

Reviewing Emission Mitigation Contributions

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Role of Information in Agreements

Lessons from Other International Agreements

UNFCCC Review

Ex Ante and Ex Post Review

Role for Civil Society, Academics, and IOs



Role of Information in Agreements



Uncertainty

Uncertainty in credibility of commitments

- Will countries implement policies to deliver on commitments?
- Can a country's performance be observed?

Exogenous Shocks

- Economic growth shocks, energy system shocks may affect incentives for participation/compliance
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Signaling

Transparency and publicity of a commitment and outcomes enhances credibility

- Schelling (1956)

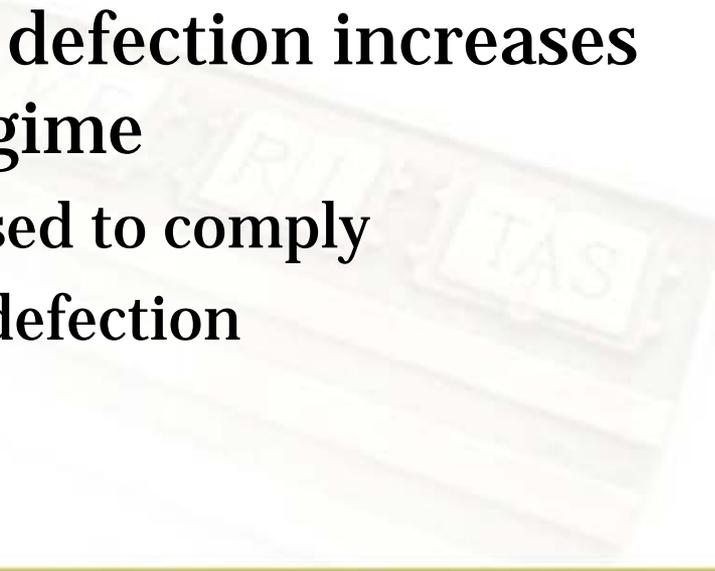
Publicity requires information structures created by rules of international institutions

“Naming and shaming” and prospect of adverse reputational consequences may promote compliance

Incentives to Monitor

Incentives for countries to defect from an agreement (free-ride) creates incentives for others to monitor

Probability of detecting defection increases with transparency of regime

- Reassure those predisposed to comply
 - Deter those considering defection
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Building Credibility and Trust

Repeated nature of climate negotiations allows for transparency to inform future talks

- Countries unlikely to agree on subsequent round if they differ in understanding of previous round

Effective monitoring a condition for sustained cooperation

Facilitates reciprocity that can accelerate ambition over time

Lessons from Other International Agreements



Credibility of Information

Delegate surveillance to “neutral” third parties, such as international organizations

IOs employ permanent staff experts, make in-country visits – IMF, OECD, WTO

Data, analysis, evaluation of policy actions and outcomes key to effective transparency



Engaging Peers

Expert reviews at IMF, OECD, and WTO feed into peer review mechanisms

Facilitate understanding about effective policy practice

“Reciprocal multilateral scrutiny” – Schelling’s description of pledge and review



Learning

Identifying best practices assists other countries in their mitigation policy design

Assess collective effort of mitigation

- Global emissions
 - Efficacy and costs of mitigation policies
 - Thematic examinations
 - Analogs in World Economic Outlook, World Energy Outlook, UNEP Emission Gap reports
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Implementing Surveillance

International institutions of information collection and dissemination can lower the costs of an international agreement

Standards for data dissemination and codes for good policy practice can enhance countries' technical capacities

Frequency of review could build on experience in IMF, OECD, and WTO

Role of Civil Society

Shining light on policy implementation and outcomes can empower stakeholders

Civil society can review the reviewers and develop new methods for review and analysis

CITES formally relies on NGOs to review national reports and monitor trade in endangered species



UNFCCC Review



Shortcomings of UNFCCC Review

No global emissions estimates

Infrequent reporting

- China reported 1994 emissions in 2004, 2004 emissions in 2012

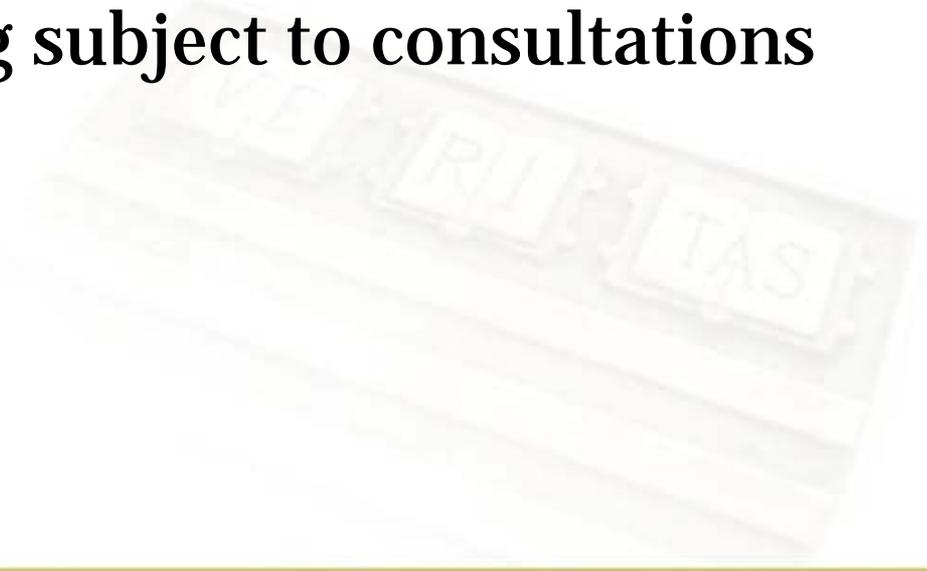
Policy made on incorrect assumptions about emissions data – Berlin Mandate



Progress with ICA and MRV

Copenhagen and Cancun established
International Consultations and Analysis and
Measurement, Reporting, and Verification

Biennial reporting subject to consultations
with peers



Lima Call for Climate Action

Countries invited to submit INDCs in a “manner that facilitates the clarity, transparency, and understanding of INDCs”

Countries may submit information with INDCs that, inter alia, “how the party considers that its INDC is fair and ambitious”

Expect first INDCs tabled within a month

Ex Ante and Ex Post Review



Ex Ante Review

Inform assessment of aggregate pledges

- UNFCCC will publish an assessment in November

Inform determination of ambition and credibility of country pledges

- Some will call for more ambition before Paris
- Countries will assess comparability of actions by their peers

Establishes foundation for ex post review

Benchmarking

Natural / de facto benchmarking

- Rank all countries on comparability metrics

Identifying peer groups for benchmarking

- Annex I v. Non-Annex I or new classifications

Identifying explicit benchmarks

- Explicit thresholds for comparability metrics
 - Could vary by peer groups
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Ex Post Review

Assess whether countries delivered on their pledges and why

- Determine if good-faith effort undertaken
- Analyze impacts of exogenous shocks on outcomes
- Identify effective mitigation policies
- Rigorous ex post review can increase costs on countries for failing to deliver on pledges
- Need for long-term success of pledge and review

Ex post review and ex ante review could become integrated over time

Planning for Ex Post Review

Identify ex ante the data and analytic needs for ex post review

- Implement data collection protocols

Promote advanced transparency of ex post review process so that countries and stakeholders can assess interim progress

Identify ways to implement policies that facilitate causal inference

Role of Civil Society, Academics, and International Organizations



Going Beyond the Emission Gap

Many environmental groups will focus on the “emission gap” later this year

- What comes next?

Transition from the question of adequacy to comparability

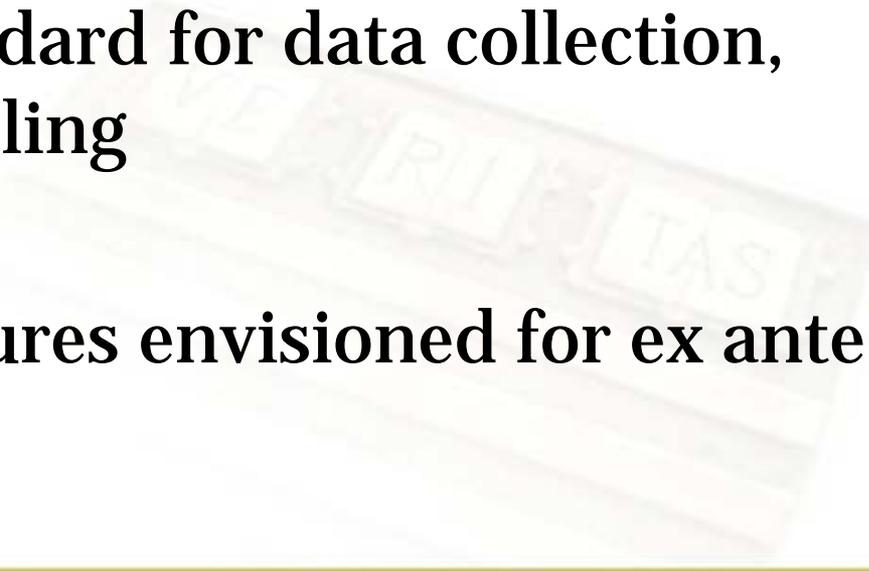
- If there is a gap, who could do more?
 - Domestic politics will focus more on comparability of effort than on overall ambition
 - Non-governmental actors can facilitate this process
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Data, Analysis, and Modeling

Analysts can identify existing data, describe opportunities for collecting new data, and determine how to use the data

Establish gold standard for data collection, analysis, and modeling

Review the procedures envisioned for ex ante and ex post review



Learning

Independent analysts can evaluate the efficacy, costs, and distributional impacts of various mitigation policies

Enable reviewers to learn about effective ways of reviewing data and countries' policies

Fill the learning gap by identifying best policy practices



Demonstrating Models of Review and Consultation

Independent experts could experiment with various models of review and consultation

- Experts could evaluate the voluntarily submitted information by countries in support of their INDCs
- Could employ multiple review models to multiple sets of countries

Experts could work with a small group, such as the Major Economies Forum

- Serve as technical experts performing analysis and enabling consultations at a MEF meeting
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Facilitating International Cooperation

Independent analysts can provide a check on countries' claims that promote credibility

- Or undermine credibility if a country's policies do not support its pledged contribution

Assist countries with less technical capacity to process and understand other countries' contributions

Enable an informal peer review process

Conclusions

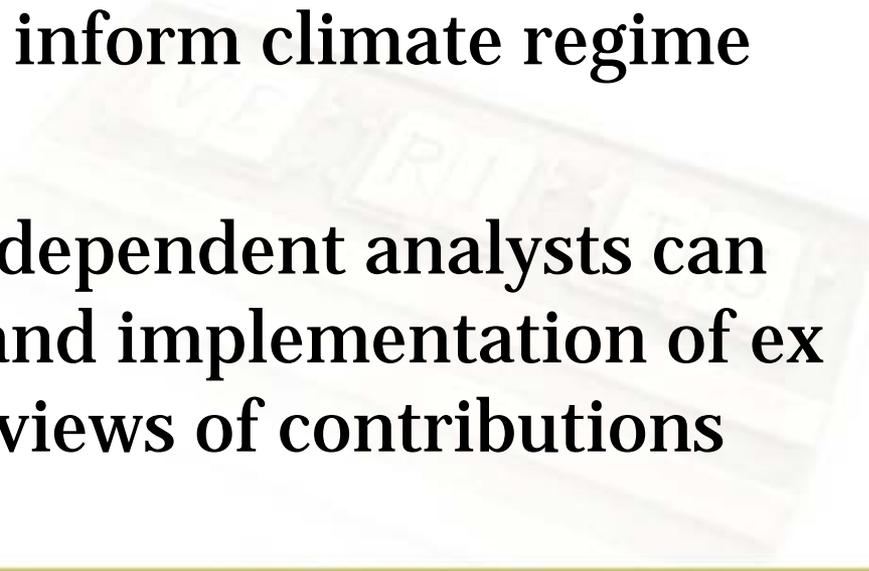


Conclusions

Transparency crucial for credibility and long-term durability of international climate policy

Important lessons from other international policy contexts can inform climate regime

Civil society and independent analysts can inform the design and implementation of ex post and ex ante reviews of contributions



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