

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

- G 20 – 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
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-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?

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- \$150?
- \$200?
- \$500?