



ACADEMY OF GLOBAL GOVERNANCE

EXECUTIVE TRAINING SEMINAR SERIES

GLOBAL GOVERNANCE PROGRAMME

CLIMATE GOVERNANCE: ISSUES AND INSTITUTIONS

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**Villa Schifanoia – Sala Europa
Via Boccaccio, 121 - Firenze
European University Institute**

WHAT IS THE ACADEMY OF GLOBAL GOVERNANCE?

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The Academy of Global Governance (AGG) is a unique executive training programme, where theory and “real world” experience meet. Trainers at the AGG are leading academics, former ministers, heads of international organizations and top executives. AGG trainees – young executives, policy makers, diplomats, international organisations and public sector officials, private sector professionals, and junior academics - have diverse backgrounds, operate in a wide range of contexts, and come from the different corners of the world, to share views and debate in the vibrant academic environment of the European University Institute. The AGG’s trainees benefit from a network of academics and international top-level officials, and from an extremely stimulating discussion on topical issues relating to governance.

INTRODUCTION

Climate change is on the policy agenda for most nations and it presents problems unlike those faced in dealing with other policy issues requiring attention. This intensive three-day executive training seminar will provide an introduction to the issues raised by climate change and the institutions that have evolved to deal with it. Separate three-hour sessions will address the scientific underpinnings of climate change and the implications for policy, choosing appropriate policies in a multinational context, the current development of institutions to address climate change concerns, the intersection with trade law, how to allocate the burden equitably on a global scale, and what lessons to draw from the EU ETS.

PROGRAMME

Barbara Buchner | Climate Policy Initiative: *Climate Governance Institutions*

The past twenty years have seen the emergence of climate governance institutions. More recently, serious questions have been raised about the validity of the assumptions concerning transnational governance that have underlain these institutions. This session provides a critical guide to the evolution of these institutions (UN Framework Convention on Climate Change – UNFCCC, Kyoto Protocol, Copenhagen Accord), their interconnection (Intergovernmental Panel on Climate Change - IPCC, COPs, MOPs, MEFs, etc.), and how these or other institutions might be expected to evolve into an eventual global regime. Given that finance is one of the defining issues that will determine whether a global deal on climate change will emerge; particular attention has to be given to the increasing prominence of climate finance in the development of these institutions and the increasingly decentralised governance of climate finance.

Barbara Buchner is the head of Climate Policy Initiative (CPI) Europe, managing both the CPI Venice and the CPI Berlin offices. CPI is a new analytical group organised to assess, diagnose, and support the efforts of policy makers to achieve low carbon growth. Previously Barbara served as a Senior Energy and Environment Analyst at the International Energy Agency (IEA). Before that, she was working as a Senior Researcher at the Fondazione Eni Enrico Mattei (FEEM). She has also been a visiting scholar at the Massachusetts Institute of Technology (MIT) within its Joint Program on the Science and Policy of Global Change & Centre for Energy and Environmental Policy Research (CEEPR). Barbara serves on the advisory board of the Barilla Center for Food & Nutrition (BCFN). Until 2011 she was the Vice President of the European Association of Environmental and Resource Economists and served on the mitigation board of the Global Network for Climate Solutions (GNCS), which is hosted at the Earth Institute, Columbia University, coordinated by the Columbia Climate Center. Barbara holds a Ph.D. in Economics from the University of Graz.

Susanne Droege | German Institute for International and Security Affairs: *Adjusting at the Border? The Links between Trade and Carbon Flows and What Policymakers Could Do About It*

The application of national climate policy measures should deliver the solution to the global climate problem. However, no single country will be able to tackle the issue, not only because this triggers free riding, but also because goods and services are flowing around the globe. Thus a tax on carbon in country A could become a competitive disadvantage for domestic producers, leading to an increase in imports which could undermine the initial intention to bring down emissions at the global level. The adjustment of goods' prices at the border – according to the carbon content they represent – is subject to political, economic and legal debates. This session gives an overview on the interactions between trade and climate policies, the role of border adjustments and their various interpretations.

Susanne Droege is Head of the Global Issues Division at the German Institute for International and Security Affairs (SWP) in Berlin. She has specialised in energy, climate and international economics and has a long-standing work experience on trade and environment. She advises the German Parliament, the German Government and International Organisations on climate and energy policy issues. Recent research focuses on the EU's and other countries' emissions trading, energy-intensive industries, carbon leakage and embedded carbon, and international climate negotiations. Before joining SWP, Susanne Droege worked for the German Institute for Economic Research (DIW Berlin). Between 2008 and 2012 she was a project leader in the Climate Strategies network. She is member to a number of scientific advisory boards, including the Oeko-Institute Berlin or the Global Environment Outlook GEO-5.

Denny Ellerman | European University Institute: *The European Union's Emissions Trading Scheme: A Prototype Global System?*

As the world's first multi-national cap-and-trade system, the European Union's Emission Trading Scheme (EU ETS) has many lessons for the construction of a global trading system to limit greenhouse gas emissions. This session discusses what it took to get 27 sovereign states of widely varying economic circumstance, historical experience with markets, and commitment to climate policy to agree to participate in the EU ETS. Participants will be asked to think about the extent to which the experience in Europe anticipates and addresses the problems that will arise in creating a broader, global regime and how transferable this experience is beyond Europe.

Denny Ellerman is a part-time professor at the European University Institute where he directs the Climate Policy Strand of the Global Governance Programme and Climate Policy Research Unit in the Robert Schuman Centre of Advanced Studies. Previously, he was a senior lecturer at MIT's Sloan School of Management, where he was for many years executive director of the Center for Energy and Environmental Policy Research and the Joint Program on the Science and Policy of Global Change. He is an internationally recognised expert on energy and environmental economics, with a particular focus on climate policy, emissions trading, and interactions with energy markets.

Benito Müller | Oxford University: *Burden-Sharing and Global Justice, Illustrated by Way of the Durban Platform*

Not the least of the problems confronting a global climate regime is how to distribute the burden/effort of limiting global emissions among nations of widely differing (economic) circumstances, or, to use UNFCCC (United Nations Framework Convention on Climate Change) parlance, how to treat countries "in accordance with equity and common but differentiated responsibilities." This is not a new problem and there is a rich vein of moral philosophy addressing such issues, particularly those related to distributive justice. Moreover, the 'Durban Platform' negotiations to reach a 'Protocol', another legal instrument or agreed outcome with legal force applicable for all countries, by 2015, has made these issues more topical than ever. This session uses the Durban Platform as case study to explain, not only the nature of these issues, but also to look at the politics behind them, as well as try and propose a way forward.

Benito Müller is currently Director (Energy & Environment) at the Oxford Institute for Energy Studies, which he joined in February 1996, Managing Director of Oxford Climate Policy (a not-for-profit company aimed at capacity building for developing country climate change negotiators), and Director of the European Capacity Building Initiative (ECBI), an international initiative for sustained capacity building in support of international climate change negotiations. He is a supernumerary fellow of Wolfson College, Oxford and a member of the Philosophy Faculty of Oxford University. Müller is senior research associate of Queen Elizabeth House, the University's International Development Centre, and an Associate of its Smith School for Enterprise and Environment. He received his doctorate (D.Phil.) in Philosophy from the University of Oxford.

Tim Rayner | University of East Anglia: *Adaptation as an Emerging Policy Area*

Adaptation is now firmly established on the climate policy agenda alongside mitigation. This session introduces key concepts of vulnerability, adaptive capacity and adaptation, as well as the rationale for involvement of the state in addition private actors: the need to provide climate-resilient public goods, to remove various barriers to adaptation and to protect vulnerable groups. The session then highlights particular dilemmas that policy makers must confront when developing adaptation responses, arising from the uncertain nature of future climate impacts and the need to co-ordinate with mitigation effort. In the spring the EU will launch its long-awaited Adaptation Strategy, and session examines the approach that European policy makers in particular are adopting.



Tim Rayner is a senior research associate at the Tyndall Centre for Climate Change Research at the University of East Anglia. His research interests lie in climate policy and governance in the European Union, as well as policy appraisal and evaluation and their roles in the policy process. His work on the EU's Sixth Framework Programme ADAM project led to a range of jointly authored publications, including "Climate Change Policy in the European Union: Confronting the Dilemmas of Mitigation and Adaptation?" (Cambridge University Press, 2010). Through the EU-funded Responses project (2010–2012), he has examined how climate concerns can be integrated, or 'mainstreamed', into a range of EU policy sectors.

Richard S.J. Tol | University of Sussex and Free University of Amsterdam: *Setting Long-Term Targets for Climate Policy*

A survey of the economic impact of climate change and the marginal damage costs shows that carbon dioxide emissions are a negative externality. The estimated Pigou tax and its growth rate are too low to justify the climate policy targets set by political leaders. A lower discount rate or greater concern for the global distribution of income would justify more stringent climate policy, but would imply an overhaul of other public policy. Catastrophic risk justifies more stringent climate policy, but only to a limited extent. The current political target is largely a historical accident. The deadlock in climate policy can readily be explained by the interests of politicians and civil servants.

Richard S.J. Tol is Professor at the University of Sussex, Department of Economics, and at the Vrije Universiteit, Amsterdam, Department of Spatial Economics. He is also Professor of the Economics of Climate Change at Institute for Environmental Studies. Formerly, he was a research professor at the Economic and Social Research Institute, Dublin, the Michael Otto Professor of Sustainability and Global Change at Hamburg University, and an adjunct professor at the Carnegie Mellon University, Pittsburgh, USA, Department of Engineering and Public Policy. He has had visiting appointments at the Canadian Centre for Climate Research, University of Victoria, British Columbia, at the Centre for Social and Economic Research on the Global Environment, University College London, and at the Princeton Environmental Institute and the Department of Economics, Princeton University. He is ranked among the top 200 economists in the world. He specialises in the economics of energy, environment, and climate, and is interested in integrated assessment modelling. Tol is an author (contributing, lead, principal and convening) of Working Groups I, II and III of the Intergovernmental Panel on Climate Change, shared winner of the Nobel Peace Prize for 2007; an author and editor of the UNEP Handbook on Methods for Climate Change Impact Assessment and Adaptation Strategies; a GTAP Research Fellow; and a member of the Academia Europaea. He is actively involved in the European Climate Forum, the European Forum on Integrated Environmental Assessment, and the Energy Modeling Forum.



Register on the Academy webpage: <http://globalgovernanceprogramme.eui.eu/academy/>

The Global Governance Programme (GGP) of the European University Institute (EUI) does not charge a participation fee for the Academy of Global Governance Executive Training Seminars.

Accommodation and travel costs, to and from Florence (Italy), and transport within Florence are at the expense of the participant or his/her institution. The GGP will provide transport information and directions to reach the European University Institute. A welcome dinner and lunches included in the programme of the Executive Training Seminar will be organized and offered by the GGP.

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The Academy of Global Governance is the training dimension of the Global Governance Programme (GGP), Robert Schuman Centre for Advanced Studies, European University Institute. The GGP is articulated in three main dimensions: research, policy and training. Diverse global governance issues are investigated through the research strands, coordinated by senior scholars, both from the EUI and from other internationally recognised top institutions. The policy dimension is developed throughout the programme and is channeled into the High-Level Policy Seminars, which bring together top politicians, policy-makers and academics to discuss the current challenges of global governance.