

Why Contraction and Convergence is The Framework to Solve Global Climate Change

Aubrey Meyer and Alex Evans look at the global problem of climate change. A sustainable solution, then, has to be equitable and global, they say.

Introduction

In spite of the deal on the Kyoto Protocol in Bonn, a long-term global solution for climate change appears almost as far away as ever. How can US demands for participation by developing countries and full use of market mechanisms like emissions trading be reconciled with the South's demands for equitable treatment - and with assurance of making the necessary reductions in emissions?

Developing countries argue that they have minimal historical emissions compared to the North, still have much lower per capita emissions, stand to lose out most from climate change, and above all that developed countries should "take a lead" in tackling the problem.

In the background, meanwhile, climate change itself grows steadily worse, still with no approach in evidence that can solve the problem faster than it is being created. Climate change is truly the Gordian knot of our times. Is there any ray of sunlight amidst all the dark clouds?

Yes, says the London-based Global Commons Institute (GCI), which has developed a policy framework called "Contraction & Convergence" (C&C) - a proposal advocated in the past by the governments of China, India, the Africa Group, France, Belgium, Sweden, and the Non-Aligned Movement; by Climate Network Africa (a network of African NGOs), UN Environment Programme CEO Klaus Topfer, the science chair of the IPCC, Sir John Houghton, the UK-based Chartered Insurance Institute, the European Parliament, and most EU environment ministers.

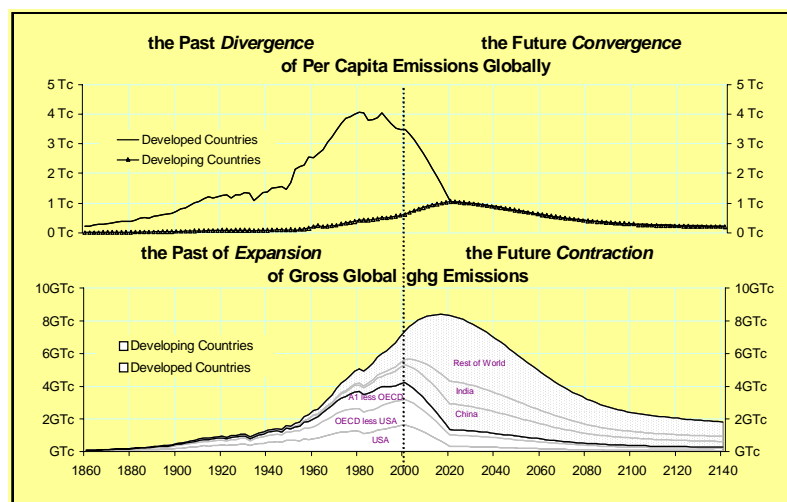
C&C has also been supported by the Red Cross, Jubilee Plus (the successor organisation to the Jubilee 2000 developing world debt relief campaign) and most recently the Climate Action Network federation of NGOs, which called in its publication "Eco" for a C&C approach.

The concept

Under C&C, all countries would collectively agree an annually reviewable target for a stable atmospheric concentration of carbon dioxide in the atmosphere, and then work out the rate at which emissions must contract in order to reach it. The need for a specific concentration target to be set is absolutely critical, as the UN Climate Secretariat's Executive Secretary, Michael Zammit Cutajar, made clear in a recent interview. Without a clear global trajectory towards a specific level of CO₂ in the atmosphere, action taken to address climate change is no more than a spin of the roulette wheel in a climate casino.

Lack of certainty about the precise safe level of atmospheric concentrations is no reason for delaying action - on the contrary, it makes action more urgent, and requires C&C's stipulation of an annual scientific review of the concentration target. Once the concentration target and the resulting "contraction curve" have been defined, the next question becomes how to share out the slices of this carbon "cake". Under C&C, the allocations would converge by a specific date (such as 2030) from current shares of emissions - broadly proportional to GDP - to allowances proportional instead to national population.

This approach is based on the realisation that one logical and equitable allocation formula will be needed in order to distribute entitlements between more than 180 countries if negotiations are not to sink once more into a morass of horse-trading.



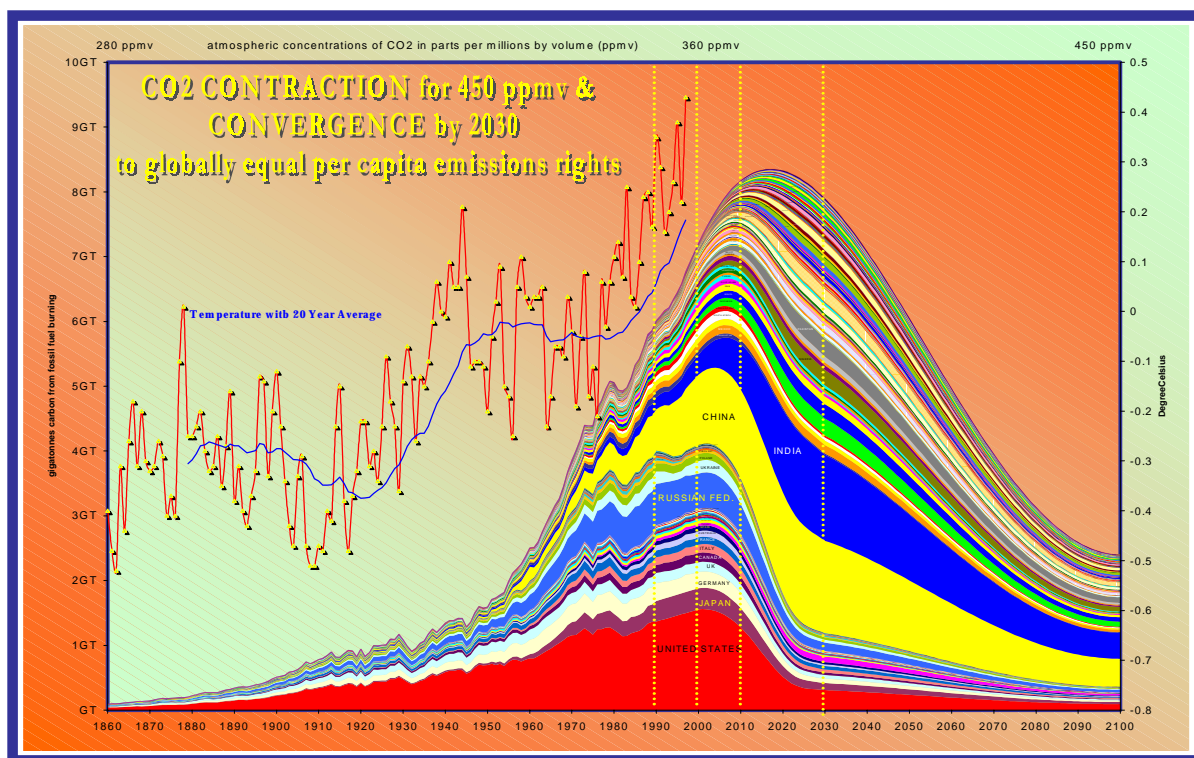
Full international emissions trading - would be possible under C&C, so that countries unable to meet their targets could purchase permits from countries with spare emissions to sell.

Why it would work

Beneath the US policy reversal on Kyoto and the outraged reaction from all quarters to this announcement, a more significant shift has taken place across the Atlantic. President Bush has accepted that climate change is real, and called for an approach consistent with stabilizing atmospheric concentrations. More than this, he has called for a return to the first principles of the 1992 Climate Convention - precaution and equity.

concentrations whilst encompassing at the same time Northern demands for flexibility and Southern demands for equitable treatment.

Since developing countries have much lower per capita emissions than the developed world, convergence at equal per capita emission rights would allow developing countries to sell their surplus emissions to the developed world at a profit. (This would not compromise the environmental integrity of the system, unlike the Kyoto system of emissions trading with its "hot air" since all trading would take place beneath the one overarching global "contraction curve" and one standard allocation formula.)



The US has recognised that a global problem needs a global solution, which by definition means including all countries. At the same time, President Bush has also acknowledged that there are no military solutions to climate change. This means that a co-operative approach is needed, which in turn requires that all countries recognize the policy framework as equitable (as Secretary of State Colin Powell conceded explicitly in a recent television interview).

As President Bush and other leaders are discovering, the logical endpoint of his Administration's position on climate change is Contraction & Convergence. It is the only framework there is that can fulfil the need for stabilization of atmospheric greenhouse gas

This trading would also help to establish clean technologies, especially in the South. The South would have a clear incentive to reinvest the proceeds of its permit sales into zero emissions technologies, since this would allow it to continue to sell permits; whilst businesses would benefit from a long-term framework that would allow them to plan effectively their capital investment in clean technology, which would become a vast growth sector.

What about Kyoto?

Kyoto, for all that it represents a first step of sorts, is neither science-based nor equitable. Its emissions quotas are the result of political haggling rather than any obvious correlation with the cuts being called for by the

Intergovernmental Panel on Climate Change, and even these have been watered down through concessions made at the last climate summit in Bonn.

An even more fundamental mistake enshrined in Kyoto was the principle of developed countries "taking a lead" in tackling climate change. Worthy though the principle sounds, it does not work in Southern interests.

First, it excludes developing countries from the pre-allocation of a new asset - tradable atmospheric property rights - worth trillions of dollars annually. This means that developing countries are being excluded from an opportunity to profit from their far lower per capita emissions, even as the UK (a far higher per capita emitter than most Southern nations) stands to make billions of dollars from the emissions it saved by switching to gas rather than coal-fired power generation.

Secondly, there is no escaping the fact that all nations will at some point have to be included in global binding targets. The risk for the South is that in the future, worsening climate disasters will lead to urgent demands for their participation - at a time when the scale of emissions reductions needed globally may mean that they have no surplus to sell, even with immediate per capita convergence.

Developing countries would face enormous pressure in such a situation, and even risk being perversely blamed for climate change if they stayed out. This would be despite the fact that in such a situation, the North would be doing precisely what it had always said it would not do - 'pulling the ladder up after it', with no space for developing countries to develop or for consensus to be achievable.

The only alternative to this political nightmare is to conduct the climate change debate openly and honestly from this moment on. This means that all, countries, and especially those in the North, must, be very clear about three basic truths: burnan ecology october 2001

1. Climate change will definitely get worse unless we address it now;
2. A global problem needs a global solution, and developing countries must be involved;
3. Any workable solution must therefore treat all parties fairly or it will stand no chance of being agreed upon globally.

C&C is the only way forward in this situation. By specifying a date for convergence at equal per capita emission entitlements, it gives a clear assurance of equitable treatment and creates a virtuous circle in which Southern countries benefit from an income flow with a clear incentive to invest the proceeds in clean technology.

It is now necessary that the world learns the hard lessons of the Kyoto Protocol. First, it will in future be essential to start not with the question of "what reductions do countries think they can afford?", but "what is a safe atmospheric concentration of CO₂, and what is the path to get there?". Second, a constitutional framework is needed to reduce the morass of complexity and horse-trading that so typified Kyoto. C&C reduces negotiations down to a manageable two variables: what is the rate of contraction, and what is the date of convergence?

As the world moves towards Earth Summit 2002 and the Commonwealth Heads of Government Meeting in Brisbane in October, attention will once more focus on the interconnections between equity and sustainability. This is not equity for its own sake, based on purely moral grounds. It is equity for the very pragmatic and down-to-earth reason that a framework that is inequitable will not be agreed by all countries. No amount of rhetoric, worthy sentiment, aid programmes of a few million dollars or communiqués from the OECD will change this. Johannesburg must be used to agree a long-term, equitable global framework to solve climate change. For as EU environment Commissioner Margot Wallstrom recently observed, while countries can negotiate with each other, they cannot negotiate with the weather.

Aubrey Meyer is a musician and Director of the Global Commons Institute (GCI). He has contributed to the policy-working group of the Intergovernmental Panel on Climate Change. He is the author of "Contraction and Convergence: the Global Solution to Climate Change", available at: -

Green Book www.greenbooks.co.uk/cac/cacorder.htm

Alex Evans is the director, of communications, GCI. He has worked as a Political consultant in Westminster for both NGOs and business and as a management consultant in the insurance industry. GCI's website is at www.gci.org.uk/