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Re-imagining 21st century climate institutions

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Every December in recent memory the negotiations on climate change serve to raise public expectations of a "global deal". And every year the outcomes fall short of this unreasonable expectation. Despite a valiant effort at the latest Conference of the Parties (to the United Nations Framework Convention on Climate Change) in Durban to reset the climate change rules - and they did succeed in narrowing the divide between developed and developing countries to a certain extent - a cooperative agreement was still not achieved. Rather, a(nother) new roadmap was developed to this end, and with it an onslaught of attendant pundit opinions on the nuances of the terms political-agreement or legally-binding. And yet, the threat of climate change remains un-diminished, despite what the (still existing) sceptics attempt to persuade us. Scientists, and most recently the International Energy Agency, are warning that continuing on the current path of emissions will take us into dangerous, irreversible, uncharted territory - and that now getting off that path is looking more and more unlikely.

Something needs to change. We believe it is time to overhaul the international institutions that focus on the global discourse, and to direct more attention to local efforts - at state, municipal and city level. We also need to accept that in modern societies it is not just governments that know best - that the wisdom of communities and crowd-sourcing can play their part in addressing climate change. This "bottom-up" style has already been largely signaled both implicitly and explicitly by the Parties at the negotiating table - as well as those commenting from the margins. We need to create a much more open and flexible system to cope with the manifest differences between countries, and we need a sense of enforceable obligation and the comforts of transparency to operate within and between our societies. That obligation must be focused on encouraging the many and varied solutions to the problem, and can be created at every level of government as well as through social networks which are independent of formal authority.

We need to attempt these changes because it is now obvious that a step change is unlikely to come solely from a rigid and narrowly orchestrated international negotiation at governmental level which is strictly consensus based. There are all sorts of problems for negotiators. They have to tackle the blame game of historic responsibility for climate change, which is played out between rich and poor countries, and the perceived opinion that the cost of controlling greenhouse gases is out of sync with the faltering economies of the West. Countries may all agree on the need to cooperate, but they are still (naturally) bickering how best to do it - because we all start from a different place.

We need to change the language being used too. The framing of the climate change problem as primarily an environmental one has not persuaded the majority of people to give priority to the full transformation of the global economy into a low-emissions one. We need to frame the argument, as some politicians such as (former) UK Climate Change secretary Chris Huhne did, so that we incentivise institutions to deliver an integrated energy, transport, and land-use transformation. If this is not achieved then this will lead to sub-optimal or poorly designed public policy, with serious consequences in terms of both the effectiveness and the efficiency with which this the transformation is done.

But let us admit that it is not difficult to criticise the climate negotiations. There is, however, a real opportunity to dust off the old and rigid and re-imagine the international climate institutions. We believe that four key characteristics could underpin a fresh climate change multilateralism, with the aim of delivering the public good.

1. The international climate change institutions should focus on doing a few things well.

The negotiations themselves have become a complex set of pieces making it difficult to put the puzzle back together. Take as an example, just the names of the meetings that took place in Durban: the 17th Conference of the Parties to the UN Framework Convention on Climate Change, the 7th Meeting of the Parties to the Kyoto Protocol, the 35th session on the Subsidiary Body for Implementation, the 35th meeting of the Subsidiary Body for Scientific and Technological Advice, The Resumed sixteenth session of the Ad hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol, and the Resumed fourteenth session of the Ad hoc Working Group on Long-term Cooperative Action under the Convention. The subject matter is diverse and eclectic and unwieldy for such an international instrument.

We've had agreement on the objectives and principles since 1992. What matters ultimately though is a set of legal obligations around which business and other parts of society can contract. Those rights can be created at many levels, but there is no doubt that if it is possible to create global standards, a larger market place will emerge. So choosing a global level to set a base standard for a carbon reduction still makes sense. But it must focus. This international regime can offer support and framing for items such as: capacity development, monitoring and reporting, as well as the possibility for a small set of focused sectoral interventions. The new institutional design of the technology and adaptation mechanisms under the UNFCCC, combined with the useful work on increased transparency of efforts and MRV, means that the UN climate talks should be able to embrace this somewhat more limited system boundary.

2. The legal multilateral climate instruments must be able to help deliver at sub national level - by states, regions or cities.

The emerging focus on practical actions and plans lends itself to domestically driven and owned policies, not international ones. Thus, the global UN hosted process, could evolve to become a "show and tell", rewarding progress and helping to showcase success stories.

At sub-national levels, climate change action can be easier to enact because information may be more readily available and clearer, making learning and trust building easier and collaboration more effective. Examples abound. The latest briefing from Michael Liebreich at Bloomberg New Energy Finance shows economic transformations in states like South Australia, the Basque Country, Quebec and California, and in cities, through the C40 cities initiative, like Masdar in Abu Dhabi. There are also bilateral and multilateral initiatives like the Clean Energy Ministerial, the EU-Africa Partnership, and the UN Sustainable Energy for All. As Liebreich notes, these initiatives, "are driving real money into real projects, companies and technologies, resulting in new

infrastructure and supply chains, retrofitted buildings, new research programmes and technology breakthroughs".

The climate treaty should find a way to account for, leverage, and, in return, encourage these sub-national actions when they produce effective outcomes.

3. The climate treaty must allow for demonstration, learning and recalibration.

The current inter-governmental negotiations function according to a well-established and rigid process based on a set of dates and negotiated agendas. Significant unforeseen advances or interlinkages do not fit well into this framework. This serves to increase "silo thinking" in addressing what is a highly complex and non-linear scientific and political challenge.

For instance, in 2007 a note by the Australian Government described how there was a need to work across organisational boundaries, engaging stakeholders and citizens in an effective manner and sustaining behavioural change. In other words, creating and multiplying collaborative efforts and sharing information about successes or failures increases the scale of possibilities. In addition, working across many different areas - including environment, energy, finance, planning, etc - could multiply the chances for an effective policy to emerge that can support these collaborative efforts.

The international climate institutions should find a way to spur these multi-stakeholder demonstrations, track them, and evolve the treaty itself as solutions are refined. This would be well aligned with a "show and tell" role for the multilateral framework.

4. The climate institutions must be able to "democratize" inputs, and leverage crowd-sourcing.

A new kind of citizen engagement that spans horizontally across countries using social media has emerged. Causes are able to get massive popular support, as was the case this last year in the Occupy movement and the Arab Spring. The aggregation of information in these groups of independently-deciding individuals can result in useful insights and actions.

Against this reality, the multilateral climate negotiations appear anachronistic. For many years the contribution of non-state actors to the inter-governmental climate change negotiations has been a difficult process. Single-point sporadic communication channels (BINGOs, INGOs and the like), coupled with strict negotiation etiquette, have hindered meaningful exchanges. Negotiating delegations have missed out on this rich source of information and calls to action.

A treaty that, at least in part, belongs to citizens would find more solutions, would show that sub-national collaborations work and would create further momentum for nation states to confidently take action. Into this space we need to include, better-designed and directed enterprises. Just as the creation of the joint stock limited liability company transformed international trade in the 18th / 19th century, so public good enterprises (PGEs) could radically shift resources into global public good problem solving. These enterprise structures would reward entrepreneurial endeavour that reduce climate risk, enhance adaptation or accelerate innovation. The climate regime could display and reveal wherever and whenever the fiscal or regulatory incentives for PGEs are created.

A new climate change treaty must live with its century. While multilateralism remains a crucial building block of international collaboration, it is becoming clearer that its rigid form and its limited scope have proven insufficient for addressing a complex problem such as climate change. A new kind of climate treaty must be able to break away from traditional diplomacy mantras, shape a

new, simplified, coordinating role for itself and leverage the potential for learning and fast action of the society at large.

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