

**The French Commission  
for Sustainable Development**

**OPINION N° 2000-03 (November 2000) on the "Kyoto Flexibility Mechanisms"**

International negotiations on global warming have been going on for several years now. The conference in The Hague in a few days' time (November 13<sup>th</sup> to 24<sup>th</sup> 2000) constitutes a milestone in that process. To mark the occasion, the CFDD (the French Commission for Sustainable Development) wishes to draw public attention to the importance of that meeting and remind the public authorities of the need to respect the social and ecological conditions of sustainable development, with particular insistence on values of equity and solidarity.

In Kyoto in 1997, a number of industrialised countries committed to reducing their greenhouse gas emissions in relation to their 1990 emission levels. The Kyoto agreement also gave those countries signing up to these reductions the possibility of using so-called "flexibility" mechanisms based on the notion of emissions trading:

- ✍ Either through trading between countries having fixed their emission reductions: using "tradable credits" or "joint implementation", they can reach their objectives at lower cost, thanks to commercial-type trading (this is what is now commonly known as of emission rights trading);
- ✍ Or through exchanges between industrialised countries and developing countries: developing countries can acquire so-called "clean" technologies (those producing lower greenhouse gas emissions), enabling the industrialised countries providing these technologies to include emission reductions obtained elsewhere through their use. This mechanism is known as the "clean development mechanism".

One of the major objectives of the forthcoming conference in The Hague is to give a precise definition to the methods and rules governing the operation and control of these new mechanisms.

The CFDD is keen to remind people that the possible implementation of these mechanisms must take into account the basic principles of sustainable development, with the requirements for solidarity, equality and the long-term concerns that they comprise.

**In terms of development**, the CFDD is issuing a warning against the perverse effects of unreasoned use of flexibility mechanisms on the development of the countries concerned. Indeed:

- Trading in emission rights for countries which impose greater emission reductions on their economies and on their people in order to be able to sell emission rights on the market can exacerbate social inequalities.
- Certain projects presented under the "clean development" umbrella, such as the "sequestration" of carbon through forestry development are more to do with the export of waste than with authentic development projects in the countries in which they are run. Such projects, indeed, present a zero or even negative result for the host country in terms

of development, which, to be valid, should mean local job creation, added value, technologies transfers, and so forth...

- The least developed countries risk being left behind on account of the fact that they still have very low greenhouse gas emissions, when really the clean development mechanism should be offering benefits to countries such as theirs, but will in fact work in favour of the most developed countries.

**From the sustainability of development point of view**, the CFDD is alerting the public and the authorities to the following points:

- *The imperious need to take other global environment risks into account* in the assessment that is being made of the Kyoto flexibility mechanisms (running down fossil fuel reserves, the risks associated with nuclear energy, the trade-off between use and ground condition, the loss of global biodiversity). Indeed, the use of these mechanisms which are justified by the reduction in greenhouse gas emissions, may well exacerbate other risks.
- In particular, the CFDD considers that the application of the precautionary principle must lead to the exclusion of nuclear technologies from the Kyoto flexibility mechanisms until the commitments to limiting the growth in the flow of long-term, high-activity nuclear stocks have been agreed upon. This is because even though nuclear electricity does not produce greenhouse gas emissions, it does lead to the accumulation of dangerous waste to which the industrialised countries themselves still have no satisfactory solution.
- *The importance of long-term perseverance with efforts to reduce greenhouse gas emissions.* The CFDD reiterates the fact first and foremost that the objective of securing global reductions in greenhouse gas emissions cannot be achieved without a substantial and effective attempt to reduce emissions in the industrialised countries themselves. Furthermore, the CFDD considers that the notion of convergence for all the countries to a long-term objective which relates to everyone on the planet (eg: a specified quantity of greenhouse gas emissions per inhabitant by 2060) is a crucial element for international unity and coherence as regards the commitment of each and every party.

The CFDD is therefore seeking to warn the public and the authorities against the risks of having trading mechanisms without clearly stated convergence objectives over the longer term. Uncontrolled use of the different flexibility mechanisms would indeed over time widen the gap between the emission situations of countries using such instruments instead of reducing their emission levels.

The CFDD fervently hopes that these recommendations are taken into account by the French public authorities and by the European Union in the negotiations which are opening at The Hague.