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Finansieringsforslag fremsat i UNFCCC-forhandlinger

Hermed oversendes finansieringsforslagene fremsat i UNFCCC-forhandlingerne af Mexico, G77, Norge og Korea.

Det mexicanske forslag udskiller sig fra andre forslag fra udviklings- og mellemindkomstlande ved at der foreslås at også Ikke-Anneks-I-landene skal bidrage til en fremtidig klimafond.

G77 foreslår bl.a., at midler til udviklingslandenes klimaindsats skal være nye og additionelle i forhold til udviklede landes eksisterende finansieringsforpligtelser.

Norge lægger op til at en mindre del af CO_2-kvoterne ikke uddeles til landene men derimod bortauktioneres centralt, eksempelvis af en international bank. Indtægten fra auktioneringen skal så overføres til klimaindsatsen i udviklingslandene.

Korea forslår indførelsen af mekanismen NAMA, der kan beskrives som en udvikling og omformning af den nuværende CDM-mekanisme.

Med venlig hilsen

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G-77 and China
Proposal

Financial Mechanism for Meeting Financial Commitments under the Convention

Objective

The G77 and China proposes the operationalisation of an effective financial mechanism under the COP. This mechanism is to ensure the full, effective and sustained implementation of the Convention, in relation to implementation of commitments for the provision of financial resources. This is mandated under Articles 4.3, 4.4, 4.5, 4.8 and 4.9 of the Convention in accordance with Article 11 defining the financial mechanism.

Principles

The following are principles for enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology development and transfer. The mechanism shall:

1. Be underpinned by the principle of equity and common but differentiated responsibilities
2. Operate under the authority and guidance, and be fully accountable, to the COP;
3. Have an equitable and geographically-balanced representation of all Parties within a transparent and efficient system of governance (Article 11.2);
4. Enable direct access to funding by the recipients; and
5. Ensure recipient country involvement during the stages of identification, definition and implementation, rendering it truly demand driven.

The goal is to bring about coherence in the global financial architecture for financing under the authority and governance of the COP.

Elements

Elements for enhanced financial resources provided under the Convention include the following:

Aims

1. The mechanism will recognise, promote and strengthen the significance of engagement at the country level, in order to give effect to the principles of a country-driven approach, and direct access to funding and enable the implementation of this.
2. The mechanisms should enable a shift from a project-based approach when dealing with proposals for funding, to a programmatic approach, where appropriate, in order to make optimal use of the full range of means of implementation available and to allow for implementation at scale.
3. The mechanism would facilitate linkages between the various funding sources and separate funds in order to promote access to the variety of available funding sources and reduce fragmentation.
4. The mechanism would maintain consistency with the policies, programme priorities, and eligibility criteria adopted by the decisions of the COP and all "activities (including those related to funding) relevant to climate change undertaken outside the framework of the financial mechanism" consistent with Decision 11/CP.1, op. para 2(a).

Sources of Funding

5. The main source of funding will be through the implementation of commitments under Article 4.3. The funding will be "new and additional" financial resources, which is over and above ODA. The major source of funds would be the public sector.
6. Any funding pledged outside of the UNFCCC shall not be regarded as the fulfilment of commitments by developed countries under Art. 4.3 of the Convention, and their

commitments for measurable, reportable and verifiable means of implementation, that is, finance, technology and capacity-building, in terms of para 1.b (ii) of the Bali Action Plan.

7. It should be ensured that there be predictability, stability and timeliness of funding.
8. The resources shall be essentially grant-based (particularly for adaptation), without prejudice to certain concessional loan arrangements in appropriate form, to meet the needs of a specific programme.
9. The level of the new funding can be set at 0.5% to 1% of the GNP of Annex I Parties. Quantified commitments by developed countries to adequate and predictable funding for mitigation and adaptation must be addressed. The portion of funding that must be allocated to adaptation and mitigation and their respective means of implementation shall be decided by the Board and periodically reviewed, taking especially into account the historical imbalances in and the urgency of funding for adaptation.

Activities to be funded

10. The mechanism will fund the agreed full incremental costs for the implementation of developing countries' commitments under Art. 4.1, including:
    a) Mitigation
    b) Deployment and diffusion of low-carbon technologies
    c) Research and development for technologies
    d) Capacity-building
    e) Preparations of national action plans and implementation
    f) Patents
    g) Adaptation in accordance with Arts. 4.4 and 4.9
11. The mechanism will fund the agreed full costs for the preparations of national communications.
12. In accordance with Art. 4.3, developing country Parties are to be provided with new and additional financial resources, including for the transfer of technology, to comply with their obligations under Art. 4.1 of the Convention. The funds can be used for (i) adaptation and its means of implementation; and (ii) mitigation and its means of implementation. Meeting these two funding objectives may include technology development, deployment and transfer, capacity building and risk management, including insurance, etc. It will cover financing the implementation of action programmes developed under the Convention, such as the NAPAs and TNAs.

Design and Structure:

1. The COP is the supreme decision-making body of the Convention, under whose authority and guidance the mechanism will operate. The COP shall decide on the policies, programme priorities and eligibility criteria.
2. The COP will appoint a Board, which shall have an equitable and balanced representation of all Parties within a transparent and efficient system of governance. The Board shall be assisted by a Secretariat of professional staff contracted by the Board.
3. The COP and Board shall establish specialized funds, and funding windows under its governance, and a mechanism to link various funds.
4. Funds would be administered by a Trustee or Trustees selected through a process of open bidding.
5. Each of the separate funds may be advised by an expert group or committee, which could also be supported by a technical panel or panels addressing specific issues addressed by the fund.
6. To ensure transparent and efficient governance, other possible components of the structure include a consultative/advisory group of all relevant stakeholders, and an independent assessment panel.
7. Modalities for the determination of the role of existing funds and entity/ies for the operation of the financial mechanism will have to be worked out.

predictable, efficient and inclusive, while encouraging the full participation of countries, both developed and developing, based on their own circumstances and needs.

A World Climate Change Fund

Proposal

Mexico proposes that as part of an agreed outcome resulting from the Bali Action Plan, a World Climate Change Fund (Green Fund) be multilaterally agreed upon and established as a financial scheme that complements existing mechanisms and ensures the full, sustained and effective implementation of the United Nations Framework Convention on Climate Change (UNFCCC).

Objectives

The Fund would have as specific objectives the following:

- To scale-up funds for mitigation actions,
- To support efforts to adapt to the adverse effects of climate change and the impacts of response measures,
- To provide technical assistance and promote the transfer and diffusion of clean technologies,
- To contribute to the financial underpinning of the new global climate change arrangement based on the Convention.

Contributions

It is expected that all countries contribute to the *Fund* in strict accordance with the principle of *common but differentiated responsibilities and respective capabilities.* Differentiation of responsibilities and capabilities could be determined through the adequate use of three simple indicators:

- **Greenhouse gas emissions.**
- **Population.**
- **Gross Domestic Product (GDP).**

Methods for ascertaining possible contributions could be developed based on several models that combine these simple indicators. Contributions will be determined using an objective formula, periodically subject to review, and based on criteria such as:

A. **Polluter pays.** This principle allows adjusting each country's contribution to their greenhouse gas emissions, in such a way that the largest emitters contribute the highest financial quotas to the Fund. A reasonable sequence of data is available for CO_2 emissions from burning fossil fuels.
A country willing to use the Fund for reducing emissions from deforestation and degradation activities, must include its land use and land use change emissions for determining its contribution, in accordance with the inventories guidelines set out for the drawing up of National Communications.
With regard to historical emissions and cumulative effects, several possibilities are feasible:
   1. To disregard cumulative emissions for determining contributions and take into account only current emissions.
   2. To calculate the responsibility derived from historical emissions in terms of their contribution to increasing temperatures (*Brazil's Proposal*).
   3. To calculate cumulative emissions from 1990, a general reference for National Communications, or 1992, when the *Convention* was adopted.

B. Equity. In considering equity, not only total emissions but also *per capita* emissions should be taken into account. The climate regime must induce a progressive convergence of *per capita* emissions in order to be equitable.

On the one hand, some emissions derive from productive processes linked to the satisfaction of a population's most basic needs and should be differentiated from those of countries with a much greater level of development. On the other hand, terrestrial and marine ecosystems may absorb a small amount of emissions without contributing to the growth of atmospheric concentrations. Every person on Earth should benefit equally from this environmental service.

C. Efficiency. Emissions can be differentiated in relation to the scale of the economic activity producing them. The *carbon intensity* (emissions per unit of GDP) of an economy reflects precisely this differentiation factor. Carbon intensity can be reduced by introducing technological improvements to increase efficiency. Nevertheless, it also can be induced through structural changes in the economy, such as greater development of the services sector, with its relatively lower emissions.

D. Payment capacity. A country's economic capacity to tackle climate change could be represented by an indicator such as GDP *per capita,* and in terms of the relative size of a national economy in proportion to the global economy. GDP can be expressed in terms of current prices or purchasing power parity, to take into account the relative purchasing power of each country's currency.

As with several other factors, it would seem equitable to agree that those with greater capacity make larger contributions to the *Fund.* Experience already exists in multilateral fora for determining contributions according to countries' capacity to pay (e.g. United Nations, World Bank, International Monetary Fund, among others).

Mexico is aware that the best objective formula for determining contributions will be that reached through consensus. This would be of utmost importance for providing stability and predictability to the financing scheme and potential alternatives to models of "voluntary contributions" for specific ends or "official development assistance", both of which will be maintained, being complementary to the proposed system.

It is suggested that negotiations focus first on general arrangements and organizational concepts, including the contributions structure and the complementary nature of the proposed *Fund.* Once the general scope and structure of contributions have been defined, the most important parameter will be determining the total scale of financial resources to be mobilized by the *Fund.* Whichever formula is adopted, the total amount of the *Fund* should be scalable and be increased periodically, without requiring the restructuring of the formula for relative contributions.

In its initial phase, it is expected that the Fund should mobilize no less than 10 billion USD per year. Several mechanisms could mobilize new financial resources that could be directed to the Fund, such as auctioning permits in domestic cap and trade systems in some developed countries, or the possibility of taxing air travel, without putting excessive pressure on public financing.

Developing countries that choose not to join the Fund would be excluded from its benefits, without any penalty. The creation and operation of the Fund should not represent a disadvantage to any developing country.

Distribution of resources for mitigation activities

In principle, all countries, developed and developing, could benefit from the Fund. The mitigation activities to be supported shall be defined by contributing countries, based on their own development needs and in accordance with their national circumstances. These activities should nevertheless determine mitigation results that are **real, measurable, reportable and verifiable.** In this sense, it is necessary to adopt baselines derived from periodic emissions inventories with strict methodologies such as those used for National Communications under the Convention. This reference to baselines abates transaction costs and overcomes the need of much stricter additionality tests of CDM projects derived from their offsetting nature.

Activities eligible for receiving support from the Fund could be on a variety of scales, from isolated activities and projects to programs, sub-sectors, entire sectors or sub-national approaches. The Fund will thus be able to cover the intermediate scale between isolated projects, which would still be supported by the Clean Development Mechanism and the Joint Implementation Mechanism of the Kyoto Protocol, and whole economies -a scale corresponding to developed countries' national emissions mitigation commitments included in Annex B of the Kyoto Protocol.

The distribution of resources between proposals will be determined by the criteria and guidelines issued by the COP. For example, resources could be allocated in the first instance as a function of the funding given to a unit of emission reduction. A second possible criterion would be the total volume of emissions reductions.

Eligible activities could include the following:

- **"Grey" Agenda**
    - Increased energy efficiency in various sectors.
    - More efficient, non-renewable energy sources with lower emissions.
    - Large scale promotion of renewable energy sources.
    - Greenhouse gas capture and storage.
    - Reduction of fugitive emissions.
    - Programs for greener buildings, including reduced household energy consumption (energy efficient lighting and electric appliances).
    - National programs for methane management (landfills, livestock, mining).
    - Waste and residual waters management.
    - Changes in transport modal structure.
    - Introduction of low emissions vehicles.
    - Reduction of emissions from fluorinated gases.
    - Access to and development of clean technologies.

- **"Green" Agenda**
    - Reducing emissions from deforestation and degradation of forested lands.
    - Reforestation, afforestation and revegetation.
    - Forest fire prevention and control.
    - Reducing emissions from cropland soils.
    - Production and use of biofuels under strictly sustainable conditions.

To avoid imbalances, an upper threshold (e.g. 15% of the Fund's total amount) is proposed on withdrawals by any single developing country. If any developing country reaches that limit and uncommitted resources still remain, that country may request additional resources up to a maximum of the available yearly total.

It would be desirable to include among the criteria adopted for the selection and allocation process, one whereby those countries assuming greater commitments receive larger incremental resources.

While the CDM only relocates mitigation efforts, enabling the Parties in Annex B of the Kyoto Protocol to comply with their obligations without increasing the scale of mitigation provided for under this

instrument, the Fund would expand the overall scale of mitigation, by incorporating efforts undertaken voluntarily by developing countries and enhanced through incentives from contributor developed countries.
Developed countries will only be entitled to use a fraction of their contributions (e.g. 70%), so that developing countries may have access to financial resources much bigger than their own contributions. This must be the stronger incentive for developing countries' participation in the *Fund.*

A part of the total contributions to the Fund could be set aside for the benefit of Least Developed Countries, which in general terms are likely to be most affected by climate change. Negotiations might include the possibility that Least Developed Countries could benefit from the Fund without making a contribution to it, as long as they comply with the general rules of its operation.

Possible future links with existing carbon markets
Whenever the Kyoto cap and trade scheme and the *Fund*'s operation stabilize, it might be useful to analyze whether mitigation efforts under multilateral supervision supported by the Fund could determine the accreditation of carbon units, subject to discount rules to be agreed upon to ensure the environmental integrity of the scheme. However, the fungibility of these carbon units with those from other instruments, such as the mechanisms established under the Kyoto Protocol, must be subject to careful consideration. Ensuring this capacity of exchange and avoiding double accounting for the same mitigation effort, would open the possibility of a major private sector participation in the *Fund* and establish functional connections between this scheme and those –existing or potential– based on cap and trade principles. In this case it would be necessary to establish a stricter additionality requirement for the activities of developing countries supported by the *Fund*, and to increase the commitments of developed countries to take into account the greater ease of compliance arising from the enlarged scale of the new instrument constituted by the *Fund.*

Derived Funds: adaptation and technology
Should mitigation efforts, adaptation, and the development, transfer and deployment of clean technologies be undertaken separately, financial mechanisms should be designed for each of these activities. The proposed *Fund* could establish linkages between mitigation, adaptation and technology transfer and development. To that end, it is proposed that all contributions received by the Fund should be subject to a double levy, to be determined through negotiations.

The first levy would be for the Adaptation Fund, at present only fed by contributions from the CDM operation (2% of the share of proceeds). This enlarged Adaptation Fund would maintain the scheme of governance agreed by Decision 1/CMP.3. Regardless of any other involvement with the Fund, developing countries particularly vulnerable to the adverse effects of climate change would benefit from the creation and operation of it. Within a year of operation it could generate resources to promote adaptation measures, which would be of a similar magnitude to those accruing to the current Adaptation Fund through the operation of the CDM over its entire first commitment period.

The second levy, similar in scope to the first, would enable the development of a Clean Technology Fund, to promote:

- **A.** Technical assistance for project preparation, including those that can be referred to the Fund.
- **B.** Transfer and development, demonstration and dissemination of technologies that are close to acquiring commercial status and that even in the short term, would allow beneficiary countries to reorient their development towards a lower carbon economy.

Governance
The Fund will operate under the aegis of the COP, and will be subject to general guidance from the latter steered through an inclusive and transparent governance scheme. All contributing and beneficiary

countries, developed and developing, will participate in the system. This arrangement must contribute to the achievement of a sense of collective ownership.

The operation of the Fund will depend on an Executive Council, constituted by representatives of all participant countries. They should be grouped in a balanced and practical way. The Council will have three independent counselors: i) a scientific counselor, ii) a counselor from the multilateral development banks, and iii) a counselor from social organizations. Developing countries will have the same relative weight and voice as developed countries. Being a financial instrument, country representatives to the *Fund* would be from Finance Ministries or their equivalent. The Executive Council will report annually to the COP of the *Convention*.

The Executive Council will have two support committees:

Scientific Committee. To be established in consultation with the Intergovernmental Panel on Climate Change, it will issue recommendations about policies, strategies and programs that the *Fund* can support.

Multilateral Banks Committee. It will issue recommendations in its field of competence.

Setting up the Fund should not lead to the creation of a new bureaucratic organization or an additional administrative burden, the COP will decide upon an existing multilateral institution that has global and financial experience in the field, for administering the Fund.

PAPER NO. 4B: NORWAY

Auctioning allowances

Finance - AWGLCA
Norway's submission on auctioning allowances

1. Norway welcomes the conclusions from the meeting in Bonn in June where the Ad hoc working group on Long-term Cooperative Action under the Convention (AWG-LCA) invited Parties and accredited observer organizations to provide additional information, views and proposals on paragraph 1 of the Bali Action Plan as may be required for each session.

2. It is stated in the Bali Action Plan that there is a need to address "enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation". Improved access to adequate, predictable and sustainable financial resources is a crucial issue in the design of an agreement for Copenhagen 2009.

3. At the workshop on Investment and financial flows to address climate change organised for the AWG-LCA, Norway proposed that financial needs under the Convention could be financed through auctioning a share of assigned amount units of all Parties.

4. Due to its genuinely international character auctioning of allowances has the potential of overcoming domestic revenue problems. We therefore see auctioning as one particular promising option to generate adequate, predictable and sustainable financial resources.

5. In an emission trading system auctioning of emission quotas is a possible source of revenue. In cap and trade systems allowances are valuable, in other words assets. The yearly asset value of allowances is the product of the amount of allowances (the cap) and the price, where the cap is set by the total amount of allowances and the price will equal the marginal abatement cost. How many allowances that should be issued, will follow from overall emission targets (longterm and midterm).

6. A small percentage of this asset value could be auctioned directly or through a tax on issuance of the allowances, while a tax on transactions creates inefficiencies and should therefore not be an option. A two percent auctioning of the asset (similar to the CDM levy) can be used as an illustration. At this level one would generate an annual income of between 15 and 25 BN USD. The value of the asset (price time's quantity) is relatively robust to the actual cap. If the cap is set tight the price will rise and on the other hand if the cap is set more loosely the price will decrease.

7. The percentage or the number of allowances auctioned should be set to generate the amount of funding needed for the purpose in question. The amount of allowances auctioned could be predefined by a number of allowances, by a fixed percentage of the total amount or a predefined revenue requirement. One could also establish a process with the aim of deciding the exact amount at a later stage.

8. Auctioning of allowances could be a source of revenue for different kind of financial needs under the Convention. There are different studies on financial needs for developing countries for taking adaptation actions. In one UN study the need is estimated to be in the range of USD 28-67 BN in additional investment and financial flows in developing countries. non-Annex I Parties by 2030. The decision from Bonn on updating this UNFCCC paper on investment and financial flows to address climate change will give valuable input in the discussions of how much funding that will be needed for adaptation and mitigation actions.[1] The proposal doesn't rule out the possibility of raising funds for other

[1] http://unfccc.int/files/cooperation_and_support/financial_mechanism/application/pdf/background_paper.pdf

purposes than adaptation, such as technology development and efforts to reduce deforestation in developing countries.

9. The Norwegian proposal of withholding a small portion of permits from national quota allocations, and auction it by an appropriate international institution, should be further discussed and elaborated in the upcoming meetings of the AWG-LCA. This includes discussions on modalities for determination of how many allowances that should be auctioned, for what purposes financial recourses raised by this mechanism should be allocated to and under which principles a fund will be established and organised (governance etc).

PAPER NO. 5: REPUBLIC OF KOREA

Market-based Post-2012 Climate Regime: Carbon Credit for Nationally Appropriate Mitigation Actions

Market-based Post-2012 Climate Regime: Carbon Credit for NAMAs
Republic of Korea

1. **Background:**
   - **Incentive for Mitigation Actions of Developing Country**: In addition to deep target for Annex I, providing incentives and encouraging developing countries in **Nationally Appropriate Mitigation Actions (NAMA)** supported and enabled by technology, financing and capacity-building, in a **MRV (Measurable, Reportable, Verifiable) manner**, as defined by Bali Action Plan Para. 1. (b) (ii), is one of the important elements in designing post-2012 climate regime.
   - **Finance & Technology Transfer**: Designing a **well-functioning mechanism to transfer financial resources and technology** to developing countries to support their NAMA is another important element.
   - One of the crucial factors in up-scaling financial flows to mitigation actions in developing countries is improving **commercial viability of investments.**
   - **What is lacking is not money and technology** but a **climate regime which could improve commercial viability of investments for mitigation.** If we could design a climate regime which could improve commercial viability of mitigation investment, then the market will drive finance and technology to flow to mitigation actions in developing countries.
   - NAMAs has to be encouraged by incentives. Post-2012 climate regime has to provide **systematic incentives** for NAMAs of developing countries.

2. **Incentivizing NAMA by awarding Carbon Credit:**
   - Contrary to general perception that finance & technology has to be secured in advance to take any NAMAs, **climate actions can be taken even without money and technology secured in advance** if mitigations done in a MRV manner from NAMA could be awarded carbon credits.
   - **What you need is just project proposals for NAMA. You can submit project ideas to banks to get loans and initiate NAMAs and pay the loan back with the revenue from the sales of the carbon credit generated from NAMAs. This approach is already working in the case of unilateral CDM which is now more than half of all CDM projects.**
   - Many developing countries are already taking various nationally appropriate mitigation actions to reduce GHG emissions.
   - However, **current climate regime does not have any institutional mechanism to recognize and encourage such voluntary and unilateral actions.**
   - **NAMAa implemented in a MRV manner should be recognized and rewarded with carbon credit**, so that they could sell these credits and **improve commercial viability** of their investment in mitigation actions.

3. **Carbon Trading for Post-2012 Climate Regime**
   - Cost of 1 ton of CO_2 emission reduction is only a few dollars for many developing countries or around 20 USD while for developed countries it ranges from 153 USD to 234USD.

- **Scaling up Finance & Technology Flow**: If we could design a climate regime which allows developing countries to sell carbon credit generated from their NAMA done in a MRV manner, then the revenue from the sales of these credits will scale up finance and technology flow to the mitigation projects in developing countries.
- **Reduction of Global Mitigation Costs**: At the same time, it will reduce the total cost of global mitigation. According to a certain model, global trading system which includes developing countries could reduce global mitigation costs by 70%.[1]

4. **Additional Deeper Cut/Target from Annex 1 countries:**
   - In order to make such a global carbon trading scheme to function, **there has to be demands for carbon credits from NAMAs** of developing countries.
   - Annex 1 countries could accept **additional deeper target** in addition to their target based on the potential mitigation from domestic actions to create demands for the credits from developing countries.
   - **Supply and Demand:** Balancing supply and demand of carbon credit is critical in making carbon market to function properly. Careful study and analysis is necessary on how to maintain the balance of potential credit supply and demand which could be further elaborated in due course.

5. **Additional deeper cut: Not New and Additional burden for Annex 1**
   - Annex 1 countries already agreed to support mitigation actions of developing countries by transferring finance and technologies. Thus buying carbon credit is not new or additional burden for Annex 1.
   - Buying carbon credit at a cheaper price than the cost of domestic mitigation within Annex 1 will be beneficial for Annex 1 credit buyers.
   - Many developed countries are announcing that they are going to offer varying size of climate funds to support developing countries. Accepting a deeper target to buy credit from developing countries will not be much different than offering funds.
   - The idea of issuing bonds to support mitigation of developing countries is an option. But awarding credit will be simpler, efficient and effective.

6. **Carbon Credit as Finance and Technology Transfer Mechanism:**
   - Well functioning finance and technology transfer mechanism for NAMAs of developing countries is a key element in designing post-2012 climate regime.
   - **Engaging Private Sector:** Major portions of finance and technology belong to private sector. Public sector has a limited role in transferring finance and technology to developing countries. Current approach of demanding the governments of Annex 1 to be the driver of finance and technology transfer to developing countries is not realistic as greater portions of finance and technology are in the hands of private sector.
   - The size and scale of ODA is limited and not sufficient. Public funds can play an important role. However, public funds will not be big enough to support all financing needs of developing countries.
   - Giving a price on the mitigation of carbon and leave it to the market to operate the trading of carbon credits will be more efficient in terms of costs of operation and in terms of efficiency of transferring financial resources and technologies to developing countries.
   - While public funds from the contributions from the governments will be constrained by the tax payers and budget, carbon market is not.
   - However, **public funds** could play an important role in addressing the financial needs of developing countries for **adaptation** for which the public sector has to play a more leading role, not like the **mitigation** for which the **private sector** is playing the major role.

[1] Key Elements of a Global Deal on Climate Change: Nicholas Stern, Page 20.