

Keeping Kyoto's Rules and Obligations

The Kyoto Protocol is an international agreement linked to the United Nations Framework Convention on Climate Change. The Protocol was negotiated in 1997 and binds a group of 37 industrialised countries to greenhouse gas emissions reductions of 5% by 2012 (compared to 1990 levels). It details how this aggregate reduction will be achieved by setting out legally binding individual targets for each of the countries.

In this way Kyoto's international framework governs domestic action while leaving countries to choose the climate-related domestic policies that best suit their circumstances. In order to ensure that Kyoto members stay on track and meet their obligations, the Kyoto Protocol also established international systems for:

- **Accounting:** A set of international rules establishing what is accounted for (e.g. which sectors and gases) and rules for how it is done (e.g. a base year of 1990, rules for counting emissions from the forest sector and the Global Warming Potential (GWP) of greenhouse gases).
- **Verification:** As with the Convention, expert review teams ensure the environmental integrity and transparency of the accounting and reporting system. The review process is generally cooperative and problem solving in nature but under Kyoto, review teams also have the power to adjust the data if a resolution cannot be found.
- **Compliance:** The international compliance system detects any failure of governments to meet obligations under Kyoto and employs a 'carrot and stick' approach. The Facilitative Branch offers advice when things start to go wrong, whilst the Enforcement Branch has tools to enforce compliance via penalties for defaulters.
- **Assigned Amounts Units:** These units or 'pollution permits' represent the maximum amount of GHGs an industrialised country can emit during a commitment period whilst staying below its agreed target. Each AAU is worth the equivalent of 1 metric tonne of CO₂. These permits may be exchanged through emissions trading and, in the future, could also be auctioned to raise funds to support developing country action, adaptation and forest protection.
- **Carbon Markets:** Kyoto establishes international rules and eligibility criteria to ensure the integrity of the carbon markets, ensuring that countries abide by international trading rules and maintain robust systems to support the market.

These essential elements, while in need of some improvement, encourage and enforce compliance and comparability of effort with maximum transparency. They ensure that all countries are playing by the same rules and adhering to the same standards.

The 'Copenhagen Agreement'

In Montreal 2005 Governments launched negotiations under the Kyoto Protocol to agree on new emission reduction targets for industrialised countries. Two years later The Bali Action Plan was agreed, launching wider negotiations under the Convention covering new issues, such as tropical forest protection, looking at how developing countries could enhance action on climate change and how that, as well as adaptation, could be financed.

Both of those negotiating processes are due to be completed in Copenhagen this December. For industrialised countries any resulting agreement must contain the fundamental components of Kyoto listed above along with legally binding aggregate and individual targets.

What should be in the 'Copenhagen Agreement'

It is essential to keep and improve the Kyoto architecture, ensuring that future reductions from industrialised countries (and some of the richer newly-industrialised countries such as South Korea, Singapore and Saudi Arabia) are a lot deeper and consistent with the cuts that science requires.

As more is known about the science and speed of climate change, it has become clear that developing countries will also have to take action to reduce projected emissions from this group. This action must be based on a country's historical responsibility for emissions and its capability and potential to reduce them and must be supported with finance and technology transfer from industrialised countries.

An additional linked 'Copenhagen Protocol' would set legally binding targets for the USA (which is not part of Kyoto) that would be subject to the same accounting, verification and compliance procedures as other industrialised countries. This new Protocol would also describe the actions that developing countries should take, defining the financial and technological support industrialised countries must provide to them, as well as set out how adaptation and forest protection will be funded. This kind of two protocol approach was first introduced by Tuvalu and has since been endorsed by the African group.