



Published in cooperation with UNEP
Division of Environmental Law and Conventions (DEL/C)

UNEP

iisd | Reporting Services

MEA BULLETIN

A newsletter on the activities of key multilateral environmental agreements (MEAs) and their secretariats
Issue No. 37 | Thursday, 29 November 2007 | Published by the International Institute for Sustainable Development (IISD)

Guest Article

A Tale of Two Cities: Lessons for Climate Negotiators

By Romina Picolotti, Argentina's Minister of Environment

"It was the best of times, it was the worst of times...." So begins Dickens's novel, *A Tale of Two Cities*. He could have been writing about climate change.

The powerful report from the Intergovernmental Panel on Climate Change two weeks ago shows why this may be the worst of times. Climate change is happening faster and with more devastating impacts than previously realized. The report even appears to understate the problem, as it is the product of a multi-year process that isn't always able to include the most recent scientific data, such as the accelerating ice-melt in the Arctic and Greenland and the lower absorption of carbon dioxide by the oceans. When releasing the IPCC report, UN Secretary-General Ban Ki-moon warned that we may have as little as ten years until we reach the tipping point for abrupt and irreversible climate change, including catastrophic sea-level rise.

Adding to this increasingly dark picture of the worst of times is the disappointing performance of the Kyoto Protocol, the world's first attempt at an international climate treaty, designed to deliver reductions of 1 billion tons of CO₂-equivalent per year between 2008 and 2012, for a total of 5 billion tons of emissions reductions. Unfortunately, the Kyoto Parties are regressing, increasing their emissions by an additional 1 billion tons of CO₂-equivalent each year. While it is important that the Kyoto experiment continue, if Kyoto were a sports team, the fans would certainly be calling for a new coach and a new strategy.

This is the picture of the worst of times, where climate change is so serious it is considered by national security experts to be a greater threat than global terrorism.

But it also may be the best of times, with climate change moving quickly from scientific assessment into public consciousness, including into the boardrooms of the world. Recent issues of *Environmental Finance* show the optimism of the market as it moves aggressively into climate solutions. Markets are fueled by optimism – the one human emotion that may be even stronger than fear. Certainly optimism, more than fear, is what will save us. The challenge is in ensuring that market growth benefits all countries equitably.

A key role of modern environmental law is to harness and direct the power of optimism as

well as fear, thus driving markets to a tipping point where they necessarily innovate and provide the environmentally superior solutions we need – essentially, a *Moore's Law* for climate solutions.

And so we come to the second city in our tale of two cities: Montreal, where 191 countries of the world just celebrated the 20th anniversary of the ozone treaty known as the Montreal Protocol – acknowledged to be the world's best environmental treaty – by explicitly providing climate benefits and solutions, in addition to its original ozone protection mandate.

The Montreal Protocol is reducing climate emissions by a net of 135 billion tons of CO₂ equivalent between 1990 and 2010, and delaying climate change by up to 12 years – helping to keep us from a catastrophic tipping point for abrupt climate change. If early efforts starting back in 1974 to phase-out ozone depleting substances are considered, the effects of climate change have been delayed by a Planet-saving 35 to 41 years, according to a recent study published in the Proceedings of the National Academy of Sciences.

In September at the 20th anniversary of the Montreal Protocol, the 191 parties bought the world some critical time when they reached consensus to accelerate the phase-out of HCFCs in a way that promotes climate mitigation. As a result, the Parties will reduce GHG emissions by at least 15 billion tons of CO₂-equivalent.

Moreover, the HCFC adjustment was the first time both developing and developed countries, including China, India and the US, essentially agreed on mandatory climate reductions. While the ozone treaty buys more time to avoid the tipping point for abrupt climate change while we get the post-2012 climate regime up and running, the Montreal Protocol also offers the world something more. It provides a beacon of hope – a model of successful environmental governance.

The Montreal Protocol's "start and strengthen" approach is illustrated by its initial CFC phase-out in 1987: the treaty started with 50% phase-out by 2000 for developed countries. This regulatory signal was so successful, and the market responded so quickly with substitutes, that each subsequent year the Parties accelerated the phase-out schedules, ultimately to 100% by 1996 for CFCs, even as they added chemicals. The ozone treaty is now phasing out 96 ozone-depleting substances in more than 240 industry sectors and many thousands of applications.

It is important to remember that when the Montreal Protocol was negotiated, CFCs and other ozone-depleting substances were considered essential for a modern way of life.

The manufacture and use of these chemicals were multi-billion dollar enterprises, covering everything from cosmetics to telecommunications and refrigerators to computers. Viable substitutes for many applications did not exist in 1987, but the Parties forged ahead, and over time many businesses found they not only could innovate to develop substitutes but also comply with the treaty, often at a profit.

Montreal's governance system includes a number of crucial lessons of success for the post-Kyoto agreement. One stands out: a dedicated funding mechanism that covers the incremental costs of transferring superior substitutes to developing country parties. The next climate change treaty needs to substantially improve technology in developing countries to stave off the effects of climate change. Efficient technology transfer and financing for climate change needs to envision mitigation and adaptation as a symbiotic unit. Countries least able to adapt to climate impacts are already feeling the burden, and if we do in fact reach that tipping point for abrupt climate change, the brunt of the devastation will be borne principally by those least able to save themselves. There is no question that the most effective means to address adaptation is through concrete and immediate action on mitigation.

In the battle against climate change, time is truly of the essence. The lessons of Montreal need to be studied and implemented now. In just 20 years, the ozone treaty has phased out 95% of global production of ozone-depleting substances within a framework that is effective and considered equitable. A governance system that has delayed climate change by up to 41 years, and solved a part of the climate problem that otherwise would have been nearly equal to the CO₂ contribution today, clearly has something important to teach the Parties in Bali next week as we begin negotiations on the post-2012 climate regime.

The question remains: which of the two cities will we choose?

The *MEA Bulletin* © is a publication of the International Institute for Sustainable Development (IISD) <info@iisd.ca>, publishers of the *Earth Negotiations Bulletin* © <enb@iisd.org>. The Digital Editor is Diego Noguera. The Editor is Lynn Wagner, Ph.D. <lynn@iisd.org>. The Deputy Director of IISD Reporting Services is Chris Spence and the Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The *MEA Bulletin* is published by IISD in cooperation with UNEP's Division of Environmental Law and Conventions (DEL/C). Opinions expressed in *MEA Bulletin* are those of the authors and not the publishers. Excerpts from the *MEA Bulletin* may be used in non-commercial publications with appropriate academic citation. For information on IISDRS publications contact the Director of IISD Reporting Services at <kimo@iisd.org>, +1-646-536-7556 or 300 East 56th St. Apt 11A, New York, NY 10022, USA.