



Memorandum to Minister Van Schalkwyk

Date: 5th of March 2009

We note that:

- Global temperature rise is now just short of 1 degree Celsius; and
- Impacts are already ahead of schedule with several natural positive feed-backs kicking in, such as the loss of the albedo effect from arctic sea ice, accelerating rates of methane release from permafrost peat bogs, the reversal of land sinks to sources documented for some areas as well as the saturation of ocean sinks;

We therefore believe that there is no safe level target.

However, emissions to date mean that the world is already committed to a further rise in temperature.

It is therefore imperative that national states commit to a programme aimed at keeping warming below 2 degrees.

This implies that CO₂e concentrations should not rise higher than 450 ppm. It also means that, if 'required by science' is to mean what it says, the RBS targets are too conservative even allowing for developing country differentiation.¹ Further, any delay in committing to and implementing reductions will create a required by science need for ever sharper reductions and will incur escalating mitigation (i.e. development) and adaptation costs. Therefore, South Africa should aim for peak emissions no later than 2015. This is irrespective of the commitments undertaken by other countries.

Climate change is but one aspect of global environmental change threatening economies and people's livelihoods. Environmental 'services' are now in jeopardy in many areas of the country and engineered responses will become increasingly expensive and infeasible.

Further, the environmental crisis is paralleled by two other crises:

- increasing political and economic turbulence associated with a declining US hegemony;
- the global depletion of fossil fuels and oil in particular.

This makes for a triple crisis for the current system of capitalist development. It must be emphasised that the poor live in a state of crisis now and that this crisis is also the creation of the system.

The interaction of these three dimensions of crisis will be complex and contradictory. Thus, global economic recession now presents the best hope for achieving a credible reduction in carbon emissions. This is the starkest indicator that the present development regime is unsustainable. Peak oil and escalating energy costs add a further recessionary dynamic. In itself, however, peak oil creates incentives for greater

¹ This target is based on IPCC AR4 which was widely criticised for being at least two years behind the current scientific literature because of the rules governing the acceptance of evidence.

carbon intensity as much as for a turn to low carbon energies. We note that the long term trend to reduced energy and carbon intensity has been reversed in this decade. The carbon intensity of all economies, north and south, is now increasing.²

We note that RBS is uncosted because it cannot be achieved within the confines of current planning models. The assumption that informs these models is that economic growth constitutes the central organising principle of development. This, we believe, is what determines the bounds of realism in planning. This realism, however, appears increasingly unrealistic in the context of the triple crisis which has been brought on precisely by this realism.

We therefore share the LTMS view that RBS takes us into uncharted realms. This contrasts with many of the ‘wedges’ which were developed within the bounds of planning realism. Some wedges indicate pathways leading out of these bounds but others appear to be based on interests vested in the present realism.

We believe that the best hope of surviving these crises is to radically redefine what is meant by development.

First, the central organising principle should be sustainable development founded on economic, social and environmental justice. This means a commitment to growing human solidarity and equality as well as a relationship to the environment which enhances rather than degrades the functioning of eco-systems both for their intrinsic value and for the eco ‘services’ they provide. The Constitutional justification of such a redefinition is found in the environment right.

Second, peak oil implies a compelled shift to economic localisation. Climate change does not in itself compel such a shift but it is essential to any serious programme of mitigation. This means that national resources should be focused on supporting people’s capacities to direct local development.

Third, if we are to address climate change, the energy system must be reviewed as a matter of urgency. Such a review should start with the new build programme and the focus on energy intensive industries and development. Overall, energy systems including power generation should be localised and placed under people’s common control. Maintaining a level of national and regional grid capacity will remain important and this capacity should be provided by renewables. An aggressive programme of renewable energy, including solar water heaters, should therefore be prioritised. Supporting the capacity for local production of renewable energy components should be made central to industrial development policy.

Fourth, the transition to a different energy and development order will require energy inputs from the declining fossil fuel system. If these investments go into the declining system, they will represent a permanent loss. In the period between now and the target peak emission date of 2015, fossil fuel resources should therefore be used to build the new system.

Fifth, is the most basic form of energy for people and food system must be thoroughly transformed to enable people to define and take control of production and consumption and hence of their own futures. In the words of the Nyeleni Declaration on food sovereignty, this transformation should be based on people’s right “to healthy and culturally appropriate food produced through ecologically sound and sustainable methods ...”

² Raupach, M., G. Marland, P. Ciais, C. Le Quéré, J. Canadell, G. Klepper and C. Field, 2007. *Global and regional drivers of accelerating CO₂ emissions*, Proceedings of the National Academy of Sciences available at www.pnas.org.

In summary, we believe that a transition from policies based on the Property Right to policies based on the Environment Right is urgently needed and would have the following elements:

- The rejection of the current rules of international relations, finance and trade, including the repudiation of the monetary debt that the North claims from the South and a demand that the ecological debt owed by the North to the South be honoured;
- Taming finance capital and markets through the use of a Tobin tax,³ exchange controls or other means to moderate exposure to global economic volatility;
- Dismantling the power of corporations which is presently guaranteed by the state – or, more accurately, the international system of states – and expanding the space of people’s common control of resources and production through institutions that they create.
- Fair trade and exchange at all levels (local, regional and global), including increased protection for vulnerable industries, such as textiles and clothing, that will be difficult to re-establish following a contraction of global trade;
- The use of green taxes, including carbon taxes, to reflect externalised costs of production;
- A transition to sustainable energy systems under people’s common control, based on decentralised renewables and energy conservation, with the subsidy to fossil fuels transferred to renewable energies. Energy would need to be shared equally between all to ensure that everyone has enough. Similarly, local, national and global carbon allowances must be based on equal shares for all within the limits necessary to avoid global warming of more than 2°C;
- Zero waste, including the return of organic wastes and sewerage to local energy systems and to soil fertility and the design of production and products such that all wastes are reconceived as resources;
- A major expansion of public transport systems and dramatically reduced use of petroleum to prevent the economy being drained by rising oil prices;
- The reconfiguration of urban space to shift away from consumption neighbourhoods defined by class and to reintegrate the poor into central areas while also putting amenities and jobs within walking distance for most people;
- Sustainable building with housing and workplaces that do not impose high costs for people to be comfortably warm or cool, built with low energy building materials such as earth rather than cement;⁴
- Support to local economic development – which may in any case be stimulated by escalating transport costs – with expanding local demand through increased employment and grants;
- Local organic food production linked to people’s markets as part of a broader turn to organic and permaculture production technologies coupled with accelerated land reform;
- Sustainable water management with neighbourhood sewage systems providing energy, manure for urban agriculture and recycled water;
- Securing people’s health and well-being, requiring both a radical reduction in pollution and provision of housing and services designed to meet people’s needs rather than being designed for cost recovery;
- Conservation of local ecologies and biodiversity to ensure both the sustainability of ‘ecological services’ and as accessible local amenities;
- Ensuring inclusiveness and people’s participation while interrogating the exclusive implications within the consumption economy.

³ A Tobin tax is imposed on international financial transactions. So foreign investors in the stock exchange would pay a small percentage of the amount that they invest in tax, both when they put the money in and when they take it out. The effect is to discourage purely speculative investments.

⁴ Cement making is one of the most energy intensive industries. In South Africa, the industry is angling to switch to waste incineration to reduce energy costs. This would make it even more pollution intensive and is vigorously opposed by groundWork.

Furthermore, we are calling upon the Minister, in the name of rising carbon emissions and South Africa's position as a major emitter of greenhouse gases, to act urgently and with bold swiftness to reduce emissions and provide adequate mitigation measures. In specific, we are demanding that:

- Moratorium on building coal-fired plants after Medupi and Bravo (i.e. from 2013)
- Immediate moratorium on any new coal-to-liquid plants
- Immediate moratorium on nuclear power
- Treasury institutes its fossil fuel level (ZAR0.02/kWh) with immediate effect, revenue from this to be ring-fenced for Free Basic Electricity (100kWh per person per month). This to be followed by a staggered implementation of carbon taxation
- A state subsidised roll-out of 1 million solar water heaters by 2020, which would substantially reduce household energy costs;
- A minimum of 15% of all electricity to come from RE by 2020, 50% by 2050
- Energy efficiency in RDP housing a mandatory measure by 2015

Finally, the LTMS says that RBS will be robust if an "international climate consensus is reached and is effective". Thus far, consensus and effectiveness have not gone hand in hand. In particular, we believe that the carbon trading regime brought into being at Kyoto is counter-productive, that it shifts northern responsibilities onto the south and replicates patterns of global inequality, that it opens the door to speculative distortions including the gaming of the system, and that it has not and will not prove effective in reducing emissions. CDM effectively transfers rights in future emissions from south to north. Using a tax on CDM to provide the resources for technology transfer compounds the problem. It taxes development in the south at the same time as it taxes carbon savings rather than emissions.

Further, the LTMS implicitly links the international climate agreement with the trade regime presided over by the WTO, saying that RBS is robust if there is a "high degree of trade integration and globalisation". We note that globalisation has significantly contributed to increased carbon intensity, that the WTO agenda is to promote the expansion of trade through opening southern markets to northern corporations while allowing northern countries to protect their economies, and that the WTO agenda on intellectual property rights contradicts UNFCCC commitments to technology transfer.

Delivered by:

Accepted by: