As far as the environment is concerned, the big story was, and for some time will continue to be, the breakdown of the climate change talks and the fate of the 1997 Kyoto Protocol. International efforts to curb emissions have been plunged into a state of confusion and anxiety has increased among poorer nations who had hoped an agreement would bring global action to stem the dangers confronting them. It will remain unclear for some time whether the breakdown was a temporary setback or a mortal blow to the 1997 Kyoto Protocol.

The biggest gap in the Protocol continues to be the lack of agreement on how far to rely on trading emissions permits. The US, responsible for just over a third of all world carbon emissions, wants to achieve its Kyoto targets almost entirely by buying permits or getting credits from developing countries. Thus, up until the Conference the US had been busy lining up support for an uncontrolled system of trading permits. The EU, responsible for a quarter of world greenhouse gas emissions, objects to this plan. It argues that if the US can get away with not reducing any of its own pollution, this will set a poor example to developing countries that have yet to sign up to any Kyoto pollution quotas.

The failure of the talks delighted the Global Climate Coalition, a lobby group for US businesses that believed the proposed treaty was too costly a method of tackling climate change. But a more common reaction from business was dismay about the uncertainty over future regulations.

If Kyoto is to succeed, it is clear that both the US and the EU will have to compromise. Future negotiations could be shaped by a compromise proposal, which came close to being agreed at the last moment. This attempt to rescue the talks (proposed by John Prescott of the UK) won support from the US but was eventually rejected by the EU for making too many concessions to the US.

Analysts estimated that the suggested compromise would have, in effect, changed the Protocol’s goals of cutting emissions by 5 per cent from 1990 levels by 2010 to allowing growth in emissions of at least 5 per cent over the same period. The deal proposed that the EU give way on its demand for at least half of all emission cuts to be achieved through “real” cuts in domestic emissions. In this respect, the most difficult issue concerned the use of existing forests and agriculture to offset emissions reduction targets. The US argues that careful forest management and agricultural practices will increase their ability to absorb carbon dioxide.

When negotiations broke down the gulf between the US and the EU had narrowed, apparently, to a disagreement over the exact amount of carbon that the US could claim from its forests. The talks, which were “postponed,” will resume in Bonn in May of next year.

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Other negotiations, which were also postponed and seen in a negative light, have now come to a positive conclusion. Following a long blockade, Ministers meeting in Lucerne for the Conference of the Alpine Convention, have caught up on all that was postponed (see page 278).

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As we consider the Montevideo III Environmental Law Programme for the first decade of the twenty-first century to be something that will guide our work for a considerable time, we have decided to print it already in its draft form (see page 309), before its adoption next year by Ministers during the UNEP Governing Council.

1 December 2000