

Cancun: Russia ups ante with refusal to sign up to Kyoto extension

As anticipated, Russia joins Japan in refusing to agree to a second commitment period

The chances of an ambitious deal being agreed at the Cancun Summit have received a major blow after Russia categorically stated late last night that it would not sign up to an extension of the Kyoto Protocol.

In a plenary session, Alexander Berditsky, Russia's chief climate change negotiator, delivered a statement confirming "Russia will not participate in the second commitment period of the Kyoto protocol."

The move had been widely expected, with rumours circulating for days that Russia, Canada and potentially Australia were likely to join Japan in opposing any extension of the Kyoto Protocol.

Japan also again confirmed its position last night, insisting that Kyoto has failed to deliver and despite pressure from the UN and developing countries, it wants to see a new deal that imposes emission targets on all nations.

The talks will officially resume later today with ministers desperately seeking a compromise that will allow the summit to formally recognise progress made on other issues such as forestry protection and climate financing, while setting up negotiations for further discussions next year.

Some developing countries, including India and China, have hinted they could be willing to sign up to an agreement that contains some form of "binding" targets. But they are adamant an extension of the Kyoto Protocol is non-negotiable and are insisting those industrialised nations signed up to the first commitment period must agree to a second commitment period if there is to be a parallel deal covering developing nations.

The EU is seeking to broker a compromise and a draft text is reported to be circulating that would aim to delay talks on the future of Kyoto until next year.

The failure to extend Kyoto could have a major impact on businesses as the treaty provides the legal framework for the multibillion-dollar Clean Development Mechanism carbon offset market as well as the basis for legally binding national emissions targets and the inter-governmental trading of Assigned Amount Unit carbon credits.

Any indication that the elements of the Kyoto Protocol covering carbon trading will not be extended risks undermining confidence in the carbon market at a time when the sector is continuing to expand at a national and regional level.

