Global Action

How to quicken the pace

Reminder ...and question

- Global problem so only solution is global
- Good policy?
  - If a global solution is in prospect or global action that rewards national action
  - If it promotes global action
- What global price by 2030?
  - $23, $50, $100, $150, $200, $500
  - Who benefits if we are there early?

Prospects

- UN (UNFCCC) still breathing
  - Copenhagen revisionism: broke long-term barriers
  - Confirmed agreement in Cancun
  - Durban faces leadership challenge; agenda conflict and revenge-seeking
  - Progress will continue, but sporadically and slowly
    - Still endemic problems of lack of engagement, insufficient trust, ideology,
    - Countries negotiate on national positions not national interests
  - So the UN will not do it by itself

National Plans

- Copenhagen/Cancun pledges highlight gathering momentum
  - All countries that matter are in the action
- But still not good enough
  - 12GtCO2e short in 2020
Other global forums

- G20 – losing interest?
  - Burgeoning agenda, preoccupied
- Major Economies Forum – shadow play?
  - Useful but not for decisions...yet
  - Essential to keep it in running order
- Rio+20 – too much clutter?
  - But could be a surprise

Money matters

- The critical bargain: will the funds flow as promised?
  - Record not yet clear but better than expected
- No, Fast Start not enough to do it all
  - But may be enough to buy down risk of investment
  - ............what is $100b?
    - Not enough if all sources but plenty if for leverage?
- Green Growth in action – positive feedback to negotiations

What’s missing

- Copenhagen, the downside - crowding out
  - Many initiatives lapsed
- Need restorative work:
  - Sectoral action – steel, cement etc
    - IMO has moved at last
    - AP7 – the black sheep but could have stayed in the flock
  - Energy efficiency collaboration
    - Focus on global standards and labelling

Regional action

- Advantages:
  - Genuine bottom up: standards, networks, mutual interest
  - Could cascade outwards
- Opportunity for Australia......needs a system
  - Indonesia : building on existing links
  - Could interest others – Japan, NZ, other ASEANs, PNG
A global Solution?

- A global carbon price first
  - But will be expressed explicitly and implicitly
  - BTAs may be a feature
- Our action matters
  - The commitment has bought time but action expected
    - Kyoto resentment lingers: downside if we fail
    - We are seen as hard-headed so action will confirm the
      Stern thesis and boost confidence elsewhere

Global Price in 2030?

- $23?
- $50?
- $100?
- $150?
- $200?
- $500?