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### **COP21: Great start but how will it end?**

**By Martin Khor**

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The climate change conference in Paris had a grand start last week, with high profile speeches from host French President Francois Hollande, American President Barack Obama, Britain's Prince Charles and many other leaders.

Immediately after the opening, the negotiators got down to work and they have not stopped. They realised that their task, to produce the Paris agreement on climate action after 2020, is all-important, whatever good rhetoric the political leaders may come up with.

At the half-way mark of the two-week conference, there is no certainty that a final deal can be reached. The conference, known as COP21 (21st Conference of the Parties of the United Nations Framework Convention on Climate Change), is scheduled to end this Friday but could stretch till Saturday or even Sunday.

The consequences of not reaching an agreement, after all the expectations and the prompting from over 130 heads of government and state in the first two days, would be catastrophic, politically and psychologically.

Paris is touted as the "last chance" to save the world. Climate change is the biggest threat

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to humanity's survival. Most leaders gathered at the COP have come to believe this, and certainly the scientists and non-governmental organisations who have been pushing the climate agenda for decades.

So the odds are that by hook or by crook a deal will be struck and COP21 will have to produce a Paris agreement (the core outcome) plus an accompanying decision to adopt it and other decisions on a range of issues that do not make it into the agreement.

And yet the final solutions appear so far away as the nearly 200 official delegations struggle to get their views referred to and their "red lines" (points that cannot be compromised) respected.

In this second week, the French Foreign Minister Laurent Fabius in his capacity as president of the COP will be taking over the process of running the conference – bridging the remaining differences and finding the final language that everyone can live with.

As usual, the US has set the tone on some of the contentious issues. One of the most complex issues is whether the agreement will be legally binding. The US team quietly made known that it cannot have a treaty that internationally binds its emissions reduction pledge, otherwise that will have to go to Congress for approval, and it will not approve.

A solution will thus be found that the Paris agreement will be binding as a framework and in procedural matters (including that countries submit pledges that are subject to review), but the actual numbers will be placed in another document and not be subject to being legally binding.

That may be a neat hybrid solution, but it would not fool the world that this is a really legally binding agreement, as the "nationally determined contributions" of the countries would really be voluntary in nature.

But if the US is to come on board, this is what its domestic politics demands, and in the end everyone will bow to the inevitable.

Another big issue is the finance and technology that the developing countries demand to enable them to switch to a low-carbon economic pathway.

The chair of the G77 and China, South Africa's Ambassador Nozipho Mxakato-Diseko,

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said at the opening that “Nothing under this Convention will be achieved without the provision of finance and the transfer of technology which are crucial elements of the Paris outcome.”

The group wants a substantial scaling up of finance from the 2020 base level of US\$100bil (RM425bil), with a revision upwards every five years, while ensuring that the finance is new and additional, with an equal allocation between adaptation and mitigation.

While the French president in his opening speech had indicated empathy for the developing countries' insistence on finance, other developed countries, especially the US, do not want anything specific on finance in the core agreement, and especially that developed countries are to be legally bound in providing support.

Being a super-sensitive issue, finance is likely to be a make-or-break issue in the final days.

Even more complex and systemic is the contentious matter of “differentiation”. Both Chinese President Xi Jinping and Indian Prime Minister Narendra Modi highlighted “common and differentiated responsibilities”, as did many other leaders, but this term is really taboo for the US.

It wants countries to take on similar, not differentiated responsibilities. If the Paris agreement gives up on differentiation, it would really go counter to the convention and imperil the developing countries.

The foundation for differentiation is that the developed countries have to do more in mitigation as they contributed most of the stock of greenhouse gases in the atmosphere that cause climate change, and they also have to provide funds and technology to the poorer countries.

This has long been accepted, and is structured into various parts of the convention, and should be so in the Paris agreement. But in recent years the US and its allies have challenged the principle and want the Paris agreement to be different.

This conflict on differentiation was again evident in the first week's negotiations in Paris, especially in mitigation, transparency of actions and even finance.

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Another issue that will go to the wire is “loss and damage”, a concept now recognised but yet to be in operation at the convention. Developing countries want the Paris agreement to recognise that it is legitimate to support developing countries with funds for rescue and rehabilitation necessitated by climate change-related events such as typhoons, heavy rainfall and drought.

This is an emotional issue, especially for vulnerable countries. But developed countries do not want to fund “compensation” for this loss and damage.

These are some of the “sticky issues” that remain to be solved. The French are in charge this week to find the magic landing zones for these issues.

Keep your fingers crossed that in the end a good and fair agreement will be reached. Whether it is adequate to win the fight against climate change is another huge issue, which will no doubt keep the debate going after Paris.

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