

CLIMATE NEGOTIATIONS AT THE EDGE: GOOD COP, BAD COP



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There is the COP. And then there is the *full* COP. Surrounding the international negotiations there is now a thick outer belt of innovation, networking, and dialogue. In classical Greece, it would have been the *agora* – a marketplace of ideas, and products, and gossip, and deal-making. Most of the 20,000 people who turned up in Durban were not there to protest but to talk to one another in myriad side events, mini-conferences, roundtables, and other gatherings. It is one massive industry convention. Even if not fast enough, this is where things are actually moving. Even if not with sufficiently radical intent – talk of action may encourage a different sort of complacency amongst those corporate leaders culpable of ‘green-washing’ – this is nonetheless where the evidence of change is to be found.

So the thing that struck me most about COP17 was how this broader COP has come to matter as much as, if not more than, the narrow COP. As faith in the international politics has waned, so the bigger picture has galvanised: Bad COP, Good COP. Whereas at previous COPs most conversations began with questions such as ‘Have you heard the latest on the treaty? Is there going to be a deal?’, in 2011 references in the *agora* to the main negotiations were few and far between – conspicuous, in fact, by their absence. Whether this is merely a symptom of the diminution of confidence in the United Nations-led process, and an inevitable product of lowered expectations, or whether it is due to the rise of what Simon Zadek, writing in *The Guardian*, calls ‘Plan B’, is open to debate.

When Marks & Spencer’s campaign *Cri de Coeur* invited us to accept Plan A because ‘there is no Plan B’, and when Christiana Figueres, the head of the UNFCCC secretariat that runs the COP, told us ‘There is no Plan B because there is no Planet B’, both were wrong. While it’s certainly true that there is no Planet B, if Plan A is a neat little international treaty that solves everything, then very simply, we have to turn to Plan B. We are not going to get a decisive, all-encompassing global deal that will save Planet A. And Plan B, messy though it is, imperfect though it is, is a whole lot of better than no plan at all.

At Durban, the Plan B-ers were out in force. From the session at Nedbank that discussed the role banks can play in helping emerging economies move towards a cleaner energy mix, to the session on green jobs where South Africa’s Industrial Development Corporation released a report showing how renewables can create hundreds of thousands of desperately-needed new jobs in South Africa, there were new ideas and new evidence in abundance.

And in the *agora*, everyone is equal – well, almost! Greenpeace campaigners rub shoulders with World Bank managers, diplomats and cabinet ministers. If you tried to organise it thus, you couldn't. The multi-stakeholder melting pot is accidental, but very helpful to the process of getting to grips with radical transformation. For example, at the Nedbank green banking session, hosted in partnership with UNEP's Finance Initiative, the innovators in the room said they wanted the banks to be less risk-averse. Given the promiscuity of recent years, it's a surprise to hear that apparently we now want them to shed their new-found caution and jump into the most risky areas of the new, green economy.

But the alternative is that the financial sector may lose its place at the climate finance table. The UN Environmental Programme Finance Initiative agrees: risk-reward ratios will need to be re-calibrated. New products and services are emerging. Green bonds, for example. And derivatives? Did I really hear the 'D word'? Yes sir: much-maligned for their role in the US economic meltdown in 2008, they are coming back in fashion. But this time they are 'green' – part of an array of commercial offerings that banks are shaping up to offer innovators in the green economy – so that's all right then.

The point is this: never mind the formal COP negotiations, unyieldingly complex and politically fraught as they are, because the real action appears now to be elsewhere – with the emphasis on the word *action*. Even when the UNFCCC delivers progress – as it will, slowly, clumsily, and probably unsatisfactorily – the best it can offer is a framework, an institutional basis for change. It doesn't really *do* anything in and of itself; others must, in any case, take up the cudgels to turn legal commitments into practical steps.

International law, so often obeyed in the breach, has severe limitations. At best, an international agreement is a lever for a change; others must operate it. This is why the Plan B-ing is now so critical.

Take the issue of climate finance that is close my heart. At Durban, aside from the understandable pre-occupation of the negotiation-watchers and mainstream media with the question of whether the Kyoto Protocol would get a second commitment period or would instead 'die on African soil', the main interest was in whether the climate finance mechanism that the Cancún Accord had invented would be properly established.

It's an instructive case study of global governance: amidst the dying embers of the Copenhagen COP15 calamity, the world's leaders had rashly promised a \$100bn fund by 2020. A year later, Cancún took them at their word and agreed to create a new uber-fund in which to house all the cash – the Green Climate Fund (GCF) – and a 40-person Transitional Committee (TC) was set up to spend 2011 designing it. So far, so good. But despite meeting four times at various locations around the globe, the TC has run aground, unable to reach full agreement on key issues, and suffocated by the dead hand of UN climate politics.

The developed countries wanted a nimble, efficient structure that would safeguard their investments, while the G77 developing countries preferred an institution that would remain tightly connected to the UN-led COP process. So when South African National Planning Minister Trevor Manuel, a co-chair of the TC, tabled the report of the TC at a plenary session of the COP in week one of Durban, the session soon descended into a meandering progression of speakers either congratulating the TC on finding a delicate balance, or criticising it for offering a governing instrument for the GCF that would lack inclusiveness and, thereby, legitimacy in its decision-making. A major concern was the role of the World Bank, which the Cancún Accord had chosen as an interim trustee of the GCF: in practice, how much decision-making power would it have?

After a prolonged argument about whether an 'informal consultation' could or would be 'open, transparent and inclusive', the president of the COP, the South African foreign affairs

minister, was asked by the plenary to convene 'open, transparent and inclusive informal consultations'. Monty Python comes to town.

Meanwhile, in the *agora*, a daily average of 10 side events concerned with the practical ramifications of increased climate finance were taking place, soberly examining difficult but important questions: Should the priority be mitigation or adaptation funding? Where is the appropriate balance between the two? What sort of adaptation finance do we want? How best to organise it at national level? Should the National Implementing Entity be housed under or independent of the national treasury? Should there be a parallel multi-stakeholder process to ensure full stakeholder engagement and to build consensus on prioritisation? What's the best role of the multilateral development bodies? Given the geographical scope of climate change threats, shouldn't these decisions be taken regionally? Where can best practice be found, and the most exciting innovations and stories?

All good, meaty, granular stuff – organic and messy, but full of energy and a sense of purpose. In contrast, watching sessions of the UN community at work really is like watching paint dry unless you happen to be really interested in UN climate change politics, in which case you probably ought to get out more. Sadly, I do find them rather fascinating. But then again I am a lawyer with an interest in *realpolitik*, and a devoted multilateralist to boot. To paraphrase Winston Churchill's witty observation about democracy, so with the UNFCCC: it's the worst system for addressing climate change, except for all the others. And at a time of fast-growing economic nationalism, provoked and in some cases excused by the global economic crisis, this is really not the time to abandon multilateralism and the painstaking, if painful, quest for effective global governance and regulation. However much more interesting, compelling, and dynamic, not to mention useful and practical, Plan B is, we really cannot afford to abandon to Plan A.

By the slenderest of margins, Sunday 11 December was a good day for multilateralism; the UNFCCC survived Durban to fight another day. Precariously, Plan A is hanging in there. Excellent. But the greater source of hope is Plan B – its momentum must continue to grow until a tipping point is reached where we are no longer dependent on Plan A to combat runaway climate change and its impact on human development. This should be a source of encouragement: the future of Plan B is in our hands and we can, thereby, determine our collective destiny.

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