

## EU Performance in the International Climate Negotiations in 2013: Scope for Improvement

Issue 2014/01 · January 2014

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The European Union (EU) has been an important player and even a leader in the international cooperation on climate change ever since the UN Framework Convention on Climate Change (UNFCCC) was concluded in 1992. EU leadership experienced a backlash at the Copenhagen climate change summit in 2009, followed by a slow recovery (e.g. Groen et al. 2012). Against this backdrop, this policy brief assesses the EU's performance leading up to the UN climate conference held in Warsaw from 11 to 23 November 2013, focusing on three aspects: (1) the degree of ambition of the EU's policy objectives, (2) the degree of EU goal achievement, and (3) EU engagement in the negotiations.

### EU policy objectives

In 2013, preparations for a new global climate agreement moved centre stage in the international process. Negotiations on "a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all parties" had been launched in 2011 with a target date of 2015 for agreement, covering the post-2020 period. The process was also mandated to address ways to enhance greenhouse gas (GHG) mitigation ambition pre-2020, in order to close the gap between countries' current 2020 mitigation goals and what would be required to keep the increase in the average global temperature below 2° Celsius above that of pre-industrial levels. The Warsaw conference built on two preparatory meetings in April and June 2013 in Bonn (as well as a number of informal gatherings). In addition to GHG mitigation pre- and post-2020, major agenda items concerned climate finance and 'loss and damage' associated with the adverse effects of climate change (e.g. suffered as a result of more frequent extreme weather events).

The EU's main aim for Warsaw was to make progress towards an ambitious 2015 agreement by establishing a 'stepwise approach' towards determining binding mitigation commitments for all countries. This EU approach consisted of four main steps: (1) The Warsaw conference should define the information to be presented by countries with their proposed mitigation commitments in order to ensure transparency, quantification, comparability, verifiability and ambition. (2) All parties should propose their mitigation commitments in 2014. (3) An international assessment of the proposed commitments should be conduct-

**The European Union (EU) has long been an important player and even a leader in the international cooperation on climate change. In 2013, preparations for a new global climate agreement in 2015 moved centre stage in the international negotiations. This policy brief assesses the EU's performance in 2013 culminating in the Warsaw conference in November 2013. We find that the EU was actively engaged in the negotiations and pursued partially ambitious/progressive policy objectives, which it was partly successful in realising. The policy brief argues that international EU leadership for a 2015 agreement requires (1) building an international leadership alliance including the EU and other progressive countries and (2) serious homework by the EU to advance domestic climate mitigation efforts both by 2020 and 2030, and to enhance its position on climate finance.**

ed in light of the below-2°C objective in 2014-2015. (4) (Revised/ finalised) commitments should be inscribed in the 2015 agreement.

On pre-2020 mitigation ambition, in Warsaw, the EU wanted in particular to: intensify the examination of specific actions with high mitigation potential, pursued by governments and non-governmental actors outside the UNFCCC framework on energy efficiency, renewable energy, land-use change and forestry, etc.; urge all countries to step up their efforts and launch a related process in 2014, including a Ministerial meeting; and mandate the Montreal Protocol to phase down fluorinated GHGs (HFCs).

On climate finance, the EU put emphasis on improving the 'enabling

environment' in both donor and recipient countries (i.e. essentially the regulatory governance framework for providing and receiving/using financial support), the need for a fair burden sharing among developed countries, and that emerging economies should also contribute to financing in line with their respective responsibilities and capabilities. Implicit in these objectives was the rejection of developing countries' demands to establish clear targets for scaling up financial support by developed countries towards the goal of US\$100 billion by 2020, as agreed in Copenhagen.

Finally, on 'loss and damage', the EU wanted to continue constructive discussions and hoped to further information exchange, advance observation and monitoring, and progress on institutional arrangements to address 'loss and damage'. It was determined, however, not to accept any calls for 'compensation'.

### The degree of ambition of the EU's policy objectives

In analysing the degree of ambition of the EU's policy objectives two points of reference are particularly relevant. First of all, we are interested in knowing whether such policy objectives are in line with the 2°C target. This reference point was of lesser relevance in 2013 since proposals by all parties fell far short of what would be required to address climate change (especially as regards mitigation). The second point of reference is the degree of ambition of other parties: Was the EU driving the negotiations by being more ambitious than other parties?

The EU's proposed 'stepwise approach' towards mitigation commitments for the 2015 agreement was the most ambitious and specific among parties, although it would hardly ensure sufficiently ambitious mitigation commitments. The EU already elaborated and pursued this approach proactively during the first half of 2013. The EU was thus the driving force in the international discussion (joined to some extent by smaller developed countries such as Switzerland, Norway, and New Zealand). The US developed a somewhat less ambitious position with a later submission of proposals and a less defined assessment phase. Even progressive developing countries originally displayed a considerable level of scepticism vis-à-vis the EU proposal and/or emphasised the need for differentiation based on parties' respective capabilities. The Like-Minded Developing Countries (LMDCs) (including China, India, Saudi Arabia, the Philippines, Venezuela, Bolivia and others) and Brazil even fiercely opposed the EU's stepwise approach, especially for developing countries.

Regarding pre-2020 ambition, the EU was not more ambitious than others (falling short of what would be required). The EU presented a list of options to increase pre-2020 mitigation ambition, as did other parties. What divided parties was the content of the lists and the emphasis put on the varying elements included. Thus, while the LMDCs opposed new or additional developing country commitments, progressive developing countries and most developed countries supported an increased mitigation ambition of all par-

ties. However, no country put forward its own strengthened mitigation commitments/actions. In this context, several developing countries strongly criticised the EU for an alleged lack of ambition because it had already nearly achieved its 20% reduction target by 2020 and apparently did not want to progress further until 2020.

The EU's position on climate finance in Warsaw was rather conservative. Developing countries requested a clear roadmap for how developed countries would scale up their financial support towards 2020 and the LMDCs in particular asked for an interim target of US\$ 70 billion for 2016. However, neither the EU nor other developed countries were able to present the requested pathway. Despite its attempts, the EU did not succeed in advancing a convincing and ambitious narrative on how climate finance should be shaped in order to achieve the 2°C objective. That other developed countries were even less ambitious than the EU provided little comfort.

On 'loss and damage', the EU took a middle position. Other developed countries like Australia, the US and Canada wanted to restrict the issue to information sharing under the existing adaptation framework. At the other end of the spectrum, developing countries (especially small island states) requested the establishment of an institutional mechanism for compensation and rehabilitation. By making constructive proposals on how to take discussions on the issue forward, the EU – together with Norway – positioned itself comfortably in the middle of the spectrum.

Overall, the ambitiousness of the EU's policy objectives in Warsaw thus varied between the major agenda items. The EU was at the most ambitious end of the spectrum on the 2015 agreement, especially as regards mitigation. It occupied more of a middle ground on pre-2020 ambition (tending towards the more ambitious) and 'loss and damage' (tending towards the more conservative), while having a rather conservative position, with little flexibility, on climate finance.

### EU goal achievement

Analysing the extent to which the EU succeeded in achieving its main declared policy objectives (goal achievement) constitutes a core element of EU performance (Jørgensen et al. 2011). The declared policy objectives of the EU are here taken 'at face value', i.e. without considering their quality and their possible strategic determination. Overall, the EU partially achieved its core objectives in Warsaw.

The EU (only) partly achieved its main objective of establishing a stepwise approach towards the 2015 agreement. As regards step 1, the information to be provided by countries when submitting their proposals was not conclusively defined in Warsaw but should be identified by the next conference at the end of 2014. Concerning step 2, all parties are invited to initiate or intensify preparations for their 'intended nationally determined contributions' and to communicate these contributions 'well in advance' of the 2015

conference (by the first quarter of 2015 if possible), i.e. later than the EU wanted. Steps 3 and 4, an assessment phase and the inscription of commitments/contributions in the 2015 agreement, may to some extent be implied, but are not mentioned. In addition, the Warsaw decision diverges from the EU objective in broadening the process towards the 2015 agreement beyond a focus on mitigation to include other types of proposals/pledges such as on finance and adaptation and in talking of 'intended nationally determined contributions' rather than 'commitments'. Also, a 'non-exhaustive list of areas for further reflection' that would have provided the starting point for further elaborating elements for a draft negotiating text for the 2015 agreement, foreseen in 2014, could eventually not be agreed in Warsaw.

The EU also partially achieved its goals for the pre-2020 mitigation ambition gap. The Warsaw conference, in line with EU objectives, agreed to intensify the technical examination of opportunities for actions with high mitigation potential and urged (especially the developed) countries to step up their efforts. However, the EU did not succeed in sending a signal to the Montreal Protocol to phase down fluorinated GHGs (HFCs). An EU attempt to garner support at least for a ministerial declaration in Warsaw to this end had to be abandoned due to insufficient support from other countries.

On both climate finance and 'loss and damage', the EU achieved most of its objectives. Together with other developed countries, it successfully fended off developing countries' demands, including in particular the request for an interim target of US\$ 70 billion in 2016. The need for preparatory work to improve 'enabling environments' in donor and recipient countries was highlighted. However, there was no agreement on any financial contributions by emerging economies. In Warsaw, several EU member states announced additional financial support, which especially enabled the mobilisation of US\$ 100 million for the Adaptation Fund. As regards 'loss and damage', the agreed 'Warsaw international mechanism for loss and damage' operating under the Cancun Adaptation Framework was in line with EU objectives to advance discussions constructively while preventing 'compensation'.

### **EU engagement and international context**

We can expect the EU to have an impact in international negotiations only if it actively tries to shape the outcome. The level and kind of engagement thus forms an important third element of EU performance. Achieving ambitious outcomes requires highly proactive engagement including making concrete proposals, outreach to negotiating partners, coalition building, offering concessions/package deals, etc. Achieving more conservative outcomes may, in contrast, require less proactive engagement. Overall, the potential of such diplomatic efforts is also defined/delimited by broader politics, including the core interests of the EU's partners and their willingness to move forward.

The EU actively engaged in the negotiations leading up to and in

Warsaw. The EU reached out to other parties at the negotiating sessions and at other relevant meetings throughout the year (Cartagena Dialogue, Major Economies Forum, pre-COP, etc.). It also launched a diplomatic demarche to other countries prior to the Warsaw conference in support of its main policy objectives. The EU furthermore made various submissions to the UNFCCC throughout 2013 to shape the international negotiations.

EU engagement varied, however, between the main agenda items. Most diplomatic effort and attention went to the 2015 Agreement. For example, no other party made as many submissions on the 2015 agreement as the EU in 2013. Engagement on the issue of pre-2020 ambition was also high, with particular emphasis on specific elements such as HFCs. In this context, the EU was able to point to the proposal for the ratification of the Doha Amendment of the Kyoto Protocol published by the European Commission on 6 November 2013, which should enable the EU to ratify this amendment by early 2015.

As it became clearer throughout 2013 that 'loss and damage' would become a major agenda item in Warsaw, the EU tried to engage proactively on the issue. It was the first to make an own-initiative submission on the matter for the Warsaw negotiations and tried actively, together with Norway, to mediate between developing and developed countries. This bridge-building role greatly helped bring about agreement on the 'Warsaw international mechanism for loss and damage'.

Active engagement of the EU was at a lower level regarding climate finance. On the one hand, the conservative nature of the EU position meant that there was less need for proactivity. On the other hand, the conservative position also meant that there was indeed less potential for proactivity because of the lack of a positive agenda that could have been actively promoted.

As in past years, the EU tried to align with progressive developing countries (including small island states, least developed countries, the African Group and several Latin American countries) to form a 'winning coalition' especially as regards its stepwise approach. It successfully built support for this stepwise approach throughout 2013, also among non-EU developed countries. Its constructive engagement on 'loss and damage' helped consolidate support in this respect among developing countries. However, these efforts were constrained by the limited room for manoeuvre on two fronts. First, the EU itself had little to offer concretely on pre-2020 mitigation ambition. Second, the EU had little room for manoeuvre in the finance debate. Financial pledges from individual EU member states and promises to contribute to the Green Climate Fund as soon as it is operationalised were not substantial enough to appeal to developing countries.

The broader climate politics surrounding the Warsaw conference did not lend much support to the EU either. Two points are particularly noteworthy in this respect. First, Japan and Australia even fur-

ther weakened their existing 2020 targets during the Warsaw conference. Japan announced at the end of the first week that it had downscaled its emission reduction commitment of 25% by 2020 from 1990 levels to a 3.8% reduction from 2005 levels (equivalent to a 3% increase from 1990). Australia announced that it would not reduce GHG emissions by more than 5% below 2000 levels by 2020, while it had previously expressed willingness to move to a 15 to 25% target range under certain conditions. Second, support for progressive action among developing countries was not as strong as, for example, during the Durban conference in 2011. In particular, Brazil, which had previously strengthened the progressive forces, now aligned itself more with the LMDCs. In this situation, South Africa decided in the last hours of the conference to align with the other members of the 'BASIC' group China, India and Brazil. At the same time, several developed countries were happy to go along with a more minimalist outcome. Under these circumstances, the EU lost much of the battle over an ambitious stepwise approach towards a 2015 agreement.

#### Conclusion: Warsaw and beyond

Overall, EU performance in the international climate negotiations in 2013 was something of a mixed bag. The EU pursued relatively ambitious objectives (themselves rather modest in light of the urgency of the climate challenge) on the 2015 agreement, but was less ambitious or even conservative on other key agenda items. It also only partially achieved its objectives, especially where these were most ambitious and arguably most decisive for climate protection. The EU was generally actively engaged in the negotiations, but constrained in its impact by limitations of its position and, especially, a rather unfavourable international context. That the EU, despite this mixed record, still constituted the main 'leader' on climate change mitigation in the international negotiations in 2013 may signify the predicament of current international climate politics.

Our analysis leads us to expect that continued and enhanced EU leadership and performance in international climate politics require addressing both internal and external constraints. Internationally, the Warsaw conference has confirmed that EU impact is conditioned by the international context, in which the EU constitutes one among several big players. The backtracking of Japan

and Australia, the continuing low ambitions of the US and the intransigence of key emerging economies (India, China, Brazil) effectively curbed EU influence and effectiveness in 2013. Achieving ambitious goals thus requires building a leadership alliance of a critical mass of progressive countries. As a medium-sized power in international climate politics, the EU cannot pull this cart alone. While other countries interested in an effective 2015 agreement and a re-invigoration of the UNFCCC process need to assess their potential of pulling together with the EU, the EU has to activate its full climate diplomacy potential to forge a broad international leadership alliance.

An indispensable core part of these efforts has to be the stepped-up efforts of the EU to do its homework. The stagnation of EU climate policy exemplified by the uncertain fate of structural measures to reform the EU Emissions Trading Scheme and lack of progress on 2030 policy objectives has come to haunt the international credibility and attractiveness of the EU. Relief is only becoming more urgent as the international process moves towards discussing the actual content of 2030 targets. As Warsaw has confirmed, mitigation ambition towards 2020 will remain part of the international discussions as well. In addition, the pressure for the EU to enhance its position on climate finance increases, even though Europe is still digesting the fallout of the economic and financial crisis. The EU doing its homework on GHG mitigation ambition pre- and post-2020 as well as climate finance seems a necessary condition, and thus is urgently needed, for it to exert international leadership towards the 2015 agreement. In the current state of international climate politics, such EU leadership seems crucial for maintaining the prospect of a 2015 agreement that will be worth having.

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This policy brief is also based on participant observation of the authors (including interviews with negotiators), EU Council conclusions, UNFCCC official documents, Earth Negotiation Bulletin (ENB) reports of the UNFCCC sessions in 2013 (April, June and November) and related news reports.

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Policy briefs are published by the Institute for European Studies

Jean Monnet Centre of Excellence at the Vrije Universiteit Brussel

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