ROTTERDAM SCHOOL OF MANAGEMENT ERASMUS UNIVERSITY

MODEL UNFCCC 2016

Experiential learning at its best: International master students showcase stunning negotiation skills at the simulated Model UNFCCC

Those with concerns over the shortcomings of last year's UN climate change agreement can rest assured: the world's countries *can* agree on tighter measures to keep global temperatures within 1.5 degrees Celsius above pre-industrial levels – at least if the outstanding negotiation skills displayed by international master's students, including those from Rotterdam School of Management, Erasmus University (RSM) at the Model UNFCCC are anything to go by.

The Model UNFCCC was held in May at RSM. The United Nations Framework Convention on Climate Change (UNFCCC) is the annual meeting of the Conference of Parties (COP). The simulation Model UNFCCC was attended by around 120 master students including RSM's <u>MSc International</u> <u>Management/CEMs</u> students as part of the contingent from eight universities in the CEMS partnership, plus students from RSM's <u>MSc Global Business & Sustainability</u>. Taking part in the conference concluded the CEMS Climate Change Strategy course for these students.

Students were assigned roles as different UN nations, civil society and industry groups as they negotiated climate change targets in a simulation of <u>COP22</u>, which will be held this November. Two students from RSM were voted best negotiators at the event – the fourth year in a row RSM students have received the coveted award.

The term 'role-play' hardly does this event justice. From the true-to-life adherence to international negotiation protocol to the passionate representations of their delegated nations and outstanding negotiation skills – this was experiential learning at its best. Indeed, if ever there were an example of the exceptional quality of both the CEMS programme and its students, it is this event. And this year we got an inside-look as the action unfolded.

Inside the Model UNFCCC

It is half hour before official negotiations begin on the last day of deliberations. Already the conference room is filled with delegates. Animated discussions are taking place: delegates are revising tactics, sharing information on the latest alliances that have formed. 'Media representatives' are busy typing blogs, ready to update the room on the outcomes of meetings held late the previous night.

Welcome to the Model UNFCCC, the experiential learning culmination of a course designed to educate CEMS master students on climate change science and policy, as well as develop their skills in negotiation, debating and strategy. Participating this year are 30 students from RSM and 82 students from RSM's seven CEMS partner institutes: Corvinus University in Budapest: University of **RSM**

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Cologne in Germany; University of St. Gallen in Switzerland; ESADE Business School Barcelona in Spain; Università Commerciale Luigi Bocconi Milan, in Italy; and Vienna University of Economics and Business in Austria.

Representing interests

Students have been preparing for this event all semester. The event is a negotiation exercise emulating COP22, during which they must act as delegates establishing new targets for reaching the goal of greenhouse gas neutrality by the second half of this century. Each student has been assigned a country, organisation or industry (or role as a facilitating Chair) and must represent its interests.

In the lead up to the event, background papers have been submitted detailing their nation, industry, or NGO's current climate policy, and critically an analysis of the capability to both further mitigate greenhouse gases and adapt to the consequences of climate change. Positioning papers have been submitted responding to the meeting's agenda items ("as stipulated by the honourable chairs of COP22") based on predictions of negotiation strategies that will be taken at the real COP22. Students have also submitted a "secret positioning paper" that has been circulated within their team of delegates, detailing the tactics they will use and the issues they will argue for and against.

The moment the two-day event begins, delegates begin posting propaganda on the event's social media site: statistics on the impact of the meat industry on CO_2 emissions for instance, or the role of the aviation industry in supporting the global economy. Fossil fuel representatives have already taken the opportunity during a city tour to inform fellow delegates of the importance their industry plays in the global economy. And as the doors open for the official start of the event, activists from the environmental non-governmental organisations (ENGOs) stage a flashmob blocking the entrance to the plenary room.

The goal of all this, explains RSM's CEMS course director <u>Dr Steve Kennedy</u> is for "students to gain an understanding of the negotiation process as it happens in real life; to develop advanced knowledge of how to formulate a negotiation strategy and to apply it in an international negotiations settings." Advanced indeed. As the event unfolds an unwitting observer might be forgiven for thinking they had stumbled into a genuine international negotiation.

The bulk of negotiations will take place during three separate plenary sessions held simultaneously, beginning at 09:30. While the sessions take place, a stream of updates on the event's social media page will keep delegates informed of developments in other sessions; 'media' will publish official updates on the event website, and coalitions will be in contact via instant chat. The three topics up for agreement: Market Mechanisms, Mitigation and Adaptation.

Negotiations in the Mitigation Plenary Session

The plenary session on Mitigation proved the most adversarial of the three sessions yesterday and the slowest to make progress. While a draft resolution has made that must now be voted on, Saudi Arabia, Russia, and India were stalling discussions. Delegates from Saudi Arabia in particular were blocking heavily as part of their tactic to avoid increasing their commitments.

Is all this acrimony taken seriously on the part of the delegates, or understood as just part of the role-playing? "It is part of the role playing but it is also taken very seriously," explains Steve. "Sometimes we need to check in if a student is taking it personally as it can be hard to know where the boundary is."

Likewise for an observer. In the mitigation session today, the Chair welcomes its "distinguished delegates" and urges them to reach a consensus on several issues:

- 1) global average temperature increase;
- 2) country specific percentage reductions by 2030;
- 3) the peaking of global greenhouse gas emissions;
- 4) finance in relation to the Fund 2020+; and
- 5) compliance.

In an uncanny imitation of real life, a dispute as to what issues should be discussed immediately ensues: there seems to be an overlap with the adaptation working group on financing, and discussions are stalled for half an hour.

There is no impression of play-acting here. The Chairs manage discussions following protocol down to the letter. Each delegate is given their turn on the floor, introducing their points with: "Honourable chairs, distinguished delegates" and articulating their case clearly and concisely. Every point is astonishingly on the mark. The only three academic staff present sit inconspicuously in the back row; rarely intervening.

Each delegate's strategic position becomes increasingly clear as negotiations unfold. Among the most vocal are those from Saudi Arabia and the Small Island nations – who take polarised positions – as well as the ENGOs such as Greenpeace and WWF, who use banner waving and other emotive tactics. Saudi Arabia, for instance, argues adamantly against any compliance measures, claiming that punitive actions such as stopping funding will ensure countries fail to meet any targets at all and that sanctions will give an incentive for countries to deliberately set low targets for themselves. The Island States, for whom rising sea levels mean certain extinction, push for moving the discussion onto emissions, becoming increasingly fraught as Saudi Arabia and other nations engage in circular arguments on the technicalities around compliance.

Meanwhile, a press release has been published on the social media site: the ENGOs and Industry

Representatives formed an alliance last night proposing a taxation on meat production, the proceeds from which could be used to fund all afforestation and anti-deforestation efforts. Argentina is quick to respond online with a vigorous rebuke: "Asking for a tax on meat production will drastically increase world hunger ... oil and gas simply want to target another industry to remain safe during the panel discussion."

After lunch, another announcement is made: the Indian delegate has agreed to enter a Foreign Direct Investment (FDI) partnership with the US in order to reach the ambitious goal of an emissions peak in 2030. India had been blocking negotiations with Saudi Arabia, but now looks set to support a new landmark agreement for the Rotterdam COP22.

Back in Mitigation, voting begins, with each point ratified with a strike of the gavel by the Chair. Voting progresses smoothly until the Chair reaches the points on sanctions, with the delegate of Saudi Arabia refusing to endorse any sanctions and Argentina accusing the delegate of "hijacking negotiations". The Chair finally diffused tensions by opting for a majority vote.

Another deadlock is met when the discussion returns to the temperature goal, with both Saudi Arabia and Russia refusing to agree on the 1.5°C goal. The Russian delegate causes an outburst of derisive laughter when she says they will vote for 1.5°C if the EU and the US agree to drop trade sanctions against them. But a short caucus causes a surprise turnaround: the EU and US agrees to discuss dropping international sanctions against Russia if Russia concurs on the 1.5°C target.

Saudi Arabia is now the only country opposing the 1.5°C goal, continuing to argue that it would lead to a drastic reduction in fossil fuel usage and that Saudi Arabia would have to be compensated accordingly. The delegate threatens to not ratify the final agreement if the 1.5°C goal remains. Urgent calls are made for Saudi Arabia to endorse the proposition with much rapping on the tables – leading to a dramatic climax when Saudi Arabia walks out of the room. This is met with a standing ovation from the ENGO representative, and the Chair agrees to endorse the point on a majority basis, without Saudi Arabia's vote.

Hard to find common ground

After the meeting, Simon Reuch from the University of Cologne summed up the experience: "It's changed my perspective on the Paris agreement. Now I can see how hard it is to find common ground and why so many compromises end up happening."

Final Voting: Rotterdam Agreement Passed

Negotiations have been going on intensely since 08:30, but there is no sign of weariness among the delegates when they convene for final voting on the Rotterdam COP22 Protocol at 14:00. Throughout the vote, discussions persevere as intensely as ever, with demonstrations by the ENGOs who hold up banners and rap on the tables.

Despite this, all proposals on Market Mechanism and Adaptation are approved by consensus and, after lengthy discussions that cause the session to run into overtime, those on Mitigation. Most importantly, the parties reach a consensus on both a global emissions peak in 2025, and on the 1.5°C target, despite Saudi Arabia not ratifying the agreement – an option that can be exercised by the president when only one party is not in agreement. The COP22 Rotterdam Protocol is ratified – and all delegates raise their flag.

The event's 'best negotiators' are then announced as voted by the delegates: Yann Liasse and Matthijs van Huijgevoort, the two working group chairs from Market Mechanisms, from Rotterdam School of Management, Erasmus University.

How did students find the event?

So what did students learn from this foray into international negotiation? Professor Rolf Wüstenhagen from St Gallen leads the debriefing that concludes the event. The delegate for China says, "This was a tremendous task: you really needed to balance what was good for your country with what was good for other countries, so it was about balancing domestic and international needs, short-term and long-term needs. I was surprised at how realistic it became."

Toothless tiger?

One of the lobbyists says he was shocked at how easy it was to get countries to make concessions. Others agreed, saying that, in order to reach a consensus agreement, so many pieces had to be taken out that you ended with something completely different. Was the agreement in the end just a toothless tiger?

"Sometimes it looks good but there's nothing behind it," says one delegate, "and it's the same with a lot of official documents."

Those with the least interest in committing for instance, were in the stronger position, says the delegate from the Philippines. "At the extreme ends, the incentive to not co-operate was very strong, so those most committed ended up being the most willing to compromise."

The US delegate is surprised at the difference in bargaining power between countries: "To see the bargaining power that certain countries have over others has really surprised me. When the US said it could not ratify one part of the agreement it was immediately taken off. Their bargaining chip is higher, it's as simple as that. I knew this in theory but when you see it in reality, it is incredibly educational."

Saudi Arabia is thanked for creating such a realistic dynamic. But how did Saudi Arabia feel about the agreement going ahead without her vote? The delegate says, "Perception was not a

consideration. We needed to act on Saudi's policy and it was difficult to find allies because we had differences on why we wanted to block different initiatives. It was exhausting though, no one agreed with me on anything. In reality Saudi Arabia would not participate without any allies, so I think it was unrealistic that they would have moved on without our vote."

One of the ENGO representatives points out that there might be a better way of thinking about these changes in the future: "Everyone equates reducing CO_2 with reducing wealth, but if there were an alignment between wealth creation and CO_2 reduction things would move faster."

The event wrapped up with a speech by Professor Rafael Sardà from Esade: "This is the grim reality. We need to decouple wealth from environmental impact, or we are going to go into the great collapse. You need to act. If you want to become a good manager for this century you need to choose: the great decoupling, or the great collapse? It's in your hands."

Rotterdam, May 2016