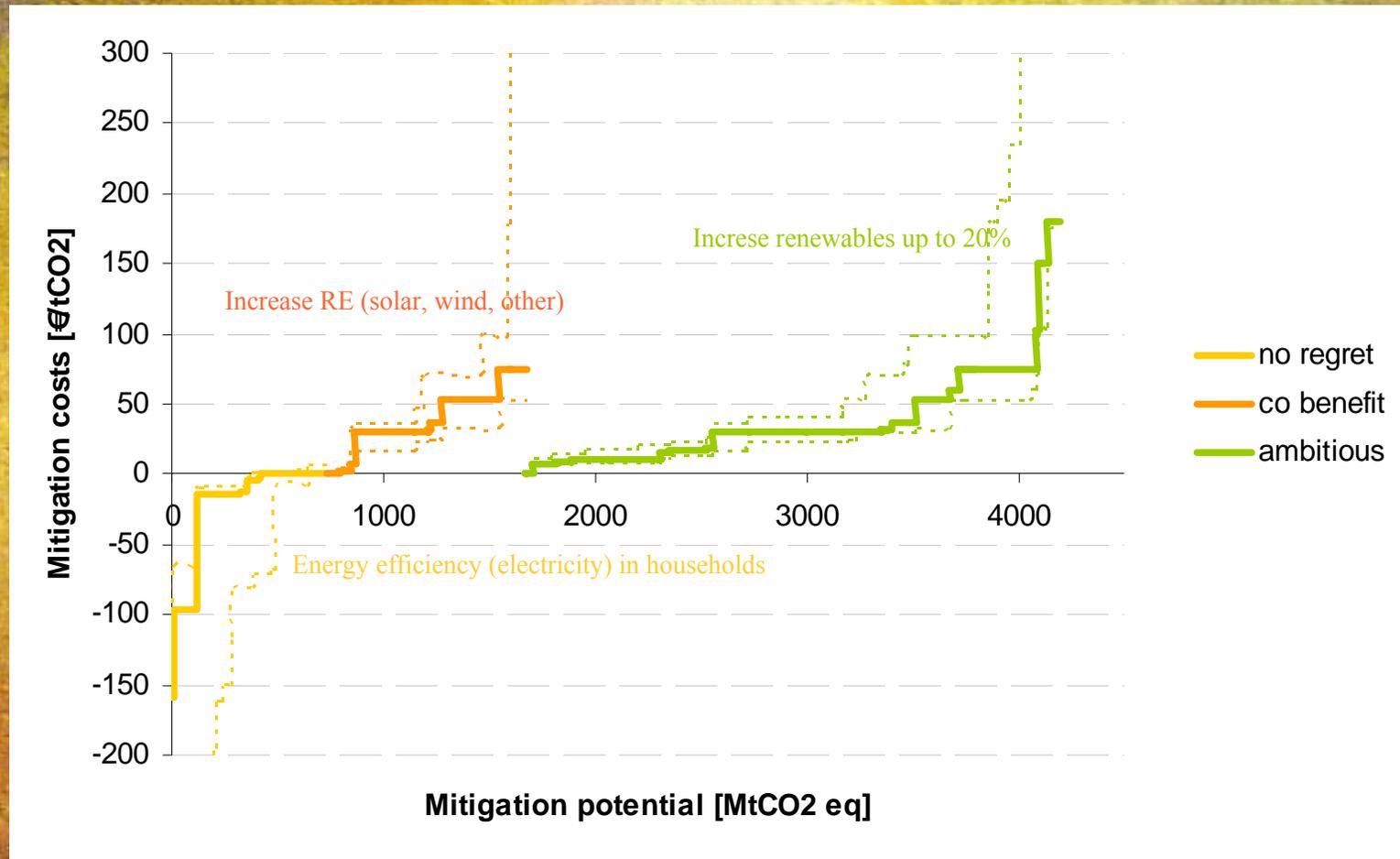
# *China Emissions - BAU*



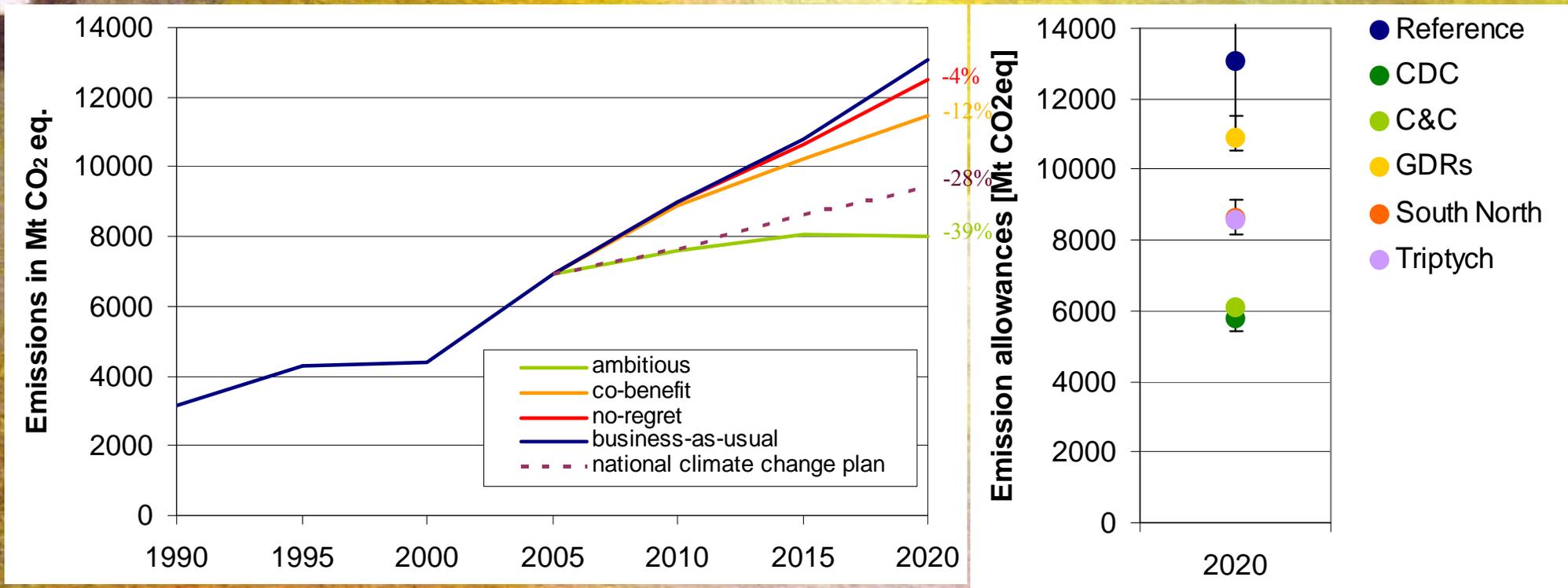
# *China's Climate Policy*

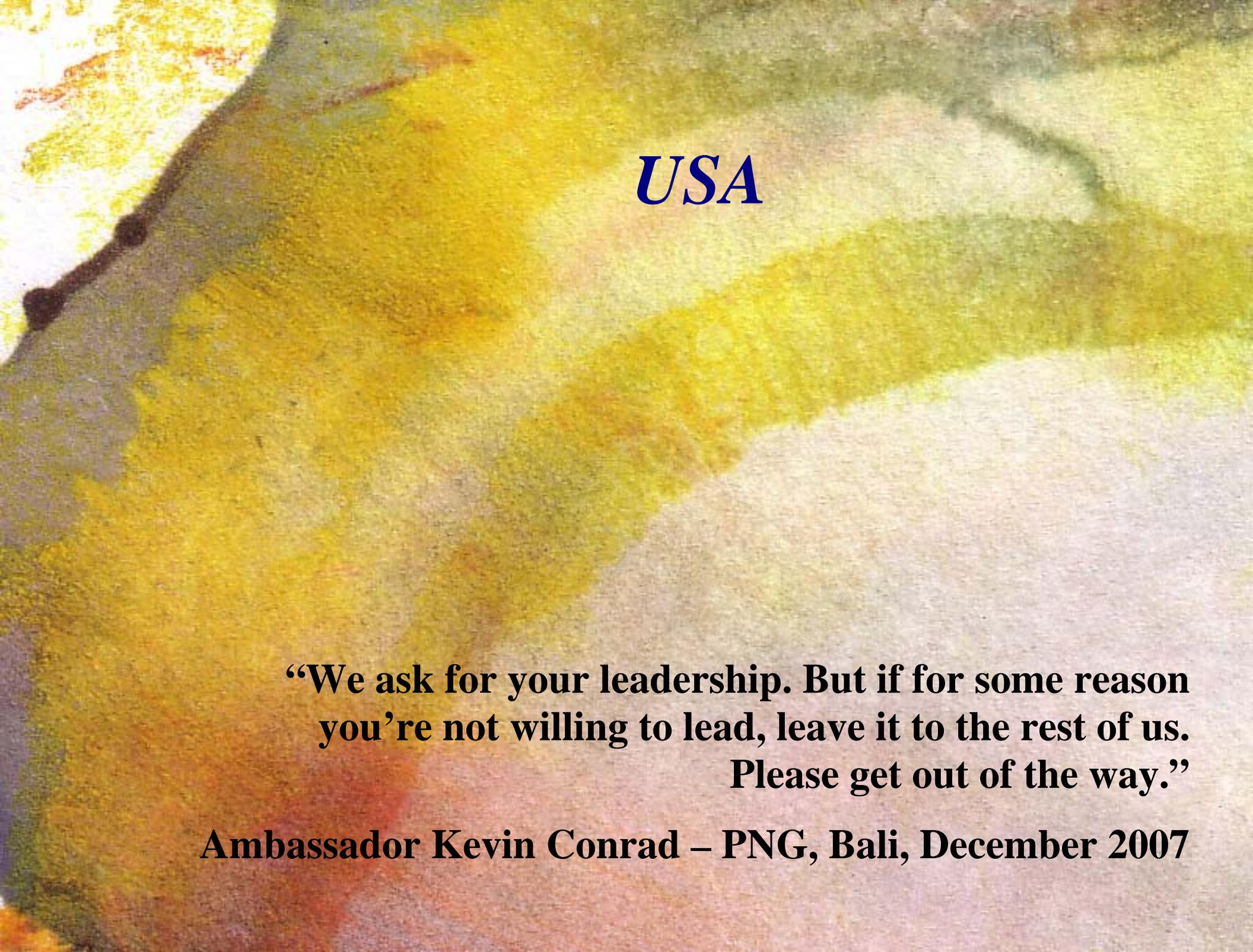
- **Binding commitment (with “national” MRV)**  
*not* contingent on international support
- **Reduce emissions intensity per unit of GDP 40 to 45% below 2005 level by 2020 – ex LULUCF**
- **Consistent with IEA 450 ppm scenario**
- **Self-interest of CP in green development, resource security & efficiency**
- **15% renewable energy target for 2020**
- **Car efficiency more stringent than USA**
- **Enforcement and data quality are challenges**
- **Foreign policy dimension: US relations, APEC, G77**

# China – Mitigation Cost & Potential



# China Emissions - Scenarios





# *USA*

**“We ask for your leadership. But if for some reason  
you’re not willing to lead, leave it to the rest of us.  
Please get out of the way.”**

**Ambassador Kevin Conrad – PNG, Bali, December 2007**

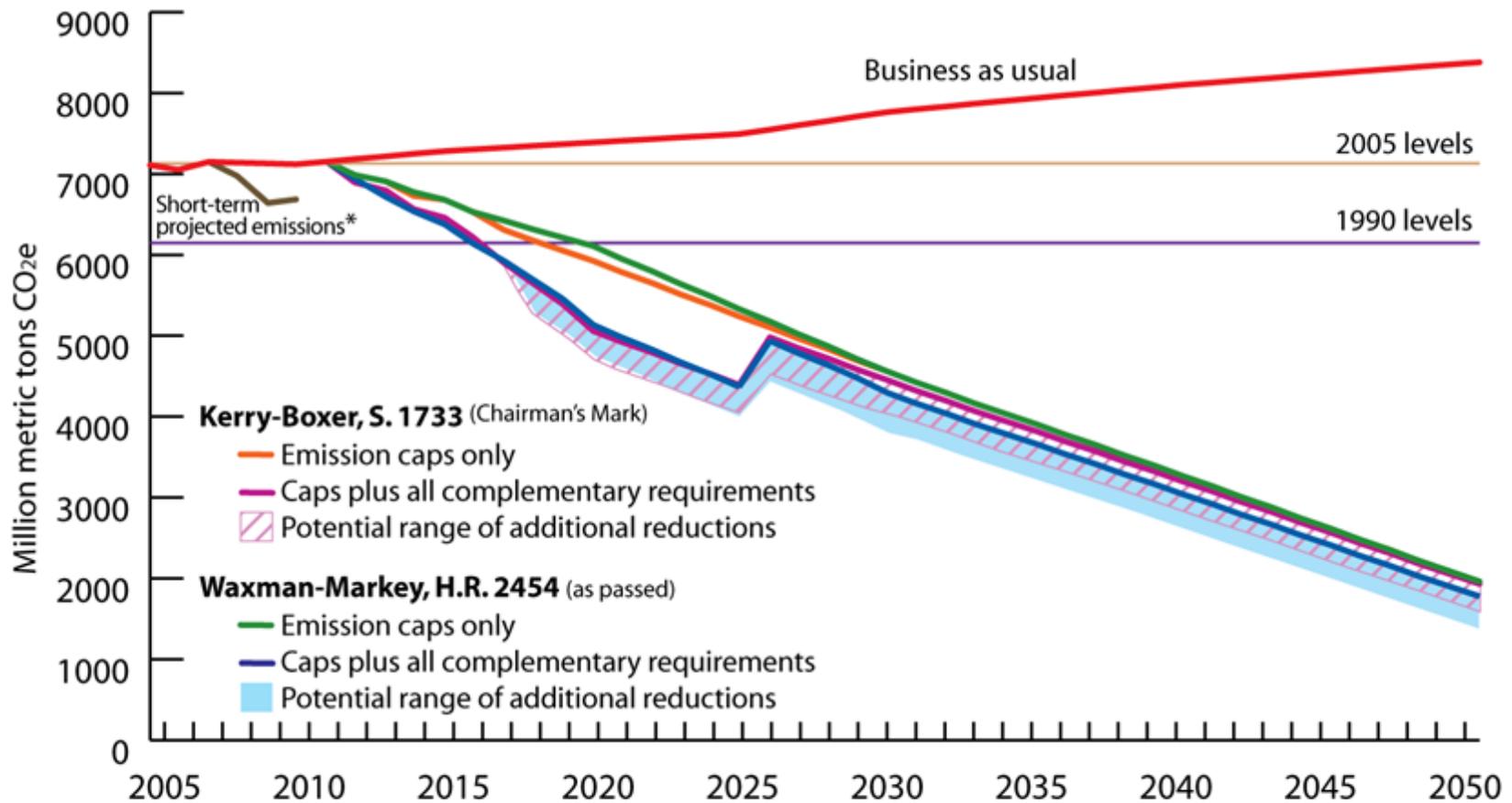
# ***USA Climate Policy***

- **Binding commitment (national MRV)**
- **Reduce emissions covered by the cap 17 to 20% below 2005 level by 2020 – 4% below 1990, incl. LULUCF**
- **Not consistent with IEA 450 ppm scenario**
- **Major role for offsets - need to be truly additional**
- **15 (20) % renewable energy target by 2020**
- **Weak car efficiency standard -**  
**35 mpg by 2020 (158 g CO<sub>2</sub>/km)**
- **Trade measures, IPR, and finance are further problems**



# USA Emissions - Scenarios

Emission Reductions Under Cap-and-Trade Proposals in the 111th Congress, 2005-2050  
October 28, 2009



# *Conclusions and discussion*

The Copenhagen outcome needs to be compatible with “keeping warming well below 2 degrees” - will it?

We cannot have the foxes guarding the hen house –What role, if any, remains for the major emitters process?

Europe loves Obama, but what is its political bottom line?

We need to secure comparability of US action in form and depth without jeopardizing Senate ratification of the deal.

We need a new paradigm of cooperation among all nations. Emphasizing common, over differentiated responsibilities destabilizes the FCCC. The asymmetry of legal commitments in the FCCC shall remain until 2020.

Win-win ignores the real political conflicts inherent in the structural change in the society and economy required.



# *Thank You*

UPI - Helsinki / National Wildlife Federation –  
Washington, DC / Niklas Hoehne – Ecofys /  
Stephan Singer – WWF-International /  
Anja Koehne / the CAN International network

## ***BACK-UP: The legal framework***

**Bound by COP decisions or a treaty?**

**One agreement or two tracks continued**

- What is an implementing agreement?

**Compliance of MRV and QUELROs is key**

- Facilitation or enforcement, role of expert review

**Global, common accounting standards and the value of assigned amount units (AAUs)**