

Bali Climate Conference and Its Main Outcomes

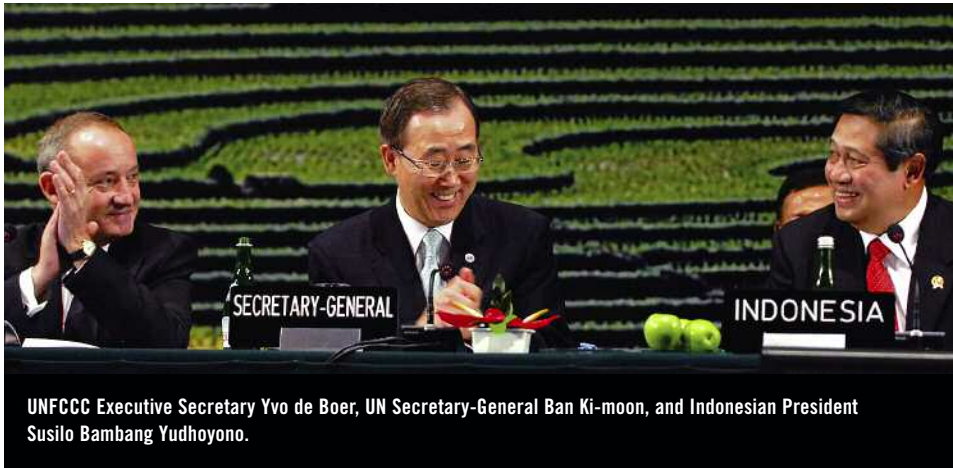
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EVERY YEAR IN LATE NOVEMBER or early December, the present 192 parties to the United Nations Framework Convention on Climate Change (UNFCCC) meet in a “Conference of the Parties” (COP) to negotiate joint action on tackling climate change and its impacts. During these meetings, countries negotiate their formal positions on climate change—what actions they are willing to undertake and when to protect the earth’s atmosphere and adapt to changes already occurring. The 1997 COP, held in Kyoto, is best known for reaching agreement on the Kyoto Protocol in which developed countries agreed to meet targets for reductions in emissions

of greenhouse gases over the first “commitment period” from 2008 to 2012.

The 13th COP, held in Bali in December 2007, was a pivotal meeting. It was the culmination of two years of informal discussions to pave the way for setting new targets for a second commitment period of the Kyoto Protocol. A major task of the Bali Conference was to launch a formal negotiation process for new targets, which need to be agreed on by 2009 if countries are going to have time to prepare for their emission reductions beyond 2012. The Bali meeting agenda included developing a roadmap to guide this negotiating process towards a possible new regime, which will engage all countries, developed and developing. An added sense of urgency to the Bali meeting was brought about by a number of other factors, including the find-





UNFCCC Executive Secretary Yvo de Boer, UN Secretary-General Ban Ki-moon, and Indonesian President Susilo Bambang Yudhoyono.

1 MITIGATION

The Plan sets out a process in which countries collectively accept the need for “deep cuts” in greenhouse gas emissions and agree to long-term cooperative action, up to and beyond 2012.

Developed countries already have commitments under the Kyoto Protocol, with the exception of the United States, and are expected to continue to undertake mitigation commitments or actions. While targets are not

ings of the IPCC’s Fourth Assessment Report, the Nobel Peace Prize being awarded to the IPCC and Al Gore, acceptance from many countries that climate change is a threat to development and action to avert this threat is necessary, increased media attention, and the growing carbon market, which requires a long-term framework for carbon trading.

These meetings also provide an opportunity for organizations to showcase their activities that help with the climate change agenda or identify areas where assistance is needed in order to respond effectively. Many organizations also demand action and progress through demonstrations and protests, hoping to attract the attention of government delegates and the media. The Bali meeting was the biggest to date with a large number of government delegates, non-governmental organizations, UN bodies and agencies, intergovernmental organizations, media representatives and civil society groups.

Main Outcomes

A NUMBER OF BODIES (e.g., those that address technical matters and those that oversee implementation of the Convention and the Kyoto Protocol) meet during the two-week official conference period. However, given the importance placed on a future agreement, most attention was given to this agenda item. There were other significant outcomes as well, particularly those related to adaptation and avoided deforestation, which are important for the sustainable development agenda and are summarized below.

Bali Action Plan with four building blocks

THE BALI CONFERENCE culminated in the adoption of the Bali Action Plan—or “roadmap”—which sets out a negotiating process for a new global deal to be concluded by 2009, at the 15th Conference of the Parties in Copenhagen (IISD/ENB 2007). The Action Plan focuses on four key areas or building blocks: mitigation, adaptation, technology, and financial resources and investment (UNFCCC 2007).

specified numerically in the Plan, the 25-40 percent reduction by 2020 to below 1990 levels is implicit by a reference to the IPCC report where this range is specified. This range is associated with global average warming of 2 to 3o°C, which has been suggested as the upper limit of temperature increase for avoiding extensive, adverse and irreversible changes to the Earth’s system and thus human societies. As a comparison, the overall Kyoto Protocol reductions are 5 percent below 1990 levels. The Action Plan does explicitly mention that countries can use various instruments (markets, technologies, etc.) to achieve this target.

One of the most significant developments in Bali was that, for the first time, the outcome specifically calls for developing countries to undertake nationally appropriate (depending on their economic conditions) “mitigation actions, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner.” This formulation has far-reaching implications and links developing country actions to directly measurable technical and financial support.

The decision on long-term cooperative action also, for the first time, breaks down the strict separation of actions between developed and developing countries by not using language referring to “Annex I” and “non-Annex I” countries, categories previously used to distinguish between these two groups of countries. This offers the prospect of moving beyond the constraints of the current structure of the Kyoto Protocol for defining a future agreement and differentiating between developing countries. This new global deal will include all Parties to the Convention, including the US—who did not ratify the Kyoto Protocol—and developing countries—who did not have any commitments under the Protocol. Thus, it truly paves the way for the world as a whole to take collective action.

2 ADAPTATION

Countries have accepted that many developing countries face significant challenges in adapting to the impacts of climate change. Adaptation has been part of the UNFCCC discussions for a number of years, but the magnitude of the impacts from climate change and the risks they pose to development gains

add urgency for further action. Hence, the Bali Action Plan supports “enhanced action on adaptation,” which includes:

- financial and capacity development support for integration of adaptation actions into sectoral and national planning for enabling climate-resilient development;
- risk management and risk reduction strategies, including risk sharing and transfer mechanisms such as insurance;
- linking disaster risk reduction and adaptation measures; and
- encouraging public-private-civil-society-multilateral organization partnerships for effective action on adaptation.

3 TECHNOLOGY DEVELOPMENT AND TRANSFER

This has been a major item in the UNFCCC deliberations for a number of years, and discussions at the Bali meeting and on the future agreement were no exception. Developing countries clearly expressed a need for what is often termed “tech-transfer,” which, in the past, has been associated more with mitigation actions. Developing countries highlighted that efforts to date are insufficient and the negotiated text reflects that “enhanced action on technology development and transfer” would support action on both mitigation and adaptation. The enhanced actions include effective mechanisms for removing barriers—a major issue for many countries—to the scaling up of technology development. When technologies, especially those that are environmentally friendly, are transferred to developing countries, they are not necessarily promoted and made affordable and accessible; the text incorporates these mechanisms as part of the enhanced actions.

4 RESOURCE PROVISION: FUNDING AND INVESTMENT

The Bali Action Plan also includes “enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation.” This includes “consideration of improved access to adequate, predictable and sustainable financial resources,



Nobel Laureate Al Gore meets with UN Secretary-General Ban Ki-moon in Bali.

and the provision of new and additional resources, including official and concessional funding.”

Other major decisions

IN ADDITION TO AGREEMENT on the Bali Action Plan, other significant decisions came out of Bali, including the following:

- Reducing emissions from deforestation and degradation—or REDD—which is being seen as a possible mechanism for a post-2012 regime. Emissions from deforestation are estimated to contribute about 20 percent of global greenhouse gas emissions. A process was set up to proceed with “meaningful actions,” including demonstration projects and capacity development. REDD could be a market and/or a payment mechanism for the carbon conserved.
- Launching of the Adaptation Fund. The Fund, currently worth about US\$30 million, is expected to grow to about US\$180-\$300 million by 2012 depending on the price of carbon. It is financed by a 2 percent levy on Clean Development Mechanism (CDM) projects (mostly energy projects implemented in developing countries) and will become operational at an early stage during the Kyoto Protocol’s first commitment period (2008-2012). It was decided that the Global Environment Facility (GEF) will function as the Secretariat for the first three years with the World Bank serving as the Trustee. A Board was established that will manage the Fund under guidance of and accountability to Parties with developing countries representing a clear majority.

The road ahead

MUCH CAN HAPPEN between now and 2009, and the role of public opinion, the media, domestic politics and elections should not be underestimated. Although the final destination must still be defined, the Bali Action Plan did map out a general direction for future talks and the possibility of an ambitious, attainable and necessary target of 25 to 40 percent reductions in emissions for developed countries by 2020. The end point for the journey is only two years away, meaning the clock is already ticking for agreement to be reached and to ensure that a strong and sustainable climate agreement is implemented for the post-2012 period.

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