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Paper Title: Climate Change Regulation in Argentina: Opportunity, Obstacles, and Lessons for the Next Kyoto

Abstract: Argentina, one of the first developing nations to sign on as a Kyoto Protocol participant, illustrates many of the challenges of climate-change regulation in useful microcosm. Our research addressed the country's domestic attempts to address carbon emissions as well as the effectiveness (or lack thereof) of the Kyoto "clean development" mechanism ("CDM") in driving renewable projects in the country. We sought to answer the question whether a successor agreement to Kyoto might improve the prospect for clean development in Argentina through smarter, better informed mechanisms—or whether the fundamental obstacles to such development are domestic issues (e.g. lack of political will, economic weakness, and self-defeating regulation). Also of interest was the parallel between efforts to address climate change in Argentina during periods of economic turmoil and current attempts to jump-start such regulation in the U.S. during recession. And, the paper addresses the question of how greater U.S. engagement with the climate change issue would impact Argentina's approach to greenhouse gas ("GHG") regulation. Broadly, we concluded that existing domestic regulation aimed at limiting GHG emissions was more "hot air" than real action, and that regulatory obstacles presented a substantial barrier to Kyoto-driven clean-development in the country (and, moreover, that even if such projects were to flourish in the country, there was reason to be skeptical of their actual efficacy). Our discussions with an eclectic group of attorneys, government officials, businessmen, non-profit representatives, and others led us to conclude that these obstacles were well entrenched. The upcoming "Copenhagen" round of climate change negotiations—aimed at redrawing the rules of Kyoto in time for its 2012 expiration—give these questions concrete and immediate relevance. International pressure and U.S. engagement could not only make the cap-and-trade scheme more workable for Argentina, but could conceivably draw Argentina into committing to legally enforceable emissions targets itself. That move, we believe, is ultimately necessary to drive meaningful action on GHG reduction in the country, and could give the country a valuable opportunity to reassert itself as an engaged and sophisticated participant on the world stage.