

Climate Chronicle

CRITICAL NEWS & CLIMATE JUSTICE PERSPECTIVES

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Divide and rule: paving the way to an unjust deal

As climate talks enter their final phase, Oscar Reyes outlines the hardball negotiating tactics being adopted to force a weak deal that favours industrialised nations.

With thousands of activists gearing up to “turn Copenhagen into Seattle” at protests on 16 December, the UN climate negotiations are increasingly being driven by the type of “divide and rule” techniques that are commonplace in discussions on world trade.

“It seems they are using WTO tactics.” says Angelica Navarro, Bolivia’s chief climate negotiator, who also represents her country at World Trade Organisation talks. “The WTO is very well known for its exclusive and untransparent, undemocratic processes and that is what is happening here right now.”

Inner circle

Connie Hedegaard, the President of the Conference and former Danish environment minister, convened a closed door meeting of ministers from 48 countries on Sunday with a broad remit covering emissions targets and short term climate funding for the poorest countries. It marked the return of the “Circle of Commitment” format, which caused controversy early in the talks when a draft declaration coordinated by the Danish government was leaked to the London-based *Guardian* newspaper.

The Danish hosts defend such moves as a technical means to speed up negotiations.

But the flip side of this is the exclusion of a majority of countries from a key part of the negotiating process, including many of the most vulnerable to climate change and economically poorest of the 194 signatories to the UN Framework Convention on Climate Change (UNFCCC).

“We want to be part of the decision making process and we want our voices to be heard at all levels, not a solution crafted by a handful even if they are the more powerful” said Navarro.

The informal meetings hosted by the Danish Presidency are similar to the “mini-ministerials” used by the WTO to set the agenda for global trade talks. Such meetings are typically coordinated by a grouping of rich, industrialised countries, with the participation of a regionally balanced (but unrepresentative) selection of developing nations.

No criteria for inclusion or exclusion from these meetings have been published, although an anonymous source close to the negotiations told the *Climate Chronicle* that the developing country participants were hand-picked for their willingness to sign up to short-term financing at the expense of longer-term climate finance and the ambitious domestic reduction targets that are central demands of a majority of developing countries at the Copenhagen talks.

Partisan summaries

The “mini-ministerial” over the weekend followed the surprise release on Friday morning of new negotiating texts by the Chairs of the two main working groups through which the Copenhagen negotiations are being conducted. The Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) saw a draft of over 180 pages whittled down to a seven

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FEATURE

Fossil’s white knight: Eskom and the World Bank

A report launched today by groundWork and Friends of the Earth International

South Africans are opposing a US\$ 3.75 billion loan from the World Bank to South African state electricity utility, Eskom, for building two new coal fired mega power plants. Eskom is still negotiating for that to be increased to \$5-billion. If approved, the loan would be more than double the Bank’s global lending for renewable energy. This would be the largest single loan ever made by the Bank to any African country.

Bobby Peek, Siziwe Khanyile and Lucy Baker discuss the downside of World Bank involvement in energy production.

Globally, the Bank has claimed a leading position on funding sustainable development and addressing climate change in particular. It claims that the purpose of this loan is to help Eskom and the electricity sector “achieve financial stability, increase generation capacity and efficiency, and adopt a low-carbon trajectory”. But there is nothing ‘low carbon’ about Eskom’s new build, which is based on carbon intensive coal fired power.

Two new power plants are slated for completion over the next eight years and will expand generation capacity by nearly 150%. According to the Bank, these mega CO₂ emitters are a down payment for a greener future for South Africa, but the irony is that these two new plants, Kusile and Medupi, already under construction, will be the third and fourth largest coal based power plants in the world, adding to South Africa’s already skewed CO₂

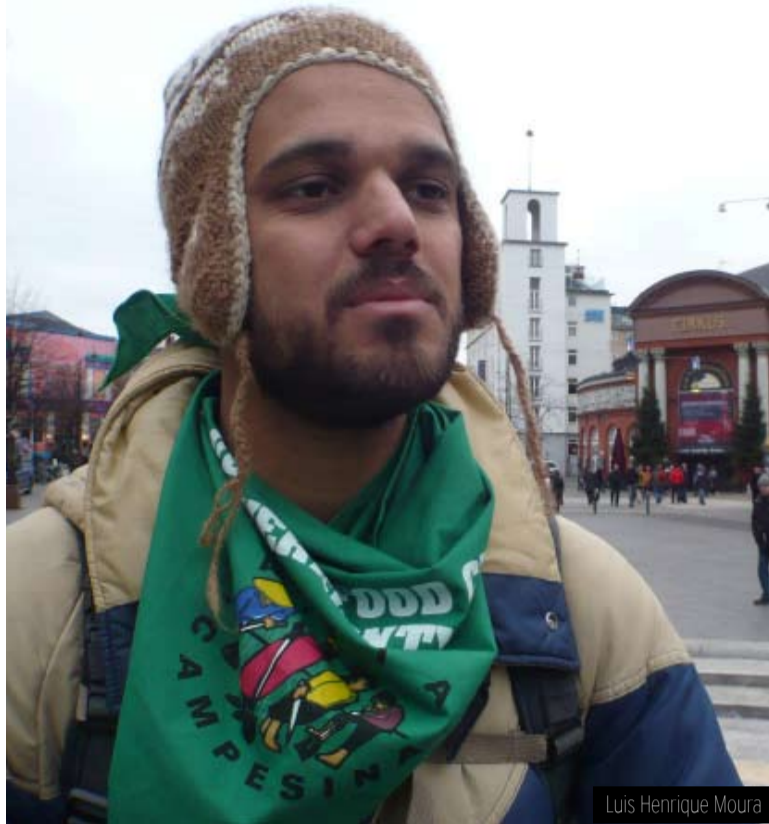


emissions relative to other African countries.

Thus far, Eskom’s major source of funding has been its single ‘shareholder’, the South African government. In February 2008, South African Finance Minister, Trevor Manuel, announced a US\$ 6 billion ‘subordinated’ loan to Eskom from the South African Treasury. This was supplemented in 2009 by Treasury guarantees for a further US\$ 23 billion of Eskom debt that would cover the Bank loan as well as commercial loans. Already the Bank loan was used to leverage further investment in Eskom’s plans to the tune of US\$ 2.5 billion from the Europe via the African Development Bank in November 2009.

The bulk of South Africa’s electricity generation is mainly for large industrial users, and not for citizens. South Africa provides the cheapest power to its industries for its export led development paradigm. The story to the public is that the cost of new build will be shared by all the parastatal’s customers. The truth, however, is that Eskom sells to energy intensive industries such as metal smelters under long term supply contracts at very low rates – below cost in at least some cases. Earthlife Africa says that at least 12% of Eskom’s customers may be exempt from the price rises because of special agreements, but there is no way to verify this because the contracts are kept secret.

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Luis Henrique Moura

Confronting the Climate Circus

Over the weekend, activists and social movements took to the streets in several large demonstrations around the world to confront the climate circus. **Tamra Gilbertson and Ricardo Santos** report back on some of the actions.

In Copenhagen, Saturday 12th began with the NOAH Flood for Climate Justice Demonstration, which ended at Højbro Plads. The big international 12th of December *Day of Action on Climate Change* started at Christiansborg Slotsplads (Parliament Square) with estimates of 100,000 people on the streets. The group marched across the city to the Bella Centre, where international UNFCCC negotiators have been holed up over the past week debating texts that some in civil society consider meaningless - even dangerous.

Sunday, the *Hit the Production at the Harbour* action ended with mass preemptive arrests of 257 people.

Also on Sunday morning, Via Campesina held a rally and march with street theatre and samba. It was dispersed by local police. The march then moved to the Klimaforum but the police blocked access, and it then ended near the Rehuset infopoint. It was hugely successful despite the police attempts to disrupt it. Via Campesina protestors focused on agriculture and the impacts of climate change on farmers. **Luis Henrique Moura** from Movimento dos Trabalhadores Rurais Sem Terra (MST, Landless Worker's Movement), Brazil, is in Copenhagen to protest against the false solutions to climate change. We spent some time chatting to him.

What are the links between agriculture and climate change?

In Brazil we have primarily two ways of seeing this - and this is what the *campesinas* feel. We have floods, which we did not have before, and a lot of droughts. We have cyclones, and our country has never seen cyclones before. This is all affecting how we produce food. The other thing that we are concerned about is the advancement of the false solutions. We have several *campesinas* being expelled from their lands in Brazil because of offset projects for creating parks for REDD (Reduced Deforestation and forest Degradation) projects. In Brazil we see these REDD-type projects as green capitalism.

What is the Via Campesina position on REDD?

There are projects of REDD in Brazil, Peru and countries in Africa. We know this because of other movements in Via Campesina that are denouncing these projects. In Brazil, for example, we have big projects in partnership with *latifundiarios* (large land holders). These *latifundiarios* produce soya and sugar cane on large extensions of land. They have their own protected forest zones and there is no discussion about agrarian reform. Another big issue is the sugar cane expansion for ethanol production. In Brazil we have families who cannot produce crops anymore. They are paid to produce only sugar cane, and they are expelled from the lands - or assassinated - if they do not comply.

The position of Via Campesina is that we cannot have market-based solutions, and not even the creation of funds, because every fund increases corruption in our country. We have to see a system change in rich countries, and in the South we need to have agriculture based on *campesina* agriculture, and not based on industrial agriculture.

What is the position of the Brazilian Government in the negotiations now?

The Brazilian Government does not take the worst position - Brazil continues to reject market proposals and defends the idea of voluntary funds. The [Northern] countries would make donations for the creation of the REDD. We have a contrary position on REDD. The Brazilian position is not a valid one, it is a false solution. Now the Brazilian position has many problems regarding ethanol because ethanol in Brazil depends on the *latifundio*. We have a lot of slave labour and just last year 5,000 people were liberated from slave labour.

There is degradation of the soil and water, and the Brazilian position also defends the

forests, but these are really monocultures. There are big multinational companies like Stora Enso or in Brazil, Aracruz has capital from Norway and these multinational companies have REDD projects and the Brazilian position defends them.

We see these problems in the Brazilian position. The Brazilian delegation is the biggest delegation in the conference, with 760 people, and the majority are from big companies such as the cellulose sector, ethanol, agribusiness and construction.

What kinds of changes are needed in *campesina* agriculture to deal with the impacts of climate change?

It is proven by many studies in many countries that *campesina* agriculture is better than industrial agriculture. We do not produce the same amount of soya by hectare because we produce many more crops, like mandioca, corn, beans. We produce food. The governments do not support *campesina* agriculture - on the contrary they support industrial agriculture.

We need to have strength so that the demands from the social movements are heard. We need mainly to change the system - the actual system that produces sugar cane and corn to feed the cars in the rich countries, also the cars in our country. This system can never have *campesina* agriculture as a base. We need to change the entire system into a system that has peoples' lives as a priority, whether they are in the countryside or city.

What do you think is going to happen during the talks here?

For us the COP 15 has nothing to do with discussions about climate or environment. The reality is that there is a clear discussion about continuing a capitalist market, and how it can be expanded into a market that we call green capitalism. They are discussing how to expand the markets of cellulose and how they can earn more money. REDD is discussing 50-60 billion US dollars per year for transnational cellulose corporations. How can we produce ethanol for agribusiness? But Brasil wants to expand production into Africa and East Timor.

The COP 15 is a circus, a big international theatre that puts forward climate change as a theme, but in reality discusses nothing more than how to expand capitalism while taking advantage of the debates on climate change.

www.viacampesina.org

Negotiations roundup

Barring the controversy over whether all parties have conceded to the fate of a political declaration as the final agreement of COP15, the biggest dilemma now appears to be around the lack of consensus (or even convergence) on technical issues. Although the "shape and structure" of this new outcome appears to be a vital sticking point, as Martin Khor of the South Centre points out, what remains may be considered a mere shell, the content for which is largely absent.

Country positions: Some of this hollowness manifests in the wide disparity in emissions reductions targets that remains more than halfway through the conference. Australia and New Zealand appear most brazen, making statements about foregoing Kyoto altogether in favour of a new Protocol. The EU has also offered views largely in keeping with this. At the other end of the spectrum, new consensus positions seem to be emerging within several small island states, stemming from the Tuvalu proposal of 45 per cent cuts on 1990 levels from 2013 to 2017 and limiting global warming to 1.5° Celsius temperature

increase. This also sees the retention of the Kyoto Protocol (KP) as an important legal instrument for addressing climate change. The opposite is tantamount to a failure of political will.

The possibility of a "two track" outcome still features prominently, with Track 1 being an agreement for a second period of deep emissions cuts by developed countries (except the US) under the KP post-2012. Comparable emissions reductions will be made by non-signatories to the KP (the US, in other words), while developing countries would agree to take mitigation actions backed by finance and technology. The subjection of both developed and developing countries to measurable, reportable and verifiable reductions also remains in question. What is most substantially lacking from the processes to date is an analysis of failures within the KP, most significantly the market mechanisms, and ways to correct these without getting dragged into the one-track process that developed countries are edging towards.

Divide and rule: paving the way to an unjust deal (CONTINUED FROM COVER)

page proposal, while the Ad Hoc Working Group on the Kyoto Protocol (AWG-KP) weighed in with a 27 page text, in which the commitments of Annex 1 (industrialised) countries remains blank. The AWG-LCA text will then be supplemented with a series of proposed Decisions to be circulated in a draft on Wednesday 5 December. A number of these, including proposals on international aviation and shipping, have remained stuck in closed working sessions with no channel for public scrutiny.

Initial reactions from developing countries indicated support for the paired down texts within the UN framework, but concerns were expressed at the timing and process that had gone into producing them. "I don't know who was consulted because even the Africa Group and AOSIS were not," stated Navarro of Bolivia, while Third World Network reported "surprise" amongst many delegates at the issuance of draft outcomes so early in the process.

The Chairs of the Working Groups are mandated to offer impartial summaries that can help formulate consensus, and a variety of such proposals exist that could form the basis of "a real bottom up process and approach" says Navarro. These include texts from the Alliance Of Small Island States (AOSIS), the Least Developed Countries (LDCs) and the Africa group. But the current summaries set out a trajectory that pre-judges the outcome.

This pattern has been repeated in various of the "contact groups," which are organised to gain clarity on key issues before their re-insertion into a unified negotiating text. In a recent meeting on market mechanisms, for example, the Chair overruled several countries who objected to the draft text even though all negotiations are supposed to be based on consensus.

Moving up the ladder

The arrival of Heads of State in Copenhagen this week is presented as an opportunity to "seal the deal", but most of

the key issues in the climate negotiations remain unresolved. These include the size and timescale for emissions cuts, the extent of the use of "offset" markets, and commitments on long-term climate finance. The form of any new agreement is also in dispute, with the European Union and Japan leading the charge to scrap the Kyoto Protocol, the current framework for legally-binding emissions reductions, while pushing for a new framework that would expand the carbon markets that were brought in under Kyoto.

The deferral of these issues is a sign that significant political disagreements remain, which tend to be divided along North-South lines. The leaked "Danish text" already signalled that closed-door negotiations with handpicked countries are a recipe for an unambitious and unfair agreement, reflecting a lack of ambition by industrialised countries.

Holding over these issues to the high-level segments of the talks can have tactical advantages, too, in a technique that Oilwatch International dub "Moving up the ladder." Delays in announcing key finance and reduction figures, or industrialised countries' intransigence to compromise, have left several issues backed up for resolution at the end of the negotiating process. This can, in turn, be used "to marginalise and overturn the positions of developing country negotiators who 'know too much' and are therefore seen as obstacles by developed countries to achieving their interests," explain Oilwatch. This tends to work in conjunction with strategies to ambush Majority World countries by pushing a sudden deal before they can assess the full implications.

Such concerns are already starting to be raised in Copenhagen. "The industrialised countries want to hammer out a large part of the deal on the last day, when the heads of state arrive," one senior African negotiator told the *Guardian*. "It's a ploy to slip through provisions that are not

amenable to developing country efforts. It's playing dirty."

Another tactic involves organising pre-summit discussions away from Copenhagen, which could yield a mix of trade-related threats and modest financial sweeteners to encourage a selection of developing countries to split from their counterparts. Most notably, Germany is likely to host a meeting of Pacific Island Heads of State early this week in advance of their arrival in Copenhagen, reported a source close to the negotiations who spoke to the *Climate Chronicle* on condition of anonymity. Short-term "emergency" financing is the likely inducement for cooperation, while connections established through bilateral free trade agreements are equally likely to come into play.

Bought support

Concerns have also been expressed that certain developing country delegations have been subjected to undue influence in the form of "support" measures for their participation.

The UK Department for International Development put together a J75 million "Awareness Kit" aiming to "firm up Bangladesh's negotiation positions and action plans," including a series of policymaker seminars in Dhaka and London. The Embassy of Denmark has chipped in a further DKK 1.14 million towards the costs of hosting a 126 member Bangladeshi delegation in Copenhagen. The money is being channeled through the International Union for Conservation of Nature (IUCN), which is headquartered in Geneva.

What is the return on this investment? The Danish COP15 website tells part of the story. "Bangladesh: Let the World Bank manage fund for nations at risk."

www.carbontradewatch.org

Oilwatch International's "Divide and rule: the politics of climate negotiations" provides further information on negotiating tactics, see www.oilwatch.org

The story reports that Ainun Nishat, a Bangladeshi delegate, has indicated that his country "might let World Bank manage the fund for a short term as per a condition set by the development partners." Nishat's day job is as Senior Advisor on Climate Change for IUCN Asia.

Box of tricks

Exclusion and undue influence take a variety of other forms too. Several negotiations have been conducted in English with no translation, despite an estimated one-fifth of all UN interpreters being present in Copenhagen. Rescheduling is also commonplace. "Everyone in my negotiating team reports sudden room changes which they are only told about last minute, so they therefore arrive late and have to sit at the back" says Navarro of Bolivia. "It seems to be more than a coincidence that the EU officials always know where the room is and get good seats where they can easily be seen by the Chairperson."

Ultimately, though, the biggest problem is the hardest to shift. An expanded set of carbon markets lies at the centre of plans to implement any agreement on reduction targets and finance, which would help the industrialised countries to continue avoiding their obligations (see "What's at stake?" *Climate Chronicle* issue 1). The pledges from Annex 1 countries remains entirely inadequate relative to the science, while little of substance has been presented on anything but short term "emergency" climate finance. These issues are unlikely to be resolved within a negotiating framework that adapts the problem of climate change to fit the assumptions of market economics, and one in which industrialised countries seem intent upon dodging their disproportionate responsibility for causing the climate crisis.

NEWS IN BRIEF

Latest texts

LCA - Devil lies in 'lack' of detail: The simplest way to describe the basic text proposed by the chair of the Ad Hoc Working Group on Long Term Cooperative Action (AWG-LCA) on 11 December is that it is vague and contradictory. The opening salvo of the section on shared vision, which should set overall emissions reduction goals, suggests that targets will be guided by "Best available scientific knowledge and supported by medium-term goals for emission reductions, taking into account historical responsibilities and an equitable share in the atmospheric space and supported by medium-term goals for emission reductions." But the text that appears thereafter provides a stunning impression of the indecisiveness on targets, with a possible range of 50 to 95 per cent reductions targets by 2050 (with these figures represented in brackets to signal a lack of agreement). In the context of a two-year negotiations process, and almost halfway through the Copenhagen conference, this inconclusiveness shows up the extent to which politics can trump scientific and moral imperatives.



Perhaps most worrying is the continued vagueness on where emission reductions will be achieved. Domestic efforts are qualified by the term "primarily", but no indication is given of actual figures. Even the "substantial deviation [in the order of 15-30 per cent]" for developing countries belies more serious questioning of how baselines are being defined in growing economies.

Some developing countries believe that the LCA text is becoming a more comprehensive document that serves to surreptitiously undermine the KP, so that the two will collapse at some point into one agreement. This may become more apparent as negotiations continue.

AWG-KP- CDM: There are a large number of issues being discussed in this group, although discussion on the ditching of the KP itself lurks menacingly in the background. The most significant concerns relating to the Clean Development Mechanism (CDM) concern the scope of activities allowed within it, with discussions on whether to expand it to include nuclear power, carbon capture and storage, and sinks. The Chair's emphasis was on resolution of these at a political level - perhaps meaning when the high level delegations descend. The most emphatic statement of all came out of the CDM Contact group co-chair, Christina Figueres, who said that no party at the plenary suggested that the CDM be dumped. She stressed, specifically to observer organisations, that the message be taken home.

Jatropha : Myths interrogated in Mozambique

Across southern Africa, jatropha is touted as a magic crop that can be grown on 'marginal' lands, both to aid financial security amongst subsistence farming communities, and as an answer to climate change and energy security. In a report produced this October by Justice Ambiental (JA) and Uniao Nacional de Camponeses UNAC), Daniel Ribeiro and Nilza Matavel reveal some untruths in these claims, and the mostly-hidden costs that farmers pay when they plant jatropha in Mozambique.



A typical jatropha plantation

In Mozambique, the debate on agrofuels has been fuelled over the past five years by industry speculation and demand, grand promises and foreign interests. Jatropha has been promoted as a potential agrofuel crop that can produce high yields on poor soils, has strong resistance to pests, and requires low water use and minimal maintenance. **JA and UNAC show that these perceived benefits are ill-conceived, under-studied and could contribute to an unsustainable trade.**

Grows well on marginal land and can produce high yields on poor soils?

No studies or interviews have shown this to be the case. To the contrary, nearly all jatropha plantations in Mozambique are on arable land, and require heavy use of fertilizers and pesticides. Despite this, they fall short of expected growth rates and yields.

About 70% of Mozambique is covered in forest and woodlands, and most new large scale agriculture projects will



Farmer on his farm with harvested peanuts

OPINION

More hidden impacts of "renewable energy" from bio-based fuels

*Heavily polluting countries are determined to maintain their high levels of energy consumption, pushing for the substitution of fossil fuels with liquid agrofuels in the form of biodiesel or bioethanol. Bio-based fuels are promoted as "renewable energy" and have been widely presented as being in the same class as low-carbon alternative energy sources, such as wind and solar electricity generation. **Wally Menne** comments.*

Having managed to create a popular misperception that 'bio-based' fuels are also "green and clean", the next step in the process of promoting public acceptance was to introduce targets based on percentages of transport fuels. This of course meant that fossil-fuel consumption could continue to increase - as long as the 'biofuel' percentage mix was maintained. In 2007, the EU agreed on a 10% by 2020 target, but this was reduced to 6% in 2008. Under George W Bush, the US came up with a goal of 30% by 2030, based on the desire to eliminate all petroleum imports.

However, this presented a problem in terms of how to mitigate CO₂ emissions from biofuels, which, contrary to wishful thinking, is anything but carbon-neutral. In the

US it was discovered that the energy input required to produce ethanol from maize was almost as high as the energy potential of the ethanol produced. To complicate things further, meeting the rather ambitious US target required that maize that had previously been exported as animal-feed was now needed to supply ethanol factories. In the EU, land availability was a problem, and even by utilising all previously fallow land, only a small part of the target could be met locally, and even then, only with substantial financial support in the form of direct and indirect subsidies.

The realisation that domestic production of agrofuels could never be sufficient to meet the targets gave rise to a surge in efforts to establish

replace natural vegetation. The industry definition of “unused” arable land disregards the importance of healthy ecosystems to either ecosystem services or human livelihoods.

Requires low water use and minimal maintenance?

Irrigation is required during the early development phase, even in areas where rainfall ranges between 800 mm and 1 400 mm. Constant irrigation is required in the south where rainfall is around 600 mm.

Resistant to disease and pests?

Jatropha is known to have high vulnerability to diseases, fungi, viruses, and insect pests. Where plants are heavily infested, they stop producing leaves and enter a state of stress, and farmers are required to remove them. Extensive use of fertilizers and pesticides has not solved these problems. Of greater concern is the growing evidence from both the subsistence farmers, and experts, that jatropha pests spread to surrounding food crops. The current food deficit, weak support and lack of “safety nets” that are

characteristic of the subsistence farming sector makes even minor impacts of severe concern.

No risk to food sovereignty and a development opportunity for subsistence farmers?

Jatropha plantations by subsistence farmers replace food crops. Given that about 87% of Mozambicans are subsistence farmers and produce 75% of what they consume, there are strong concerns about plans to encourage subsistence farmers to plant large areas to the agrofuel crops. This is exacerbated by the weak links that subsistence farmers have to markets, and that their lack of storage capacity, communication and information makes it difficult to benefit from cash crops. Price risks from slumps in the food agricultural markets are passed down to small farmers, and a shift to cash crops will reduce subsistence farmer resistance to food price fluctuations.

This article is an extract from a report produced by JA and UNAC, called *Jatropha - A socio-economic pitfall for Mozambique, funded by SwissAid.*

It can be downloaded at: www.viacampesina.net

Conclusions and Recommendations

The dominant arguments about Jatropha as a crop that does not threaten food-security, provides additional farm income, and is a potential driver of rural development, were misinformed at best and dangerous at worst. We recommend that support for jatropha development in Mozambique is halted until some of the major development issues surrounding subsistence farming are addressed and rural communities obtain food sovereignty.

In 2008, Mozambican civil society and subsistence farmers, released a declaration that called for prioritisation of food production, greater support for subsistence farmers, increased support for cooperatives, ensuring farmers' rights, respecting community land rights, and promoting food sovereignty.



Degraded land after tree felling

Biochar - A very bad idea!

So as to continue producing high levels of greenhouse gases, industrialised countries have cottoned on to the idea of burying charcoal in the soil in order to offset some of their emissions. Although based on the concept of *Terra preta*, an ancient agricultural practice once used in the Amazon, producing the amount of charcoal needed to make even a tiny dent in Northern emissions, would need huge areas of productive land to be converted to tree plantations. The resulting loss of carbon from destroyed vegetation and the soil; and through logging, transportation, processing and incorporation, would surely outweigh any potential sequestration, if the typical eucalyptus plantation in the photograph above were anything to go by!



Small scale biochar production is of benefit to rural communities, but it is a very different species from the large-scale plantations proposed.



People displaced by plantations often move to slums where living conditions are unhealthy to say the least.

agrofuel projects in developing countries, where it seemed there were vast areas of ‘marginal’ or under-utilised land, that could be instantly transformed into fields of sugar cane, jatropha, or canola. European ‘biofuel’ companies sprang up overnight and soon spread their eager tentacles across the African landscape, into Ghana, Tanzania, and Mozambique to list some of the more popular targets. The US set its sights on South America, with sugarcane derived ethanol from Brasil at the top of their shopping list.

But things were not to be as easy as the ‘biofuel bullies’ had hoped. On the ground resistance from communities threatened with the loss of their land, coupled with potential food shortages that pushed up prices overnight, has to some extent slowed down the huge Northern land grab. However, this does not mean that the problem has gone away, and the spectre of so-called ‘second-generation’ or ‘cellulosic’ agrofuels derived from wood has led to renewed interest in the prospect of using the Clean Development

Mechanism (CDM) or Reduced Emissions from Deforestation and forest Degradation (REDD) funding to establish vast alien tree monocultures over huge tracts of Africa, Asia and South America.



Pteromerhanophobia - the fear of setting high pollution reduction targets in aviation

The International Air Transport Association (IATA) was nominated for the Angry Mermaid Award for leading lobbying efforts by the major airlines against climate legislation, and for issuing misleading and “meaningless” pledges on reducing emissions. The organisers of the Angry Mermaid Award explain.

IATA is the main lobbying organisation representing the international airline industry. Its members include the world's leading long-haul airlines, such as American Airlines, British Airways, Cathay Pacific, KLM, Lufthansa, Qantas and United Airlines.

For over a decade, IATA has led the aviation industry's efforts against regulatory action on climate change. Its strategy has been two-pronged, including huge amounts of greenwashing, and blatant manipulation of its ecological impact. Its messaging has been described by the industry watchdog, Transport and Environment (T&E), as being “almost always 100% away from the truth”.

IATA insists that the airline industry is part of the solution to climate change, endorsing an industry-wide strategy to tackle climate change in December 2005.

Rather than taxes on fuel or emissions, it advocated green technology and infrastructure changes as solutions. Curtailed of the industry's rapid growth is never discussed.

It argues that “technology is the key” to solving climate change and claims that “aircraft entering today's fleets are 70% more fuel efficient than they were 40 years ago.” This is contradicted by a Dutch National Aerospace Laboratory analysis that found that “today's commercial passenger planes are no more fuel-efficient than their equivalents of fifty years ago and aviation industry claims of a 70% improvement in fuel-efficiency are false.”

IATA has also repeatedly played down aviation's contribution to climate change, arguing that “Air transport contributes a small part of global carbon dioxide (CO₂) emissions: 2%.” In fact, T&E

points out that the 2% figure “was true in 1992”, but “only for CO₂ emissions”. IATA seems to ignore the impact of nitrogen oxide emissions, contrails and cirrus clouds – the impacts of which are two to five times greater than that of CO₂ alone. One IATA lobbying document even claims that, despite all the evidence of aircraft being the fastest growing source of climate pollution, “Air transport contributes to the stabilisation of greenhouse gas emissions in the atmosphere by continuously increasing fuel and carbon efficiency.” In a myth-busting report, T&E argues, “The contribution of aviation to climate change is currently 4-9% at the global level and 5-12% in the EU.”

Lobbying to undermine the EU schemes to tackle climate change

IATA has led the industry's lobbying and advertising campaigns against aviation being included in the EU Emission Trading Scheme (ETS), one of Europe's key mechanisms for reducing emissions. Corporate Europe Observatory accuses IATA of campaigning “to fight or hijack the scheme in their interests.” IATA even encouraged legal challenges to the EU ETS.

In August 2008, its director general Giovanni Bisignani urged Australia to challenge Europe's “unilateral and illegal” move to bring aviation into ETS. “What right does Europe have, for example, to tax an Australian plane flying from Asia to Europe for emissions over Afghanistan?” he said.

Pre-empting Copenhagen

IATA worked on a proposal to pre-empt moves to include aviation in the Copenhagen talks. In September 2009, CEO of British Airways, Willie Walsh, announced that the aviation industry would cut carbon emissions to 50% of 2005 levels by 2050. This was intended to undermine regulation of the industry at December's climate talks. Moreover, the figures are flawed. The Aviation Environment Foundation (AEF) found that Walsh had talked about “net” cuts, which allows the use of emissions trading and carbon offsets to create the impression of reductions in CO₂. These are not real cuts.

To reduce net CO₂ emissions by 50% by 2050 (compared with 2005 levels) is actually far less ambitious than the targets set for other sectors. As T&E points out, the announcement was effectively “meaningless”.

At the World Business Summit on Climate Change in May, Bisignani presented what could be the true reason for his industry's promise of “carbon neutral growth”, “Like other industries, we should pay only once. If some governments still want to implement taxes [on aviation emissions], we should get carbon credits to compensate every penny of these taxes. ... we can make aviation the first global industry to achieve carbon neutral growth and I hope it will be a model for others to follow.” He also promotes the concept of certifying the potential industry shift to next generation agrofuels – there have already been some test flights.

IATA was asked to comment on its nomination for the Angry Mermaid Award but did not respond. www.angrymermaid.org



NEWS IN BRIEF

No deal, no cry: The sentiments & statements

Around the start of the COP15:

Lumumba Di-Aping, Sudanese by birth and chief negotiator of the G77 bloc, with tears rolling down his face, said, “We have been asked to sign a suicide pact.....US\$10 billion is not enough to buy us coffins..... I would rather die with my dignity than sign a deal that will channel my people into a furnace.”

LCA Plenary: 12 December

Tuvalu country statement: “Tuvalu's highest point is 4 m above sea level, with most people living in the 2 m range. It appears we are waiting for some senators in the US Congress to conclude before we can determine what will happen to the rest of the world... I woke up this morning and I was crying, which is not easy for a grown man to admit. Madame President, the fate of my country is in your hands.”

EU Presidency: “The world is watching us, people demand that we come to an effective agreement on how to fight climate change...together we can make Copenhagen a historic breakthrough...this can only happen with a new approach to these negotiations”

Logistical politics & limited access

The UNFCCC has informed observer organisations that access to the high level sessions will be limited, and that they will need passes to enter. Other ENGO groups will also want access to passes and these groups will need to decide on a process for distribution. Passes will likely be ready on Monday night for use from Tuesday. The number of cards are limited but they remain “blank”, so anyone from an organisation can technically use them. The restriction on access was given a dry run in Bangkok, presumably to work out kinks in a system that seeks tighter control over who comes in. Some civil society observers argue that this means that the more resourced you are, the better access you are allowed. The more political dimension side implies a desire to quell the “reclaim power” emphasis of grassroots groups who insist on decisions being made “with us if they are about us”. The entry of high level delegations and the tightening of security to accompany this may also be a considered a motivation for this move.



Fossil's white knight : Eskom and the World Bank (CONTINUED FROM COVER)

The urgent and contested question is: Who pays the environmental and social costs, and who benefits from Eskom's new build?

One size fits all – the Bank elsewhere

World Bank-supported energy sector reforms in Majority World countries, which began in earnest in the early 1990s, were founded on untested theories. Based on a model implemented in the UK, US, Norway and Chile, energy sector reform packages were included as conditionality for structural adjustment loans, and, more recently, poverty reduction strategies based on 'local ownership'. The legacy of such reforms, implemented with the technical assistance of international consultants, has created a scenario that has severely hampered the realisation of sustainable, pro-poor energy promotion.

Based largely on fossil fuelled grid-based systems, these reforms failed to consider that they were using a model implemented in countries where there was nearly universal access and few financial constraints faced by utilities. Almost the exact opposite was true in third world countries. In brief, the energy reform package consisted of the 'unbundling' of previous state-run energy utilities into separate generation, transmission and distribution companies, which are then privatised. This is required to attract foreign direct investment. Meanwhile, legal and regulatory reforms liberalise the rules governing energy supply, allowing independent power producers (IPPs) to produce and sell energy privately.

A decade later, this blanket imposition of power sector reform in third world countries shows minimal success. In his 2002 book *Fuel for Change*, Ian Tellam describes how difficult it was to implement these policies. Many borrowing governments felt that "privatisation of the energy sector amounts to externally imposed measures designed to benefit foreign investors". Drawing on research

from 13 countries in Africa, Latin America, Asia and Central and Eastern Europe, Tellam concludes that "the way the Bank is implementing its 'reform' programme... is not leading to sustainable energy". Instead it has pursued an ideological 'market-fixated' approach to energy development, "which is preventing direct support for rural energy, energy efficiency or renewable energy", and "prescribing privatisation for all countries as a panacea".

Policy confusion

The electricity sector was a priority sector for the World Bank and constituted 15 per cent of total lending between 1947 and 1991. However, there was a significant disconnect between World Bank policy and practice in terms of implementation of the reforms.

Eskom is rather more excited by 'clean coal' technologies and says these are already being applied to Medupi and Kusile.

Eberhard and Gratwick of the University of Cape Town surmise that in the case of the World Bank, "there appears to have been one official policy and one less official policy that was advanced on the ground". They state that, although the Bank never advocated outright liberalisation in official policy documents, Bank staff and consultants "appear to have advocated and ... implemented liberalisation in power sector reform" on the ground. Indeed in 2003 the World Bank's own internal evaluation body, found that, despite its formal policy, "the Bank mostly advocated privatisation (as well as private participation through management

contracts) as a means to achieving commercialisation."

Rural electrification fails energy poor

Rural and off-grid communities have also fared badly. A 2008 evaluation by the World Bank's Internal Evaluation Group on the welfare impact of its rural electrification suggests that the World Bank has done little to address this. It finds that only 7 per cent of dedicated World Bank rural electrification projects and energy sector projects have an explicit poverty reduction objective, despite the increased use and decreased cost of renewable energy technologies. The report states that "there is rarely any explicit consideration of how the poor will be included or of any poor-specific activities". Instead, the Bank has promoted an approach that favours communities nearer to the existing grid as a "least-cost" option.

The cost of the connection charge prevents the poor from accessing the grid and poor consumers therefore often fail to benefit from "lifeline tariffs" due to poor customer information. Bank support to off-grid rural electrification is typically through a private business model that pits social concerns and accessibility against "financial viability".

Token gestures

The Bank has included a renewable energy fig leaf in the deal. US\$ 260 million, less than 7% of the total loan, will be for wind and concentrated solar power. However, there is no convincing evidence that

Eskom is leaning towards renewables. At best, Eskom's plans show renewable accounting for only 2% of generating capacity by 2026. These plans included a 100 MW solar tower plant to be developed as a pilot research project. Announced with much fanfare, the project was quietly dropped when the corporation ran into funding difficulties. Eskom is rather more excited by 'clean coal' technologies and says these are already being applied to Medupi and Kusile. For the most part these are simply the latest coal burn technologies given a green spin. Some are mature technologies being applied in South Africa for the first time. Others have yet to be proven internationally.

Who covers the cost of new build in South Africa?

To ensure that the money is found to cover the costs of the New Build, there is an ongoing struggle between Eskom and society at large as Eskom attempts to increase tariffs by as much as 90%. This year the increase sits at 34%.

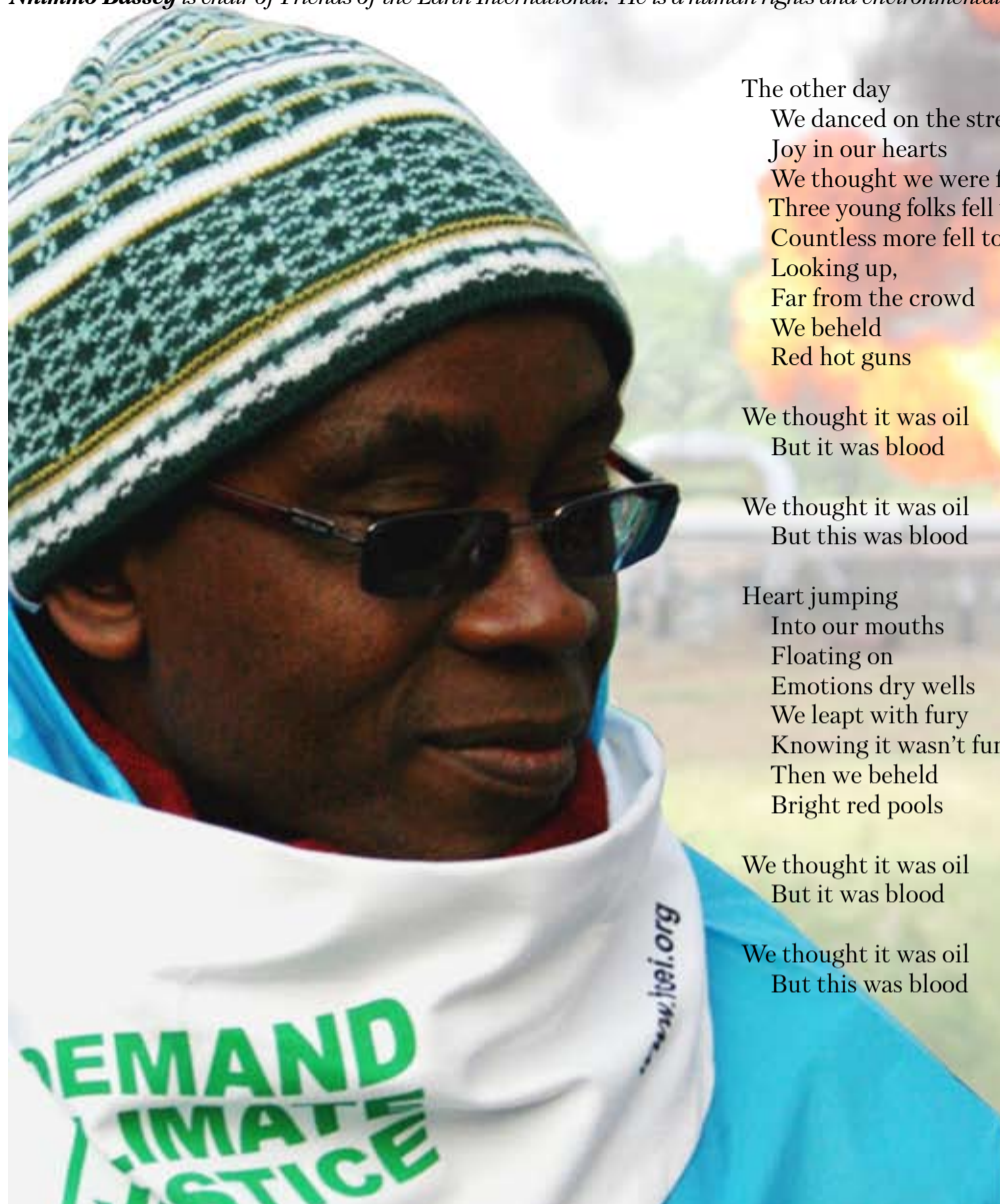
Eskom is bound by the hip to coal for the next 40-60 years because it is potentially investing in up to six new coal power stations, and not giving serious consideration to sustainable alternatives. Building more power stations takes the country deeper into debt. In this case, the country will be forced to make 'structural adjustments to secure repayments'. It will be South African citizens who pick up the bill.

The World Bank and Eskom : Banking on climate destruction, written by David Hallows, was launched today at noon. groundWork's climate change focus is around developing an understanding of energy in South Africa and how the 'quest for energy' by the South African government is taking us down an unsustainable path.

www.groundwork.org.za

WE THOUGHT IT WAS OIL, BUT IT WAS BLOOD

Nnimmo Bassey is chair of Friends of the Earth International. He is a human rights and environmental activist in Nigeria, where he focuses on injustices caused by oil exploration in the Niger Delta.



The other day
We danced on the street
Joy in our hearts
We thought we were free
Three young folks fell to our right
Countless more fell to our left
Looking up,
Far from the crowd
We beheld
Red hot guns

We thought it was oil
But it was blood

We thought it was oil
But this was blood

Heart jumping
Into our mouths
Floating on
Emotions dry wells
We leapt with fury
Knowing it wasn't funny
Then we beheld
Bright red pools

We thought it was oil
But it was blood

We thought it was oil
But this was blood

Tears don't flow
When you are scarred
First it was the Ogoni
Today it is Ijaws
Who will be slain this next day?
We see open mouths
But we hear no screams
Standing in a pool
Up to our knees

We thought it was oil
But it was blood

We thought it was oil
But this was blood

Dried tear bags
Polluted streams
Things are real
Only when found in dreams
We see their Shells
Behind military shields
Evil, horrible evil gallows called oilrigs
Drilling our souls

We thought it was oil
But it was blood

We thought it was oil
But this was blood

The heavens are open
Above our head
Toasted dreams in flared
And scrambled sky
A million black holes
In a burnt sky
But we know our dreams
Won't burst like crude pipes

We thought it was oil
But this was blood

We thought it was oil
But this was blood

This we tell you
They may kill all
But the blood will speak
They may gain all
But the soil will RISE
We may die but stay alive
Placed on the slab
Slaughtered by the day
We are the living
Long sacrificed

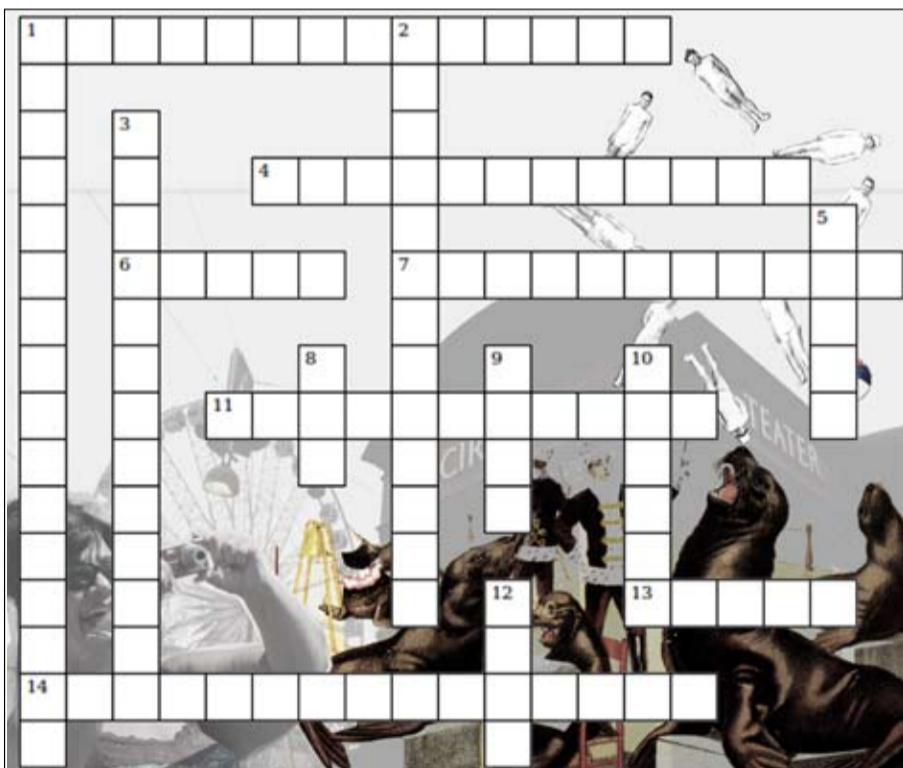
We thought it was oil
But it was blood

We thought it was oil
But this was blood

*Nnimmo Bassey
Dedicated to Oronto Douglas &
the youths of the Niger Delta.*

This is one of several poems in a collection by Nnimmo Bassey called *We thought it was oil, but it was blood*. The book is published by Kraftgriots, an imprint of Kraft Books, Ibadan, Nigeria.

CLIMATE CROSSWORD by Beatriz Martinez and Marianne Maecklebergh



ACROSS

- Person who is forced to relocate due to environmental disasters.
- Slogan of Climate Justice Action on 16 December.
- A Beatles rock star and an official constituency within the climate change process under the auspices of the UNFCCC.
- Quichua term which roughly translates as 'living well' and refers to the collective well-being of the community, the people and the natural world; 'buen vivir' in Spanish.
- An adjective often used to describe the workings of the UN climate negotiations; given to or marked by cheating and deception.
- Largest multi-national, emissions trading scheme in the world.
- Total amount of greenhouse gases produced to directly and indirectly support human activities, usually expressed in equivalent tonnes of carbon dioxide (CO₂).

DOWN

- Index designed to encourage carbon competition between companies, and which 'experts' are still wondering how to measure.
- Capitalist belief in the limitless abundance of the natural world; cause of both economic and ecological crises.
- Renowned author of *My Life with Dogs 1* and *2*.
- It's a kind of Harry Potter method used to make carbon offset schemes work.
- Known by some as Communities Death Mechanism; Acronym of the arrangement that allows Annex 1 countries to invest in ventures that 'reduce emissions' in developing countries.
- Planet where some powerful earthlings are planning to go next once they are done with planet Earth; Roman god of war.
- To diminish; a better option than recycling and one of the three R's.
- A desire accompanied by expectation of or belief in fulfillment; delusion that relinquishes the need to act.

Answers from Friday, 12 December 2009 **ACROSS:** 2. Chicago Climate Exchange 5. Frustration 7. Biodiversity 8. Pacha Mama 9. Sea level 10. Tipping point 11. Bingo 12. Kyoto Protocol 14. Ecological debt 15. Klimaforandringer **DOWN:** 1. Diplomacy 3. Lumumba Di-Aping 4. Recycling 6. Danish Text 13. Stern

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CARBON
TRADE
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Carbon Trade Watch promotes a critical analysis of the use of market-based mechanisms as a means of dealing with climate change. It is a project of the Transnational Institute.

The Institute for Security Studies (ISS) is a pan African policy-oriented research organisation that focuses on human security issues in Africa. The ISS Corruption and Governance Programme runs a project that focuses on the governance of climate change.



Earthlife Africa is a non-profit organisation in South Africa that seeks a better life for all people without exploiting other people or degrading their environment. Earthlife Africa seeks a just transition to renewable energy and a low-carbon economy.



The Centre for Civil Society aims to advance socio-economic and environmental justice by developing critical knowledge about, for and in dialogue with civil society through teaching, research and publishing. It is part of the School of Developing Studies of the University of KwaZulu-Natal.



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