Europe Bypassed on Climate Summit

By JAMES KANTER

BRUSSELS — No political entity has pushed harder for the Copenhagen conference on climate change to succeed than the European Union.

But just days before the opening of the United Nations-sponsored meeting, the Europeans have been largely pushed to the sidelines, watching as the world’s two largest emitters of greenhouse gases, China and the United States, seek to set the rules of the game.

“That’s of course the unfortunate situation for Copenhagen,” said Jo Leinen, a German member of the European Parliament who is leading the chamber’s delegation to the conference that is intended to follow up on the soon-to-expire Kyoto Protocol. “It’s turning into a bit of a ping-pong match between China and the United States, with each just looking at the other,” he said.

Europeans say they have gone further than anybody else in moving toward a low-carbon economy that could serve as a model for the rest of the world. But the bloc’s ability to exercise global influence through progressive standards and moral leadership, rather than through superpower status, is facing a key test.

“The E.U. frankly doesn’t have the political clout to determine the outcome at Copenhagen,” said Peter Haas, a professor of political science at the University of Massachusetts, Amherst.

The E.U. still has much at stake in Copenhagen, however. It is facing huge pressure, Mr. Haas added, to “keep the prospects of a global deal alive so that European business leaders and voters believe they are on track to take advantage of green technology markets of the future.”

That will be a challenge. The E.U. remains internally divided on key issues, among them how much to pay developing countries to limit emissions and how deeply to cut their own output.

European negotiators are also frequently at odds with their counterparts in the United States, who have bitterly criticized the legally binding structure created at Kyoto as cumbersome, unworkable and a threat to American sovereignty.

The E.U. made global climate control a key plank of its geopolitical strategy in 2001 when President George W. Bush said he would let the Kyoto Protocol languish rather than seek, against impossible odds, to win ratification in the U.S. Senate.

In a pivotal move, the E.U. supported a bid by Russia to join the World Trade Organization. Vladimir Putin, as Russian president, reciprocated by supporting Kyoto, giving it broad enough backing to take effect anyway.
The United States snubbed Kyoto because fast-emerging China and India could grow without facing restrictions on their emissions. But the E.U. sped ahead anyway, developing a plethora of new targets, subsidies and mechanisms to comply with the treaty, including a complicated system to cap carbon dioxide and to trade emissions permits.

Almost overnight, London’s financial district became a global hub for trading in greenhouse gases. Makers of windmills in Denmark flourished. Innovative solar industries sprang up in Germany and Spain.

But the bloc’s most important employers — utilities, car makers and steel and chemical companies — bitterly attacked important aspects of the policy on the ground that it was jeopardizing Europe’s industrial competitiveness.

ArcelorMittal, a giant steelmaker, and Royal Dutch Shell, the oil and gas group, are among companies that have threatened to slow down investment inside the 27-nation bloc unless the rest of the industrialized world, and the United States in particular, adopt similar carbon-capping systems.

So far, New Zealand is the only country outside Europe to have passed into law a national plan to trade emissions, leaving the bloc looking increasingly isolated. Jürgen R. Thumann, the president of BusinessEurope, a powerful confederation of industry and employer groups, has criticized the system as the most “costly climate policy program in the world.”

Last year, in a bold move to stamp its environmental policies on the rest of the world, the E.U. required all airlines arriving or leaving from its airports to buy some pollution credits beginning in 2012. But the move infuriated Washington, which said it risked breaking international aviation rules by forcing non-European airlines into the system.

Mistrust between Europe and the United States lingers even after President Barack Obama pledged right after his election victory that the United States would finally tackle greenhouse gases.

This summer, the Europeans were particularly irked by a U.S. decision to negotiate with China bilaterally rather than to come to Bonn, where climate talks under the U.N. umbrella were under way at the same time. The Europeans regard the United Nations as the best forum to ensure developing countries rally behind the treaty-making process.

In October, E.U. leaders agreed to pay a share into a global fund that would be worth $100 billion annually by 2020. E.U. nations could not agree on how much should be contributed from the public purse, bitterly disappointing environmental campaigners and U.N. officials.

But the move marked the first formal recognition that rich countries responsible for the vast majority of accumulated greenhouse gases will need to pick up the bill to help poor countries adapt to the effects of climate change. To help raise that money, the E.U. wants to reach a political deal at Copenhagen that would bring about rich world participation in a global carbon trading system, drawing on elements from the European system.

When President Obama omitted any mention of money for developing countries last week, the European Commission tartly responded that finance was “one element we need to continue to discuss.”
Brussels also has taken a lukewarm view of Mr. Obama’s provisional commitment to reduce U.S. emissions by 17 percent by 2020 compared to 2005 levels, which it views as falling far short of what is needed to secure a global agreement to prevent the Earth’s temperature from rising too much.

Todd Stern, the chief American climate negotiator, noted several months ago that some people “across the pond” did not fully understand how difficult it was to move the U.S. Congress to approve economy-wide greenhouse gas measures.

In an interview Monday, Mr. Stern said his counterparts in Europe had gained a more sophisticated understanding of the limitations and frustrations of the American system through the process of negotiating over the climate treaty.

E.U. officials also expressed disappointment in a Chinese offer, made last week, to slow emissions growth, saying that it did not appear to go beyond “business as usual.”

Despite the setbacks, E.U. officials maintain that their first-mover strategy encouraged Brazil, Russia, Japan, Indonesia and South Korea to make more ambitious bids than they would have done otherwise ahead of the Copenhagen meeting.

The bloc’s environment commissioner, Stavros Dimas, has called for Europe to keep up that momentum by unilaterally cutting emissions by 30 percent from 1990 levels, from the current agreed offer of 20 percent, rather than wait for other nations to sweeten their bids.

“The moral pressure would be much stronger on the developed countries and developing countries alike,” Mr. Dimas said.

According to diplomats, Britain, Denmark, the Netherlands and Slovenia are among member states that would support cutting emissions further at an E.U. summit in Brussels on Dec. 10 and Dec. 11, which will take place during the first week of the Copenhagen meeting. They see it as a way to improve the chances of producing a treaty to replace Kyoto before it expires in 2012.

But leaders in Italy and Poland, which has a big coal mining industry, plus a number of East European countries, fear that such a step would be far too expensive. That has created the potential for an embarrassing public dispute among E.U. nations right when the bloc most hopes to assert its leadership.

*John M. Broder contributed reporting from Washington.*