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Climate Panel Offers Ways to Raise Cash to Cope

By **NEIL MacFARQUHAR**

UNITED NATIONS — After grappling with a fundamental deadlock between rich and poor nations over [climate change](#), a high-level [United Nations](#) panel on Friday proposed a smorgasbord of ways to raise \$100 billion annually to help developing countries cope with global warming.

The standoff over who should pay the bill for environmental degradation has bedeviled efforts to forge an international agreement to address climate change. The panel did not fully answer the question, but said potential revenue sources included raising up to \$10 billion from some manner of tax on airline flights and international shipping, \$10 billion from a tax on financial transactions and \$10 billion taken from the fuel subsidies provided by some developed nations.

The solutions face considerable hurdles, not least the United States' resistance to putting a market price on carbon emissions, a cornerstone of [the panel's report](#).

"We have narrowed down the different options," Prime Minister [Jens Stoltenberg](#) of Norway, co-chairman of the panel, said in an interview. "We have not made a blueprint where we solve all issues related to climate financing."

International leaders agreed at the contentious meeting in Copenhagen in December that the developed world would come up with \$100 billion a year by 2020 to help alleviate the affects of climate change in the developing world. But there was little consensus on where the money would come from, particularly during an economic crisis.

The attitude of the developing nations was that the industrialized world caused the pollution, so the richer states should cut a check for reparations and another check to help pursue clean development. The richer nations balked at the prospect.

Some of those differences remain in the report: the developing world thinks the financing should come in the form of public aid, whereas the developed world wants to rely heavily on private investment, for example. The differences were indeed on display

during the release of the report.

“As Africans, we’ve contributed virtually nothing to the environmental mess our planet is in,” said Prime Minister [Meles Zenawi](#) of Ethiopia, the other co-chairman, addressing a news conference by video link from his country. “The prospects for sanity and justice do not appear good, but I refuse to give up.”

Among other things, the money would be needed to improve irrigation and other agriculture methods affected by changing climate, to bolster coastlines threatened by rising seas or to preserve forests that help absorb greenhouse gases.

Mr. Stoltenberg said that he did not expect the panel’s recommendations to be endorsed wholesale at the climate change talks next month in Mexico, but that they should help move the process forward and perhaps lay the foundation for an international fund for potential revenues.

Environmental advocates endorsed the findings as a sign that the deadlock over financing could be resolved, if not immediately. “It shows that you can raise the money,” said Steve Howard, the founder of the Climate Group, an organization pushing for a [climate change agreement](#). “It shows that climate finances are firmly on the table.”

The 21-member United Nations panel included [Lawrence H. Summers](#), the White House’s departing national economics adviser; the billionaire financier [George Soros](#); Ernesto Cordero Arroyo, the finance minister of Mexico; and Christine Lagarde, the French economic minister.

Both the panel leaders and the advocates say the next challenge will be generating the political will to follow suggestions like levies on international transportation that airlines and shipping companies of richer nations would have to pay

But not every nation has to agree on every suggestion, Mr. Stoltenberg said, and advocates praised the panel for at least producing ideas. “They have laid out a menu,” said David Waskow, a senior adviser on climate change for Oxfam. “What governments and political leaders need to do now is to take items off that menu and create a meal.”