Chapter 8
Strategic Facilitation of the Climate Decision Making Process: Leadership and Coordination as Basis for Long-Term Cooperation

> *"Learning without thought is labor lost; though without learning is perilous"* (Confucius)

The complexity of climate change determines not only the pool of possible outcomes, but also limits the number of ways in which outcomes can be achieved (see Chap. 5). The multiplicity of actors, issues, structures, processes and outcomes in the climate change context unleashes self-enforcing political dynamics that debar traditional means of decision-making. As Peter Haas (2008) observes, general models of global decision-making are not likely to work for climate change leading to rather disappointing diplomatic efforts so far. Conventional means of decision-making, such as through leadership and multilateral diplomacy, seems to need a general overhaul, and at worst should be replaced. As the failure to re-assess generically applied decision-making instruments may cause even further problems, new commitments and innovative means of cooperation should be found to push forward the negotiation process.

The climate change context offers a precedence in which solution-making to global problems should always be made dependent of contexts. That is to say, existing decision-making frameworks and response systems should not be merely "recycled" to solve problems in other areas, and should be constantly redesigned to solve problems on a case-by-case basis. By understanding that specific paths taken in the past may effectively promote or inhibit future actions, decision-making is able to take a rather pragmatic approach. While lessons can be learned from other areas such as trade and security, existing conceptual constructs and paradigms should be de-constructed, followed by a re-assessment of the applicability of assumptions, and the validation of interpretations of principles such as justice, fairness and equity. Furthermore, a focused analysis of conflicts and related conflict cleavages is needed to effectively identify stakeholders, interests, and perspectives. One of the problems in global climate talks is that conflict cleavages in others areas are generally assumed to be similarly valid in the climate change context.

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This chapter deals with a prescriptive analysis of global climate talks. It attempts to provide, after identifying the factors inhibiting the decision making process, focused solutions to promote the negotiation process. While it is not the main purpose of this research project to find alternative means of decision-making, providing some insights into how to cope with the introduced types of complexity may actually push forward the negotiation process and may help produce sustainable agreements. As the simulation games have proven (see Chap. 4), the establishment of new mechanisms, the drawing of new actors to the process and the invention of new (institutional) arrangements are not always necessary to address the dynamic nature of the climate problem. In several cases, the international system may already have existing hidden resources and opportunities that they may not be aware of. Solutions may simply involve modifying existing structures to adapt to certain complexities, or giving certain groups of countries a new understanding of their role in the process. The applicability of these resources and opportunities often depends on paradigms. Merely shifting how issues are understood, if complemented by appropriate procedural solutions, may be enough to enable just outcomes.

8.1 Interventions in the Decision-Making Process: Strategic Facilitation as an Analytical Concept

Strategic facilitation, as understood by this research project, involves deliberately planned coordination of various measures to enable states to cope with the complexity of the negotiation process (see Penetrante 2010b; Sjöstedt and Penetrante 2013). Deliberate planning pertains to various deliberative processes of consensual diplomacy between policy-makers, (advocacy) NGOs and the scientific community. Strategic facilitation seeks to create conditions conducive to reaching (and complying with mutually accepted agreements by providing countries the resources necessary to manage and overcome existing conflict cleavages. Often, facilitation involves various forms of third party intervention to enable parties to reach agreements (see Hopmann 1996; see introduction, Sjöstedt and Penetrante 2013). As such this research project identifies existing resources that can be tapped to coordinate actions between actors, to enable actors to adapt to structural conditions, and to empower weaker stakeholders to influence the process as peers in order to come up with just outcomes.

There are various types of external intervention discussed in the literature including mediation, conciliation or arbitration, moderation (also referred to as facilitation), dialogue, and "good offices" (see Moore 1996; Schwartz 2002; Nye 2010; Cede 2009; Saunders 2009). These various means of conflict resolution employ differentiating methods to resolve conflicts between parties, enabling them to reach mutually acceptable agreements. There have been various calls and initiatives to use a conflation of these types of external interventions to bridge the gaps between countries in global climate negotiations. For instance, mediation, which is a method that involves a neutral third party who manipulates the communication process to enable conflict parties to focus on their interests (Carnevale 1986; Moore 1996; Jacob Bercovitch 2009), is proposed: if not between national governments, then between sectors (e.g., transportation, energy, agriculture) and other non-state stakeholders to climate change.

The concept of strategic facilitation is similar to moderation or facilitation, in which a third party, an individual or an organization, acts as administrator of communication in a concrete negotiation round. Strategic facilitators do not dictate the path of the communication process, but merely deliver information from one side to another. The concept of 'strategic facilitation' leans towards the United Nations' definition of facilitation. The UN refers to a 'facilitator' as an actor that provides any form of assistance—such as providing neutral facilities or transportation—in an effort to assist parties to advance their conflict resolution efforts (Spangler 2003). This "behind-the-scenes" approach enables parties to come up with their own initiatives to reach an agreement with their peers. Alexis Gensberg (2003) has proposed the creation of a corps of United Nations facilitators who as "process managers" could assist conflicting parties through identification of important issues, and enable parties to compromise on those issues of lesser importance while making gains on those of greater magnitude (Gensberg 2003, 80).

Strategic facilitation, however, involves a whole intervention process involving a pool of various actors, structures and coordination processes that are already internal to the conflict cleavages. For example, by shifting paradigms actors may be able to redefine their roles, and an awareness of this would enable them to adapt to the conditions of the negotiation process. Strategic facilitation then involves the identification of the means to shift paradigms, such as, through public deliberation. Joseph Nye (2010) has identified transnational institutions such as the IPCC as being able to develop new narratives by providing scientific knowledge. This allows countries to better understand their own interests, thus enabling them to shift their policies. In this example, deliberation, as conducted by various groups such as (advocacy) NGOs and epistemic communities, is a strategic facilitator and refers to the whole process of the communicative exchange of knowledge. Therefore, strategic facilitation is a process through which actors are empowered to cope with stumbling blocks.

The concept of strategic facilitation adheres to various assumptions (see Sjöstedt and Penetrante 2013). It assumes that there are existing conflict cleavages that if not adequately recognized and managed may effectively inhibit decision-making. Such conflict cleavages are to be taken as evident ramifications of competing interests and perspectives brought on by the multiplicity and multidimensionality of actors, issues, structures, processes, and outcomes. Therefore, conflicts are not to be understood as abnormalities in the system, as these are directly caused by the sociality of the context. Abnormalities are rather those factors preventing parties from managing conflicts. With national conditions such as vulnerabilities and dependence on specific technologies defining interests, countries, especially when claiming values, are often confronted by a zero sum bargaining situation—what one gets, the other loses. However, as the concept of strategic facilitation further assumes, although there is diversity of interests among countries, reaching an agreement can occasionally be more profitable than accepting the status quo, when a status quo or stalemate hurts the cause (see Zartman 1989, 1994).

In addition, strategic facilitation assumes that the parallel process of emancipating consensual diplomacy is being conducted to define consensual knowledge (see Habermas 1981). Therefore, various communities and groups are encouraged and empowered to participate in several rounds of public deliberation, integrating their behavior into the system and eventually determining the path of the process. It should be clarified that a deliberation does not always need to dictate decisions, as decision-making requires legitimacy through mandating processes, but that decisions tend to be the results of communicative exchanges. Finally, strategic facilitation assumes that actors are the subjects of various learning processes, through which countries are capable of drawing lessons from the past to develop strategies to resolve present and future problems. Strategic facilitation builds on historical narratives in determining what is possible in the future.

Strategic facilitation is intended to have a positive impact on the decision-making process in order to resolve global problems. As the concept of path dependence confirms, resolution measures may have differentiating impacts on the various phases of negotiation (pre-negotiation, initiation, agenda-setting, issue-clarification, formula negotiation, negotiation on details, decision on a final agreement, and post-negotiation) (see Sjöstedt and Penetrante 2013). This means that facilitation requires careful planning and management. As the effectiveness and weight of a given intervention is likely to fluctuate across phases, interventions need some form of coordination.

The following illustrates a non-linear negotiation process, where regressions and errors are equally necessary to modify interventions in the learning process. While concrete agreements achieved in the various episodes are usually seen as proof of successful negotiation rounds, the absence of any agreement is also easily assessed as a failure of the negotiation process. On one hand, some agreements may pave the way for negotiation to proceed to the next phase, on the other, hastily reached agreements or agreements that are subsequently seen as unfair (and will therefore be challenged in the future) may actually inhibit the achievement of just outcomes. In other cases, negotiation rounds that have failed to produce concrete agreements may in the short-term be evaluated as failures. However, these negotiation rounds without agreements may actually lead to the establishment of norms that would more effectively facilitate the decision-making process. For example, the failure of the COP15 to reach a legally binding agreement on mitigation shocked the policy-making and academic community, leading to deeper deliberations and the re-confirmation of the United Nations framework as the appropriate decision-making mechanism for resolving climate issues. In addition, the COP15 has led to the 2 °C target being taken as the consensual goal (see Chap. 2). After this deliberative process, new climate policies and awareness from developing countries have emerged following a ripening process stimulated by COP15.

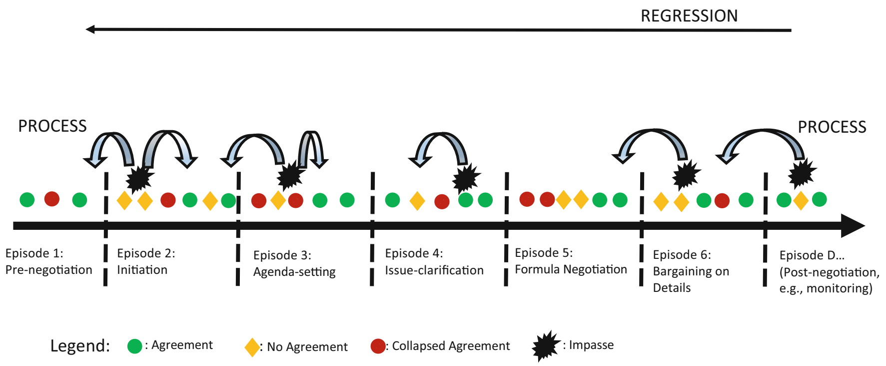

Fig. 8.1 Process outlook on negotiation—episodes and interventions (modified from Penetrante 2010b, 352)

The figure above (Fig. 8.1) depicts the various phases of negotiation in which different intervention measures are needed. For instance, as will be discussed in this chapter, leadership may be highly useful during pre-negotiation, initiation and agenda-setting to reach mini-agreements. However, it may be counter-productive in the next phases, and other measures such as COP chairmanship or third party mediation would be more effective.

The next section pertains to a conventional strategic facilitation process in which relations between actors are guided by leadership. Asymmetries in resources establish hierarchical relations that guide actions among actors. Leadership has been constantly used to orient national governments in determining their climate policies and in their behavior during the global climate negotiations rounds. However, as leadership is subject to the conditions of global bargaining, it may be seen as ineffective and even counter-productive to achieving mutually acceptable outcomes.

8.2 Leadership in Global Climate Talks: Leaders as Losers

Leadership is a functional response to the challenges brought by multilateral negotiations (Tallberg 2010). Multilateralism necessitates that specific means are employed to effectively manage the complexity of the multilateral negotiation process (Touval 1989; Zartman 1994; Crump and Zartman 2003). As it will be discussed in the next section and in Chap. 9, countries are able to cope up with the complexity of multilateralism by employing strategies such as issue-sequencing and coalition-building (Raiffa 1982; Sebenius 1983; Dupont 1994). Other instruments include leadership and chairmanship (see next section).

The concept of leadership has diverse theoretical foundations, particularly in social science (including political science and international relations). Charles P. Kindleberger (1973), a leading historian and economist, argues that leadership is necessary to maintain the stability of the international system. He claims that the lack of a world leader with a dominant economy in the first half of the twentieth century was responsible for the economic depression between the two world wars. Kindleberger, as well as Stephen Krasner (1982, 1983a) are proponents of 'hegemonic stability theory' which suggests that the international system needs a dominant world power or a *hegemon* to lead and enforce the rules of the international system. As the *hegemon* sets the standards to reduce contingencies, it shoulders the transaction and transition costs needed to institutionalize the rules of the process. It also forms institutions and organizations to facilitate switching between transformation pathways, alleviates distributional conflict between parties, and ensures compliance by posing rewards, threats and sanctions.

Other authors have joined discussions about hegemonic stability theory, and focused on the motivation of a powerful state to exercise leadership/hegemony (Gilpin 1981; Keohane 1984, 1986). Assuming that actors rationalize their behavior, they claim that the predictability of actions of states produces stability in the international system. Realists argue that the leader will support the system as long as it serves its own interest. Leadership will eventually cease when advantages are no longer available to the dominant state. Nevertheless, no distinction is usually made between the various areas (economic order, security, and environment) where hegemons can exercise leadership. 'Realism' sees only one international system. On the other hand, neoliberals argue that the *hegemon* has no egoistic interest in providing public goods, as the interests of the dominant actor will likely correspond with the interests of the collectivity under conditions of cooperation (Keohane 1984). The *hegemon* is not always able to abuse its power through the international institutions that it has established. The "neoliberal" leader exercises leadership for the good of the whole system, as its sees its own interests reflected in the collectivity.

Moving from the international system, negotiation scholars have focused their analyses of leadership on how it is relevant to various decision-making processes in solving global problems. Negotiation, as the legitimate tool of reaching global decisions, offers a more functional outlook on leadership without losing sight of the motivations of leaders. While negotiation studies recognize the impact of power when reaching global decisions (Zartman and Rubin 2000), because global decisions undergo consensual and cooperative processes to ensure legitimacy and effectiveness, the most powerful actor is not capable of unilaterally pushing its interests. As well as power, dominant countries need concessions from the others, and the use of force can prove inadequate as an instrument with which to pursue their interests. As such, the interdependence between stronger and weaker states limits the consequences of power asymmetries, which tend to uphold hegemony/leadership.

The asymmetries in resources—including money, information, integrity and credibility, organizational capabilities and technology—define power structures during negotiation (Zartman and Rubin 2000), leading to a situation where some actors are more able to assume a dominant role than others. 'Leadership' as a concept has been the subject of academic research describing how a specific actor, or a group of actors, can be differentiated according to their capacity to take a more active role and to to craft preferable outcomes at the negotiation table (see O. Young 1989, 1991; Underdahl 1991, 1994; Skodvin and Andresen 2006).

Oran Young provides a definition of leadership that focuses on the intentions of actors assuming leadership. He defines 'leadership' as "the actions of individuals who endeavor to solve or circumvent the collective action problems that plague the efforts of parties seeking to reap joint gains in processes of institutional bargaining" (O. Young 1991, 285). Meanwhile, Arild Underdahl provides a definition of leadership that looks at the differences among actors, and attempts to manage relations among them. He defines leadership as "*an asymmetrical relationship of influence, where one actor guides or directs the behavior of others towards a certain goal over a certain period of time*" (1991, 140).

As Tora Skodvin and Steinar Andresen (2006, 14) note, Underdahl's definition introduces a set of qualifications that identifies leadership. First, leadership assumes that there is a "*relationship between leaders and followers*" (Underdahl 1994, 181). While it is not always essential to define the exact number of leaders, some actors recognize the dominant role of one or a few, particularly when leadership is "*associated with the collective pursuit of some common good or joint purpose*" (Underdahl 1994, 178). With this, rational followers see the liabilities of assuming the role of followers, such as receiving less status than the others, as more attractive than the costs of assuming leadership. Followers choose this role as they see this as the best option available for them to pursue their goals in the process. However, this is only possible, when actors share "*a platform of shared values, interests and beliefs*" (Underdahl 1994, 179), as this gives followers the opportunity to predict the relative losses they will incur in this role. With shared values and interests, it makes little difference whether a specific actor assumes the role of 'leader' or 'follower', as following actors can be assured that any actor assuming leadership will also pursue their common interests (see O. Young 1991, 293).

Arild Underdahl (1991, 1994) and Oran Young (1991, 1998) have classified leadership according to four types: *intellectual, instrument or entrepreneurial, power-based or structural, and directional*. An actor assuming intellectual leadership contributes intellectual capital or ideas that shape the perspectives of those who participate in institutional bargaining (O. Young 1991). Intellectual leaders enjoy legitimacy by having greater access to information than the others. Intellectual capital includes scientific and technological knowledge that may be useful in conducting negotiations. For instance, the United States and the European Union are seen as intellectual leaders in global climate talks. The dominance of US American and European literature in the field of climate change science is partly attributed to the current global academic landscape that tends to favor scientists from these countries. This is further corroborated by the weight of US American and European peer-reviewed journals in the IPCC (see Skodvin 2000).

The instrumental or entrepreneurial leader is able to maximize its dominance by "mastering" the organizational settings and instruments used in the negotiation process, such as through its excellent institutional memory, or its vast bureaucratic resources. This leader assumes control of the negotiation process either by effectively dictating agendas or by identifying issues that need to be resolved. They may also point to opportunities that may resolve problems, or employ effective negotiation skills through which they are able to enhance their dominance during the bargaining process. As Underdahl notes, the main mechanism for entrepreneurial leadership is "*the finding* [of] a *means to achieve common ends*" through political skills or the ability to know which instrument is most effective to reach an agreement (Underdahl 1994, 187).

Power-based or structural leadership depends on the ability of one actor to deploy threats, sanctions and rewards to move the preference of the others closer to that of the dominant actor. A structural leader knows how to employ "sticks and carrots" (Underdahl 1994, 186) to significantly influence the course of the negotiation process. Nevertheless, this type of leadership requires an enormous amount of resources to effectively exercise structural leadership, and one single country is not likely to have these. Particularly in the climate change context, where interdependence between actors is rather high, the costs of assuming structural leadership are seen as much higher than the benefits it promises (e.g. recognition), particularly when future costs remain uncertain or politically unfeasible.

Directional leadership pertains to an actor setting a good example, although the leader may incur additional disadvantages (Underdahl 1991; Gupta and Grubb 2000). The exertion of this leadership is strongly context-dependent, as actors setting good examples expect the others to adopt the standards promulgated by them. They also often anticipate that being the "first mover" will eventually bring long-term advantages (see Sect. 2.2), or that the move will demonstrate the viability of proposed measures, therefore breaking the ice for reluctant actors. Similar to structural leadership, directional leadership requires that an actor is convinced of the viability of the alternative it is suggesting, and that this actor owns a significant amount of resources. This is important not only for absorbing the potential costs of failures, but also for shouldering the short-term transition and transaction costs, especially when new infrastructures are needed to implement the proposed standards.

Hardships during negotiation motivates some actors to assume leadership, as they see themselves as having the appropriate resources to push forward the decision-making process, while simultaneously legitimizing the authority of their position (and the privileges attached to it). These actors, seeing themselves as leaders, are expected by the others to have appropriate resources at their disposal to effectively fulfill their function. Actors may assume leadership not only when the nature of the leader's individual goals correspond with the collective goals, but also when their personal goals differ with those of their followers (Skodvin and Andresen 2006, 15). However, in the latter situation, the goals of the leader should not significantly undermine those of the followers. At the very least, the collective goals should outweigh the personal goals of the leader so that the leader is able to modify the preferences of the followers and maintain legitimacy.

Countries assume the role of leaders not for altruistic reasons, but because they expect pay-offs in return. On one hand, leaders expect to pursue their interests more effectively through the privileges attached to leadership, thus claiming a larger portion of the values at stake. On the other hand, leaders expect that the marginal costs of leadership, counted as marginal private costs, would be covered by the marginal benefits of any outcome of the negotiation process. Contrary to the claim of Raino Malnes that, although leadership does not "*presuppose self-abnegation and a total disregard of personal purposes*" (Malnes 1995, 94), "*a leader is supposed to look beyond his or her own interests and concerns, to the interests of a wider group, notably his or her followers*" (Malnes 1995, 94). As global climate change negotiations show, the decision to assume leadership must prove profitable, and the benefits of the collective gains must be more than the costs of leadership. As the following discussion shows, because global climate talks require leaders to shoulder more burdens, equitable relationships between leaders and followers are distorted; therefore, some powerful actors are not always willing to assume leadership, at least not in all the phases of negotiations (particularly not in the formula-setting phase).

The political conditions of climate change and how decisions are negotiated involve a situation where leadership is not only expensive, but also brings with it additional burdens that few governments are willing to shoulder (Penetrante 2011, 2012, 2013). Leadership distorts equitable relationships. For example in terms of historical responsibilities, where countries with the best capabilities are expected to sacrifice the most, governments of developed countries need massive political capital to justify a leadership that may require the waiver of claims for equity, particularly in a situation where free-riding remains a profitable option. Sacrificing current economic advantages for the sake of leadership is seen as detrimental in a highly competitive globalized world. Thus, global climate talks are confronted with the withdrawal of (directional) leaders, particularly in mitigation policies, with the intention of shifting resources to adaptation (see Auerswald et al. 2011).

8.2.1 The European Union: The Unchallenged Leader

The European Union as a bloc of countries has usually been nominated to assume leadership in the global climate talks not only because of its existing intellectual and financial capabilities, but also because climate policies have long been the subjects of public deliberation in these countries (Ott and Oberthür 1999; Gupta and Ringuis 2001; Bretherton and Vogler 2006; Elgström 2007; Parker and Karlsson 2010). Independent of global climate agreements, EU countries, following the oil crises in the 1970s, have profited from their past policies of enhancing infrastructures and capacities to reduce their dependence on fossil fuels. The EU's current path is not very far away from the low-emission developmental pathway the bloc is pushing in the global climate talks; thus, minimal transitions costs are expected. Furthermore, the accession of Eastern European countries, with their "dirty" economies, has provided additional buffers for the EU's overall reduction commitments, enabling the EU as a collective actor to easily meet its reduction commitment of cutting its emissions to 20 % below its 1990 levels by 2020.

The European Union has particularly exerted directional leadership in the negotiation process, that is, by setting up good examples on how to deal with the issue (Gupta and Grubb 2000; Gupta and Ringuis 2001), and by unilaterally committing to climate protection strategies with the expectation that the others will follow (Ott and Oberthür 1999; Groenleer and van Schaik 2007; Parker and Karlsson 2010). EU initiatives include the European Climate Change Programme (ECCP), the EU Emissions Trading System, adopting legislation to raise the share of energy consumption produced by renewable energy sources to 20 % by 2020, as well as increasing energy efficiency by 20 % by 2020 (European Commission 2013). While the directional leadership of the EU may motivate others to adopt these climate protection strategies by determining standards (see Sect. 2.2), the lack of insights into how transition costs are being distributed, especially for those developed countries (e.g. Australia, Canada, United States) and developing countries (China, India, Brazil) that expect the highest transition costs due to their initially chosen high emission development pathways, undermines the effectiveness of this type of leadership.

Several developing countries that have initially chosen high-emission technology paths require funding to enable them to switch technologies, and having received no assurances from the leaders that they will not be left alone with their costs, have refused to follow. Certain existing narratives question the credibility of the European Union's directional leadership. Existing internal conflicts and divisions among EU Member States follow similar conflict cleavages to the North-South divide over long-term climate policies that are seen to hamper economic development, particularly of those countries with economies in transition.

As confirmed by Charles Parker and Christer Karlsson (2010), only four EU member states—Germany, Greece, Sweden and the UK—will meet their Kyoto targets through reductions from existing measures. Most of the EU countries will need to purchase Kyoto units to meet their goals. In addition, several European countries, particularly Germany (with the former GDR), and former members of the Warsaw Pact, which profited from the collapse of their "dirty" economies in the 1990s, are seen as being able to generally meet their reduction commitments through coincidence rather than deliberate efforts (such as reducing GHG emissions by shifts in climate and energy policies representing credible sacrifices) (Christoff 2006, 834–839). Joyeeta Gupta and Lasse Ringuis (2001, 294) claim that the EU's climate leadership is "*losing credibility due to poor implementation*." How can the EU be a credible directional leader, when its good examples are not always attributed to deliberate actions, but rather to coincidentally positive contextual conditions?

The European Union was effective as a leader during the negotiation process, leading to the adoption of the UNFCCC and the Kyoto Protocol. The EU has exerted a mix of leadership styles during the negotiation process, displaying both 'power-based' and 'structural' leadership (by coercion through rewards and sanctions), and 'instrumental' or 'entrepreneurial' leadership (by bringing in ideas on the agenda). Sebastian Oberthür and Claire Roche Kelly (2008, 37) characterize the EU's leadership as one that follows a "soft" strategy. While relying on its structural weight, the EU has mainly applied directional leadership by setting examples for the others. Setting good examples may also prove coercive when such examples become standards, and the non-adoption of these causes unacceptable disadvantages (see Sect. 2.2).

The EU was successful in integrating climate policies and environmental standards as conditions of EU membership, motivating countries classified as economies in transition (EIT) to follow the leadership of the EU-15. The applications of Poland and other Eastern European countries to join the European Union was considered to suggest that "*environmental issues have been at the forefront of the negotiations between the European Union and the applicant countries*" (Danish Environmental Protection Agency 2001). Expecting positive externalities and co-benefits, Poland and other East European countries have incorporated EU standards in their own environmental legislation, although their obligations may not always reflect domestic priorities. Stanislaw Zelichowski, a former Polish Environmental Minister and now member of the Polish *Sjem*, highlights that adopting EU environmental standards could "*bring about essential political benefits to Poland in the context of European integration*" (Polish Press Agency (PAP) 2002).

Furthermore, the EU was able to change the preferences of other powerful countries by offering package deals through diplomacy. The EU is described as having been able to purchase Russian ratification of the Kyoto Protocol by dropping its veto against Russia's WTO membership following disputes about the government's subsidies to its national gas exporters and import-competing industries, which allowed domestic gas prices to stay below world market levels (see McLean and Stone 2012, 109). In addition, this has led to environmental issues coming to the attention of the Russian national government and legislation bodies, paving way for other climate-related policies (see Bashmakov 2009).

In addition, EU environmental standards have placed pressure on other countries and sectors to adopt similar standards. For instance, the EU passed a law in November 2008 that expanded its Emission Trading Scheme by establishing a scheme that charges for carbon emissions from flights in and out of Europe. This led to changes in the standards of flight carriers from other countries. While China has barred its airlines from joining this EU scheme (Buckley 2012), increasing environmental aviation standards that are both environmentally-friendly and beneficial to the development of the civil aviation sector, especially in developing countries such as China, has been a main issue in the annual meetings of the International Civil Aviation Organization (ICAO) (see Li 2013). Climate protection strategies have been included on agendas in various sectoral or governmental meetings of Non-EU countries and sectors, maintaining close economic and cultural ties with EU countries. These non-EU countries and sectors have become thereafter more open to adopting comparable environmental standards, as they are increasingly witnessing deliberative processes within their own territories and jurisdictions.

The failure of the COP15 meeting in Copenhagen to come up with a legally binding scheme for emission reduction after the Kyoto Protocol expires has called into question the effectiveness of the EU's leadership. With domestic problems such as the financial crisis, individual EU member countries were not always keen to push a global deal that would again allow developing countries with emerging economies to free-ride. Nevertheless, the EU still sees itself pursuing leadership by being at the forefront of efforts to combat climate change (Wallström 2008). The EU continues to be seen as a directional leader after the COP15 meeting (see Kilian and Elgström 2010; Verolme 2012), particularly during the Durban COP meeting, where conditions were set for a more acceptable climate mitigation scheme.

As no credible, alternative leader is currently at sight, the EU's position as leader is not contested, particularly because other developed countries such as the United States, Canada, Japan and Australia are struggling with domestic constraints preventing them from effectively assuming directional leadership (see Soytas et al. 2007; Sovacool 2009; The Australian 2009; NETL 2010; Nelson et al. 2012). The withdrawal of the United States from the Kyoto Protocol negotiation process provided the EU enough space to exercise leadership (see Falkner 2007, 512; Vogler and Stephan 2007, 410). Meanwhile, other "heavy weight" developing countries such as China and India, focusing on developmental rights, do not only have goals that are partly incompatible with the collective environmental goals, but also cannot credibly provide the necessary resources to set up an effective climate mitigation regime. Nevertheless, BASIC countries are active in identifying important developmental issues for the agenda, the resolution of which would significantly contribute to the robustness of any future outcome.

8.3 COP Presidency: The Power of the Chair in the Global Climate Talks

The simulation games demonstrated the dilemmas confronting the COP president when taking the role of 'formal chair' of the negotiation meetings (see Chap. 4; Penetrante 2012). 'Chairs', also referred to as presiding officers, play a central role in global negotiations (Depledge 2005). The chairs function as "process managers" by identifying the agenda, collecting and prioritizing issues, arraying positions and interests, encouraging parties to brainstorm solutions, brokering agreements, and representing the negotiation body to the outside world (see Mintzer and Leonard 1994; Tallberg 2004, 2010; Yamin and Depledge 2004; Odell 2005).

The presidency (chairmanship) in the global climate negotiations is composed of three layers: the *President of the COP*, the *Chairs of the Subsidiary Body for Scientific and Technological Advice* (SBSTA) and the *Subsidiary Body for*

Table 8.1 List of past COP presidents

Dates	Venue	President	Country	UN region
28 March–7 April 1995	Berlin	Angela Merkel, Minister of Environment	Germany	Western Europe and Others Group
8–19 July 1996	Geneva	Mr. Chen Chimutengwende, Minister for Information, Posts and Telecommunications of Zimbabwe	Zimbabwe	Africa
1–11 December 1997	Kyoto	Hiroshi Ohki, Minister of Environment	Japan	Asia-Pacific
2–14 November 1998	Buenos Aires	Maria Julia Alsogaray, Argentina's Minister for Natural Resources and Sustainable Development	Argentina	Latin America and the Caribbean
25 October–5 November 1999	Bonn	Jan Szyszko, Minister of Environment	Poland	Central and Eastern Europe
13–24 November 2000	The Hague	Jan Pronk, Minister of Housing, Spatial Planning and Environment	Netherlands	Western Europe and Others Group
Part II, 13–27 July 2001	Bonn	Jan Pronk, Minister of Housing, Spatial Planning and Environment	Netherlands	Western Europe and Others Group
29 October–9 November 2001	Marrakesh	Mohamed El Yazghi, Minister of Spatial Planning, Urban Managing, Housing and Environment	Morocco	Africa
23 October–1 November 2002	New Delhi	Shri T. R. Baalu, Minister for Environment and Forests	India	Asia-Pacific
1–12 December 2003	Milan	Miklós Persányi, Minister for Environment and Water	Hungary	Central and Eastern Europe
6–17 December 2004	Buenos Aires	Ginés Gonzáles García, Minister of Health and Environment minister	Argentina	Latin America and the Caribbean
28 November–9 December 2005	Montreal	Stepháne Dion, Minister of Environment	Canada	Western Europe and Others Group
6–17 November 2006	Nairobi	Kivutha Kibwana, Minister of Environment	Kenya	Africa
3–15 December 2007	Bali	Rachmat Witoelar, State Minister of Environment	Indonesia	Asia-Pacific
1–12 December 2008	Poznan	Maciej Nowicki, Minister of Environment	Poland	Central and Eastern Europe

(continued)

Table 8.1 (continued)

Dates	Venue	President	Country	UN region
7–18 December 2009	Copenhagen	Lykke Friis, Minister for Climate and Energy	Denmark	Western Europe and Others Group
29 November–10 December 2010	Cancun	Patricia Espinosa Cantellano, Secretary of Foreign Affairs	Mexico	Latin America and the Caribbean
28 November–9 December 2011	Durban	Maite Nkoana-Mashabane, South African Minister of International Relations and Cooperation	South Africa	Africa
26 November–7 December 2012	Doha	Mr. Abdullah bin Hamad Al-Attiyah, Chairman of the Qatar Administrative Control and Transparency Authority	Qatar	Asia-Pacific

Implementation (SBI). These chairs are further supported by the chairs of informal groups, and the chairs of coalition groups such as the G77 and China. Following the common practice in the UN and rule 22, paragraph 1 of the draft rules of procedures being applied, the office of the President of the COP (linked with the venue of the meeting) is subject to rotation among the five regional groups. Table 8.1 enlists past COP Presidents. The President of the COP coordinates with the subsidiary body chairs of the SBSTA and SBI as well as with the chairs of informal groups in negotiating specific issues. As Joanna Depledge (2005, 39) notes, the subsidiary body chairs usually seek regional balance among informal group chairs by appointing co-chairs for contact groups, one each from Annex I and another from non-Annex I.

Chairs are vested with formal powers derived from the organization, that is, a specific position within the organization allowing certain actors to receive privileges and to effectively administer the negotiation process. Actors assuming the role of chair are given access to organizational and technical support from international secretariats. In addition, countries chairing the negotiation meetings have more access to information, as it is common practice among countries to share information about their individual preferences with negotiation chairs to enable them to match various proposals. The privileges attached to chairmanship is accepted or tolerated by negotiating parties, because they expect the chair using these privileges to construct concessions under conditions set by overlapping proposals as conveyed to the chair. In almost all negotiation meetings, the chair is expected to formulate negotiating texts or drafts of agreements to facilitate the whole negotiation process (Antrim and Sebenius 1992).

The simulation games have confirmed that because of the privileges of the COP president/chair, the country assuming chairmanship receives rigid scrutiny of its performance (Penetrante 2012). For instance, knowing that Denmark (as COP chair) has its own vested interests during negotiations, initiatives to present draft agreements are easily negatively interpreted. In addition, chairmanship may be seen as increasing the power of certain groups in the negotiation process, especially through the common practice of establishing the “friends of the chair.” For instance, Denmark, as an EU member country, is often seen as a problematic choice for chair, particularly because the EU has already assumed directional leadership in the negotiations. It raises the question of whether “neutral” countries such as Austria and Switzerland, or other Non-Aligned Movement member countries, should be nominated to assume chairmanship in such international climate negotiations. Another possibility is to find non-state actors to serve as COP presidents, or to completely rely on the UNFCCC as chair.

The negotiation games have shown that COP presidents may be perceived as being partly responsible for the failure of negotiations, no matter what strategy or approach the presiding country chooses to adopt (Penetrante 2012). In the various games, Denmark, depending on the instruction and on the personality of the persons representing the country, was either passive or active/manipulative. In some cases, the chair was passive and took a decidedly “behind the scenes” approach, allowing directional leaders and other coalitions to dictate how the negotiation process should unfold. Passive chairs confined their role largely to ceremonial duties. In other cases, the chair was manipulative and active in giving structure to the negotiation process. They took control over the organizational settings, for example by experimenting with new procedures and practices (Depledge 2005, 44) or by intervening when countries surpassed the speaking time allotted to them or departed from the agenda. In some cases, the chair functioned as mediator or as a shuttle diplomat, by conveying the interests of one group to the other. Interestingly, the chairs in all the test groups were always held partly responsible for the failure to reach binding agreements. Nevertheless, in conditions where leaders are absent from the process, the chair’s initiatives may be highly appreciated (Penetrante 2012).

Chairs, when preparing for their tasks, tend to express expectations of possible outcomes. Before the COP15 negotiations, Denmark had expected that a final agreement would be in place before the end of the meeting, which led to flexibility in managing the process. Concrete expectations were voiced by Denmark months before the meeting, following the change of administration in the United States and a willingness expressed by China to constructively participate in the negotiations. However, the lack of progress in the pre-COP15 talks in Bangkok in September/October and in Barcelona in November, and the delays of U.S. legislators in passing a climate bill, as well as the failure of the November APEC meeting to produce a statement on climate issues, created the impression that the high expectations of the Danish chair would no longer be met. The APEC meeting confirmed Denmark’s worst case scenario, that is, a mere political framework would be the only possible outcome of the COP meeting (Chan 2009).

As described above, chairs are usually expected to propose draft language on a single issue or even a single phrase in the agreement. The COP President and various other chairs may introduce substantive proposals on their own authority when they think that this may enhance the forging of agreements (Depledge 2005, 44). Nevertheless, this privilege was seen as highly problematic under the conditions of the North-South divide. After 'The Guardian' reported on the leaked, secret "Danish text," Denmark's credibility was damaged, particularly when it became known that this text was purportedly drawn up by some of the developed countries, which aimed to pass effective control of climate change finance to the World Bank. They also intended to abandon the Kyoto Protocol, as it was interpreted that grants of money to help poor countries adapt to climate change would be dependent on those countries taking a range of specified mitigation actions (The Guardian 2009; see Whiteman 2010). Even though chairs are usually permitted to draft texts, in the context of the distrust between developed and developing countries this privilege was questioned. The process was further delayed when developing countries walked out on December 14 (The Guardian 2009).

In general, as global climate talks employ a vast number of actors, issues and processes, leadership is essential. However, because of the complexity of the issues involved (e.g. global common goods, leakage effects), leadership needs to be complemented by effective chairmanship, allowing leaders to focus on substantial issues, rather than squandering their attention on organizational and procedural issues. Delegating some administrative powers to the chairs may allow a more interest-based negotiation process, and solve specific bargaining problems (Tallberg 2010, 242). Given the capacity to affect decision-making, chairs can strategically facilitate the negotiation process by identifying stumbling blocks to achieving agreements.

8.4 Threshold States as Coordination Pivots

With the complexity of climate change and the processes chosen to lead to the effective resolution of climate change problems, leadership and chairmanship, as a means to facilitate the decision-making process, are confronted with various difficulties calling for complementary measures. Interestingly, the negotiation games saw individual countries other than the chair and the major players emerging as effective facilitators. Although these countries did not formally see themselves as mediators or facilitators, because of their membership to multiple coalitions that move beyond the North-South divide, they acted as bridges between interests (Penetrante 2012).

In almost all the test groups, participants representing threshold states formed the core of an invincible cross-cutting coalition without their role profile directly instructing them to do so. Representatives from South Korea (IIASA in 2009, Lviv), Mexico (IIASA in 2010), Singapore (test group 2, De la Salle), and Hungary (Cologne in 2012) acted to bridge interests between developed and developing countries, seeing themselves as more capable than certain directional leaders and chairpersons. The results of these games (see Chap. 4) suggest that representatives of these so-called "threshold states" such as South Korea, Singapore, Mexico and Malaysia may actually serve as credible facilitators. A threshold country connotes a developing country that is either on the threshold of meeting the Millennium Development Goals (GNESD 2007), or has recently passed the threshold. Two of the Non-Annex countries, namely South Korea and Mexico are already members of the OECD, which is traditionally seen as a "club" of developed countries. Other Non-Annex countries such as Indonesia, China, Brazil, South Africa and Argentina are part of the G-20, the group of the 20 leading industrialized countries.

Threshold countries share values, interests and norms with a multiple of groups representing multiple interests that transcend the North-South divide. As they cannot be clearly classified as 'developed' or as 'developing', their actions tend to be outside the scrutiny of contestation. Threshold countries can be developing countries with a high per capita income, or developed countries that have just recently reached this status and still share values with developing countries. Threshold states do not belong to the BASIC group. Their relative weakness during negotiations may prevent other countries from seeing them as threats or prevent themselves from having extreme positions at the bargaining table (Penetrante 2012).

As an example of a threshold country, South Korea has adopted climate standards comparable to those of the EU, while still maintaining sympathy with the concerns of developing countries. South Korea, although a non-Annex country to the Kyoto Protocol, has recognized opportunities behind climate protection measures such as carbon trading. The South Korean authorities have initiated several legislative measures to institutionalize carbon trading in South Korea (Presidential Committee on Green Growth 2012). In addition, the South Korean government has been pushing to enact the Emissions Trade Scheme (ETS) to achieve its (non-binding) 2020 goal to reduce GHG emissions by 30 % compared to that of the 2009 'business-as-usual' scenario. In 2010, the Framework Act on Low Carbon and Green Growth, which is regarded as the legislative basis for the ETS, came into force (Byun 2010). In addition, South Korea hosted the 2012 Pre-COP Ministerial Meeting on Climate Change ("Pre-COP18") from October 21 to 23, to provide more space for productive discussions between countries. At an international level, South Korea has been increasingly visible in recent environmental negotiations such as the Rio+20 Summit, where South Korea served as co-chair and was charged with the task of helping negotiating parties come up with compromises (Lee et al. 2012).

As membership to coalitions is a product of political calculations (Dupont 1994; Watkins and Rosegrant 2001) addressing various identity-building processes (Jenkins 1996; Penetrante 2010a), threshold states may identify themselves with the position of developing countries while being expected by others to rally behind the positions of developed countries. For instance, while Poland, Czech Republic, Hungary and other Eastern European countries are formally members of the European Union, they share similar concerns with developing countries, particularly those related to the developmental issues behind climate change mitigation policies. The "in-between-ness" of these threshold states may at first evoke frustration among peers who see their expectations around the behavior of threshold states unfulfilled. This frustration is however a direct result of one's interest not being shared by a supposed peer. This frustration is rather short-term, as these threshold states may prove to be otherwise politically useful. For example, developed countries need additional channels to communicate with those developing countries with more extreme positions (Penetrante 2010a, 2012).

The following Fig. 8.2 illustrates how threshold states (TS) enhance cooperation between developed and developing countries. Threshold countries offer additional communicative resources in the negotiation process. Nevertheless, threshold countries, like leaders and *hegemons*, do not facilitate for altruistic reasons, but because facilitation offers them resources to reconcile their own inner conflicts. They are confronted by negative externalities from both sides. For instance, a specific threshold state may articulate its self-identification as a developed country to ensure social cohesion and legitimacy in domestic authority structures. However, their behavior during global climate talks, including rejecting the sorts of responsibilities that a developed country is obliged to take, may not fit with their self-identities. In addition, although classified as 'developed', a specific threshold country may seek time-allowances or exemptions to the standards required of developed countries. With this 'in-between-ness', threshold countries are able to relate to the concerns of both developed and developing countries.

Threshold countries are able to limit the "negative externalities" that they receive. They are confronted by transition costs as they switch paths (see Chap. 2). In a situation without threshold countries, developed countries may reach decisions that would have negative effects on developing countries (Penetrante 2010a, 2012). In the same manner, developing countries may equally reach decisions (or decide not to do anything) that may pose negative consequences to developed countries. Negative externalities are usually solved through the internalization of costs. However, as externalities cannot be clearly attributed to a specific country (see Chap. 5), it is not always possible for countries causing the negative effects to completely understand why these externalities should be resolved, or why they are held responsible. Particularly in situations where compensatory mechanisms are required to internalize externalities, political concerns tend to outweigh equity considerations.

As threshold countries are in both cases affected by negative externalities (developed to developing—developing to developed countries), the situation arises that "cross-negative-externalities" at last find a negotiating voice. Threshold countries internalize cross-negative-externalities in making climate decisions. Preferences and decisions can be holistically communicated to the various sides. This new negotiating voice may lead to the formation of a "grand coalition" (Penetrante 2010a), in which threshold countries function as the core.

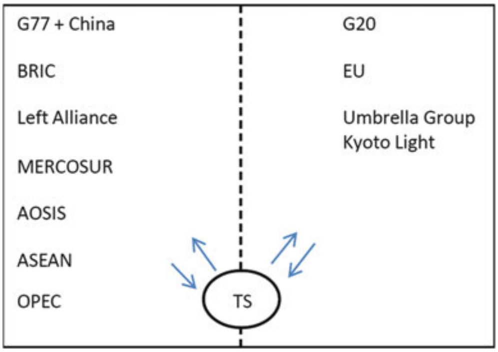

Fig. 8.2 The north-south relations and the threshold states

8.5 Interim Conclusion: Strategic Facilitation of the Process Under Complexity

Strategic facilitation allows coping with the complexity of global climate change negotiations by providing coordination and communication services during interaction and when participating in the negotiation process. Interventions into the process in the international system can only come from within, as non-state actors are usually not seen as capable of hosting large-scale and complex international negotiations with more than 190 participating countries. Interventions are also held dependent on legitimization processes that non-state actors cannot hold. Leaders emerge from this context to use power asymmetries as guidance for which actor should assume leadership. Nevertheless, the climate change context employs other logics, whereas leadership incurs unacceptable liabilities that not all potential leaders are willing to shoulder, or are even capable of shouldering. Leadership in global climate talks may create incremental legitimacy deficiencies at a domestic level, as its leaders are expected to waive various equity claims. The lack of consensus on how climate costs are to be distributed inhibits leadership, as leaders are not altruistic actors. In addition, while incentives for followers may be available, sanctions are not always effective as the benefits of free-riding may surpass the costs of these sanctions.

Negotiations are usually managed by an international secretariat and chairs. While chairmanship may be effective in innovatively pushing forward the negotiation process, it is not only limited to organizational and procedural issues. Deviations between chairmanship styles also limit the predictability of chairmanship. Furthermore, as chairmanship is rather short-lived and follows rotational procedures, chairs are not always able to forge long-term goals, especially in situations where long-term solutions are required after careful planning efforts.

As the negotiation process calls for identity-based facilitation to understand gaps in expectations, alternatives to leadership and chairmanship are sought. This is where facilitation by threshold countries becomes useful. Although not yet formally identified, facilitation through these countries is already complementing the negotiation process. Threshold countries, with mixed identities and cross-externalities, are more than willing to facilitate between countries, not only to fulfill collective goals, but because facilitation allows threshold states to decrease their own transition costs as more countries overcome the North-South divide and adopt the standards in the envisaged path. By tapping the potential of threshold states, opportunities arise to empower actors to move beyond the North-South divide.