

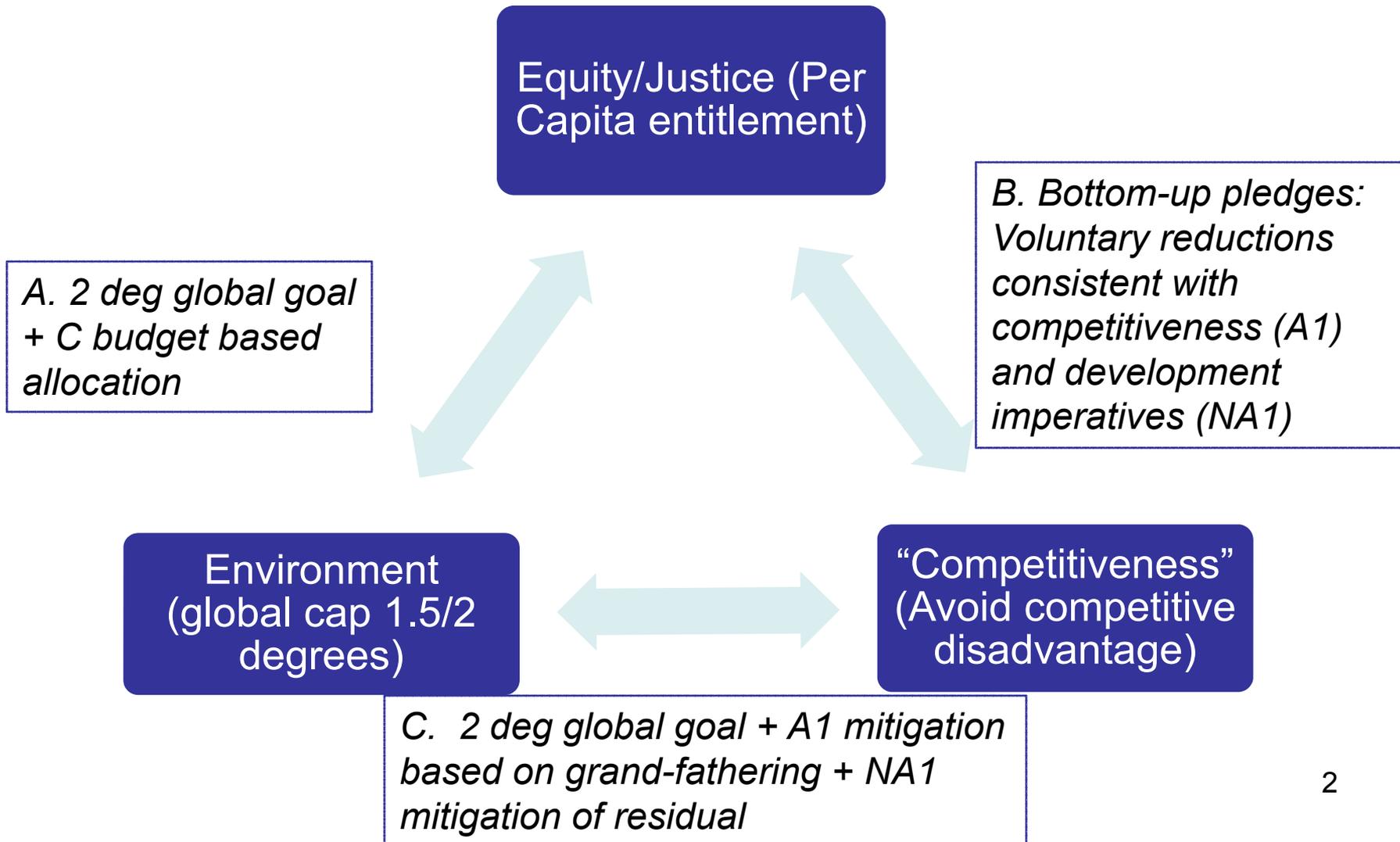
The Climate Trilemma

Carbon Budgets in the Climate Regime

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The Climate Trilemma



Where does Bottom Pledges Come From?

- Politics of defeatism?
 - Distant second to Plan A
 - A stalemate hurts the vulnerable the most
- “Clumsy Solution” to a “Wicked Problem”
 - Economic institutions are not organized around carbon
 - Using price to link institutions to carbon requires allocation
 - Bottom up search for co-benefits
 - Emphasize early start, and direction of travel
- Problem:
 - No environmental limits,
 - Risk of future unequal *de facto* allocation to NA1
- Possible to combine bottom up and top down?

Exploring “Plan B”

Bottom up within “Guardrails”

- Bottom up pledges benchmarked against top down constructs
- Can a C budget approach provide the guardrails?
 - Cumulative emissions vs. total budget
 - Deviation from fair share
 - What consequences from breaching guardrails?
- Relationship between NA1 pledges and supported NAMAs?
- Recognition of historical responsibility?
 - Adaptation financing
 - Technology

Final Thoughts

- Guardrail is weaker than entitlements
 - Financial gain from trading not possible
 - Safeguards option of accessing development space if needed
- Context of weak compliance
 - What is cost of shifting from *ex ante* allocation to *ex post* review?
- Potential stimulus to early action