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Policy Dialogue

"Paris and Beyond – The State of Climate Change Diplomacy"

Seoul, Republic of Korea
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On 23-24 April, 2015, the regional programme Political Dialogue with Asia of the Konrad-Adenauer-Stiftung organized a Policy Dialogue **"Paris and Beyond – The State of Climate Change Diplomacy"** in Seoul / Republic of Korea.

The conference was opened by *H.E. Rolf Mafael*, Ambassador of the Federal Republic of Germany to the Republic of Korea. He highlighted the key role East Asia as a growth market plays concerning climate protection due to its increasing greenhouse gas emissions. Germany will include the climate topic in the G7 meeting which will be held in the country as well as in the Petersburg Dialogue. It has made a strong contribution to the Green Climate Fund which it sees as the crucial instrument for implementing climate measures. Through its current *Energiewende*, Germany has the opportunity to show to the world that green growth and de-coupling are possible.

The key note speech was delivered by *H.E. Choi Jai-Chul*, Ambassador for Climate Change, Ministry of Foreign Affairs, Republic of Korea. Many people expect Korea to present its Intended Nationally Determined Contributions (INDC) and Choi confirmed that they will be able to do so soon. The country expects from COP21 that all parties have submitted their INDC which will result in a good agreement. There should also be a clear vote on climate finance after 2020. The combined European-Asian emission is 45 % of the global amount and as Asian countries are strongly affected by the consequences, they are taking a more active stand now. During the ASEM Summit in Milan, climate change was a key issue and South Korea was able to function as a mediator between developing and developed countries due to its status as an emerging power.



The first panel discussed **Preparations for Paris 2015** through presentations by *Olaf Gamal Deussen*, European External Action Service, Belgium and *Do Tien Anh*, Climate Change Research Center, Viet Nam Institute of Meteorology, Hydrology and Climate Change. Both gave their respective views on the state of preparations of the upcoming COP in Paris. The EU aims to establish a green diplomacy network with embassies as local focal points in the Member States. This allows different levels of engagement – high level talks between Commissioners and head of states, on the ground between EU Delegation and Member States' embassies, networks between EU diplomats and Ministries of the Member States and advocacy through Action Days. Within ASEAN the Climate Change Initiative tries to coordinate the work between the members, but the countries are characterized by high vulnerability and low adaptive capacities. Particularly financial support is low. ASEM and combining the climate question with other issues such as security might help to overcome this. In order to achieve an agreement in Paris, a number of old concepts need to be overcome. A division into developing and developed countries is not constructive. While developed countries certainly cause the most emissions, developing countries also need to mitigate. It is necessary to show them that there are economic benefits from climate actions and they thus do not hinder economic growth. It is also correct that many emerging markets have no historical debt, but they are contributing much to today's large scale of emission. For instance, in 2020 China's historical emission will be higher than the EU's as the latter takes clear actions now. This, of course, does not mean that developed countries can ignore the perspective of the others and force them to change. The discussion on Climate Finance is too occupied by the USD 100 billion pledge. Consequently, the other financial tools of the Green Climate Fund are being neglected. The AIIB could also have a strong impact on this if it were to include climate criteria in its project application process.

A key feature of the developments in 2015 is the presentation of **Intended Nationally Determined Contributions (INDC)**. *Adalbert Jahnz*, DG CLIMA, European Commission, Belgium, *Nitya Nanda*, The Energy and Resources Institute, India and *Srey Sunleang*, Ministry of Environment, Cambodia, analyzed the status of INDCs in developed and developing countries. Particularly, less developed countries have difficulties to develop their INDC as the responsibilities are separated between different government agencies and many stakeholders try to



influence the debate. The construction of wind mills will decrease the value of the land which could otherwise be used for farming or property development are among the arguments brought forward by business associations and interest groups. As a result of these problems, the Indian INDC will not be binding, but aspirational or conditional. The EU, on the other hand, has shown that decoupling works by increasing its GDP by 45 % while increasing its emissions by 15 % in the same timeframe. Her INDC is a domestic target and does not include international emissions trading yet. After 2030 the EU will have a more flexible system which allows it to take Member States to court if they, for example, do not comply with the goal of 27% renewable energy.

In years of budgetary constraints, ensuring **Climate Finance** is crucial. *Clifford Polycarp*, Green Climate Fund, Republic of Korea and *Andries Hof*, PBL Netherlands Environmental Assessment Agency, Netherlands, provided possible solutions for this dilemma. The Green Climate Fund Secretariat was set up in 2013 and provides a physical space for the multilateral fund which was established in December 2010 in Cancun. The key principle of the Fund in its implementation is the country ownership and sustainable development aiming at creating a wider socio-economic impact. From June to November 2014 the fastest pledge ever took place and amounted to 9 billion USD which can be used through its partners. The institution tries to promote access to energy and infrastructure helping countries to achieve development through mitigation. Through adaptation funds it also increases well-being, health and livelihood resilience. An important topic for climate finance and also in the negotiations is loss and damages. These large-scale single events have a severe effect on food, infrastructure and a society's welfare as a whole. But many of these impacts will show only in 20-30 years. Thus, there is a huge uncertainty how big the impact will be or how the markets will react. Mitigation costs are far more predictable than damages, although residual costs will remain. Even adaptation costs are still much lower than the damages caused. Therefore, developing countries should not focus on adaptation costs only, but need to mitigate as they are growing economies.

It would, however, be wrong to see climate change isolated. Thus, the new agreement in Paris will have to **Link the Climate Change Agreement to Other Issue Areas**. *Hinrich Thölken*, Federal Foreign Office of Germany, discussed the



impact climate change has on state fragility and *Major General A N M Muniruzzaman (Retd)*, Bangladesh Institute of Peace and Security Studies, focused on climate conflicts and potential military implications. *Chen Gang* from the East Asia Institute in Singapore highlighted the importance of urban areas in connection to climate change. Climate change will inevitably have an impact on security. The discussion is not about climate war, but climate change adds stress to fragile environments. Particular weak and fragile states are at risk as they lack capacity to deal with the consequences and are often situated in geographical areas several affected by the environmental changes. Climate change does not only cause insecurity by itself, but acts as an ultimate threat multiplier for resource competition, livelihood insecurity and migration, extreme weather events / disasters, volatile food prices, transboundary water management, sea level rise and unintended effects of climate policies. Both the Arab spring and the Syria crisis show clear links to unnatural droughts before the unrests. Besides these non-traditional security dimensions, climate change also impacts traditional spheres of insecurity. These are especially hydro conflicts, human displacement, socio-political and economic unrest, radicalization and terrorism, resource conflicts, inter- and intra-state conflicts which are all too often fought by military means. For instance, a change of the shorelines will affect the law of the Seas (UNCLOS) as maritime boundaries and Exclusive Economic Zones will get contested and some currently territorial waters will lose their territorial base, e.g. Maldives or Kiribati. In order to manage these risks, sectoral barriers have to be overcome and integrated policies be put in place to achieve political resilience. So far policymakers have shown a high level of reluctance to act on issues that are not happening in their political lifetime and climate change decisions are particularly painful as they impact people's everyday living. Another aspect where climate change is combined with an urgent challenge is urbanization. Cities will be crucial in implementing climate measures which requires a lot of resources. At the same time urban governance offers a unique opportunity to link adaptation and mitigation easily through low carbon and efficient urban planning. Their population and economic power make cities crucial in the climate change context, but cities also compete for investments. It is thus important to ensure a healthy competition where environmental standards are met and those cities not attracting enough investments aided.



Paris will not resolve the climate question, but be one milestone on a long journey. Thus, **What comes after Paris – The Future of Climate Diplomacy** was addressed by *Savitree Srisuk*, Ministry of Natural Resources and Environment of Thailand, *Lara Lazaro Touza*, Universidad Complutense de Madrid in Spain, and *Win Myo Thu*, EcoDev, Myanmar. In Asia, ASEAN will play a crucial role in the future as climate-related challenges are transboundary in nature. Examples in case are the water management in the Mekong region or forest fires in Indonesia. The association has also set up a working group on sustainable cities which can be upscaled. Through the ASEAN Economic Community, the participation of the business sector in solar power and waste management inclusive of the transfer into energy can be secured. Business play a key role in general as they receive pressure from the top through government regulations and from below through clients' requests. This needs to be balanced through the involvement of civil society organizations as there are many clashes between civil society and foreign direct investments (FDI). For instance, the local Burmese population has to take the stress of large scale projects on hydro power and pipelines while the revenues go exclusively to China and Thailand. In order to predict the way forward after Paris, the reasons for engaging in climate diplomacy have to be understood. For many countries these are economic concerns, threats to national security, questions of energy supply, water-food-energy nexus and impacts on livelihoods. The future of climate diplomacy will depend upon a number of governance dilemmas. These include, but are not limited to, maintaining the momentum, increasing knowledge through downscaling of climate models, increasing level of ambition, improving resilience and adaptation, benefits from business opportunities, developing climate narrative and full engagement in climate governance.

In order to make the Paris agreement work, **The Implementation Period** will be essential. *Wan Portia Hamzah*, Institute of Strategic and International Studies, Malaysia and *Yu Yuqing* from the Institute for Global Environmental Strategies in Japan discussed implementation mechanisms and the need for technology transfer. In order to ensure a proper implementation of the agreement, several mechanisms have to be put in place. These are to be found in compliance, finances, technology, market, legal, resource and capacity fields. These mechanisms have to be combined with effective measurement, reporting and verification (MRV) procedures. In particular finance, technology and capacity-building are closely



related and have to be addressed comprehensively. A problem is that decentralized small-scale projects for technology might be more successful, but many want one big project to show actions. Many decision makers are also being influenced by consultancies who recommend big projects resulting in failures. It is a fine line between gaining credibility for a technology (which is required to foster a transition) and promoting only personal business. For decentralized states a vertical integration is crucial to guarantee the proper actions are taken at the right level. Horizontal integration is important for all states as the various Ministries will have to coordinate with each other. Climate diplomacy outside the UNFCCC framework should be strengthened besides the multilateral track, but it depends on the framing as it can be positive but also an easy escape road from binding commitments for some countries. ASEAN should be more proactive in the implementation period. The countries can share knowledge and technology with other Member States.

Conclusion

The conference highlighted a different level of preparedness among countries for the COP in Paris. While some states have already declared their INDCs, several key countries like India and Australia have yet to do so. The countries have learned from the negative experience in Copenhagen and seem more committed to come to an agreement this year, but have also managed the expectations. All are well aware that Paris is only a milestone on a long road, a crucial one though. Preparations are already under way for the time after COP21 and several countries are working on policy coherence to avoid unintended effects of climate policies and tackle linkages between climate and other policy fields.