

CLIMATE CHANGE IN FOCUS

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Voices of the South on Globalization is a monthly newsletter intended to inspire a meaningful North-South Dialogue by raising awareness for global interdependences and by offering a forum for voices from the South in the globalization debate. Each edition will present short analyses or commentaries from a Southern perspective on one particular issue of the globalization process.

Voices of the South on Globalization is published by IPS Europe with financial support from the Friedrich-Ebert-Stiftung.

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BAN AND BUSH STAGE DUELLING SUMMITS

Climate change was the centre-piece of two summits end of September: at the UN headquarters on Sep. 24 in New York, and in Washington at the invitation U.S. President George W. Bush Sep. 27-28. The discussion convened by UN Secretary-General Ban Ki-Moon drew more than 80 heads of state or government, making it the largest-ever gathering on the issue, which he has identified as one of his top priorities.

"I sensed something remarkable happening, something transformative - a sea-change, whereby leaders showed themselves willing to put aside blame for the past and pose to themselves more forward-looking questions," Ban wrote in an op-ed published in the International Herald Tribune of Sep. 27. "Where do we go from here? What can we do, together, in the future?"

As it stands today, climate change has two main facets, Ban noted. On the one hand, science has proven that human activity is at the root of the increased severity of extreme weather, while on the other, the world has realized the magnitude of the problem and has finally taken a firm stand to fight it.

With climate change expected to be responsible for devastation ranging from dramatic water shortages for half a billion people to the desertification of most of northern China, Ban said the fear voiced by the Micronesian leader that his country will sink under the rising seas. "How do we explain this to our people, to future generations, that we have nothing for them," President Emanuel Mori asked.

Looking on the bright side, the UN Secretary-General pointed out that Brazil told participants at the meeting in New York that it has slashed Amazon basin deforestation by half, that India is dedicating two per cent of its annual GDP to controlling floods and food security programmes and that California is blazing the trail in both the political and business realms to tackle climate change.

Countries will seek their own methods to combat climate change, but "the important thing is that all agree: national policies should be coordinated within the United Nations, so that our work together is complimentary and mutually enforcing," he said.

Ban said there is also a shared sense of the necessity to address climate change now. It is no longer purely an environmental concern, but a political one. "This represents a turning point, with enormous implications," he noted. The gathering has generated international momentum for the major climate change summit to be held in December in Bali, Indonesia, UN the Secretary-General said.

That meeting seeks to determine future action on mitigation, adaptation, the global carbon market and financing responses to climate change for the period after the expiration of the Kyoto Protocol - the current global framework for reducing greenhouse gas emissions - in 2012. "We need . . . an agreement to launch negotiations for a comprehensive climate change deal that all nations can embrace. It will be difficult but I am optimistic. . . ." "Our job is to translate the spirit of New York into deeds in Bali," Ban stated. (*Report on Washington summit follows on page 2*) ☑

THE SKUNK AT BUSH'S GARDEN PARTY

By Stephen Leahy and Jaya Ramachandran

After years of denial, the U.S. White House-sponsored summit on climate change with President George W. Bush admitting that global warming was real and humans were responsible and asking for heads of state to join him at yet another summit next year (when his presidency ends).

It's doubtful if anyone of consequence will attend that future gab-fest since President Bush continues to push voluntary cuts to greenhouse gas emissions when the rest of the world, including much of the business sector, has already said that approach simply doesn't work.

"President Bush has so little credibility on climate change," said Chris Flavin, president of the Worldwatch Institute, a U.S.-based environmental group.

Only mid-level officials from 16 countries, the European Union and the United Nations participated in the Washington meeting. "There is a strong international consensus on the need for mandatory emissions cuts," Flavin told IPS.

The Bush administration has been under enormous pressure from the international community, the U.S. public, some of the U.S. business sector and from within the conservative Republican Party itself to do something on climate change, said Elliot Diringer, director of International Strategies at the Pew Centre on Global Climate Change, an environmental group working with the corporate sector.

Many businesses actually want a mandatory cap and trade system for carbon and clear rules about mandatory reductions, Diringer said in an interview.

Change in tactics

"The White House summit was simply a change in tactics, not a change of heart," he said. Some of those tactics included public expressions of support by the head of the UN process for dealing with climate change, which gave birth to the Kyoto Protocol. Others said the White House summit was an attempt to divert U.S. public and media attention away from the UN climate summit held earlier in the week, where more than 80 heads of state endorsed the concept of an international post-Kyoto agreement to cap emissions.

"It is an attempt to derail the UN process (on climate change)," said Lo Sze Ping, campaign director for Greenpeace China, about the Washington summit. "The U.S. and Australia should stop finger-pointing and take action," Sze Ping said at a press conference in New York City, noting that China has automobile fuel efficiency

requirements, a commitment to 15 percent renewable energy by 2020, and other concrete emissions reduction initiatives that far surpass U.S. and Australian efforts.

Diringer worries that President Bush's call for a "leaders' summit" in 2008 will be used as an excuse by some to delay any serious negotiations in Bali, noting that decisions will be made by consensus there. "It's likely Washington is trying to delay the process," he said. It's also possible that the U.S. is trying to drive a wedge between the European Union, which wants a 50 percent cut in global emissions by 2050, and China and India, said Flavin.

Rice assures Administration serious

Secretary of State Condoleezza Rice insisted that the Bush administration was serious about global warming and tried to assure skeptics that President Bush's gathering of major emitting nations would not undermine UN efforts.

"I want to stress that the United States takes climate change very seriously, for we are both a major economy and a major emitter," Rice said at the start of the two-day conference. Climate change is a global problem and we are contributing to it," she said. "Therefore, we are prepared to expand our leadership to address the challenge."

Rice said individual nations should set their own goals to curb climate-warming emissions, especially carbon dioxide from coal-fired power plants and petroleum-fueled vehicles. The challenge cannot be dealt with entirely as an environmental question, she added, but "in a way that does not starve economies of the energy that they need to grow."

Critics questioned whether such voluntary targets would work. "We appreciate the sentiments expressed by Secretary Rice, but the devil is always in the detail," South African Environment Minister Marthinus van Schalkwyk told Reuters. "That is still the crux of the difference between the approach of the U.S. and the approach of the rest of the world," he said, referring to the split over voluntary and mandatory targets. "For us this meeting is obviously to determine if the U.S. is willing to change (its) approach on that issue." ☑

PUBLICS IN NORTH AND SOUTH WANT ACTION

By Jim Lobe

Amid a series of international conferences on climate change end of September, the BBC released a 21-nation survey in which two out of three respondents said they believed "major steps starting very soon" need to be taken to combat global warming.

The survey, which included virtually all of the world's biggest emitters of greenhouse gases, including the United States, China, and India, also found that an average of eight in 10 respondents said they accept that "human activity, including industry and transportation, is a significant cause of climate change."

And nearly three in four respondents said they believe developing countries, which have historically contributed relatively little to build-up in greenhouse emissions that scientists say are warming the Earth's atmosphere, should nonetheless be required to limit their future emissions, preferably in exchange for energy-saving aid and technology from wealthy nations.

"The public in developing as well as developed countries agree that action on climate change is necessary," said Steven Kull, director of the Programme on International Policy Attitudes (PIPA) at the University of Maryland which, along with GlobeScan, conducted the survey.

Indeed, 90 percent of respondents in China, which, according to International Energy Agency (IEA), is expected to surpass the U.S. as the world's biggest greenhouse emitter by 2009, said they supported such a quid pro quo.

Seven out of ten Chinese also favoured taking "major steps" to fight warming soon. That was 11 points more than the percentage of U.S. respondents who favoured "major steps."

The poll, which surveyed the views of 22,000 respondents between late May and late July, was released as the leaders of some 80 national governments wound up an all-day meeting at U.N. headquarters in New York.

It is in that context that the survey's results, which covered respondents from 10 developed countries -- Canada, the U.S., Britain, France, Italy, Russia, Spain, Germany, Australia and South Korea -- and 11 developing countries -- Brazil, Chile, Mexico, Egypt, Turkey, Kenya, Nigeria, India, Indonesia, Philippines, and China -- are especially striking.

In 18 of the 21 countries, including nine of the 11 developing countries, pluralities or majorities of respondents agreed that "less wealthy countries with substantial and growing emissions should limit climate change gas emissions along with wealthy countries" as opposed to their "not being expected" to do so.

"It speaks to us as pollsters that this problem is widely owned, and many of these countries, particularly China, see themselves as an emerging world power that should be active in these areas," GlobeScan President Doug Miller told IPS.

"It certainly suggests that . . . negotiations will take place in a very supportive public environment in both wealthy and less wealthy countries," he said.

The view that developing countries needed to curb their emissions was particularly favoured by the Latin American and Chinese respondents (nearly 70 percent on average).

The three countries in which pluralities said the poorer countries should not be expected to do so were Egypt, Nigeria, and Italy.

Asked whether they supported or opposed a deal whereby wealthy countries agreed to provide less wealthy countries with financial assistance and energy-saving technology in exchange for limiting their greenhouse emissions, respondents were particularly enthusiastic in China (90 percent); Australia (84 percent); the European countries (an average of about 78 percent); Indonesia, Egypt, and Kenya (77 percent); and Brazil (73 percent).

Major steps soon?

By contrast, the developed country least supportive of such a deal was the U.S. (70 percent). Among developed countries, U.S. respondents were also least likely to believe that human activity is a significant cause of climate change (71 percent) and, with the exception of Russia (43 percent) and Germany (50 percent), least likely to believe that "major steps very soon" were needed to reduce the impact of climate change (59 percent).

Among all countries, Indian respondents were least likely to believe that human activity as a significant cause of climate change, that "major steps very soon" were needed to reduce its impact, and that less wealthy countries should limit their emissions.

On the other hand, India was the only largely rural country in which the survey was national in scope, as opposed to most of the other developing countries, including China and Brazil, where the survey's sample was drawn exclusively from urban-dwellers. ☑

CLIMATE OF CHANGE CONFRONTS WALL STREET

By Stephen Leahy

Stockholders, investors and financial analysts are now demanding to know how climate change will affect companies' bottom line, and a new report reveals large corporations' risks and opportunities. At the behest of institutional investors managing over 41 trillion dollars, several hundred large corporations voluntarily revealed how they are responding to this new reality in a report released end of September at a major event on New York's Wall Street.

"Climate change will change the way we do everything," said Paul Dickinson, CEO of the Carbon Disclosure Project, an independent not-for-profit organisation. "Nothing will go back to the way things were," Dickinson told IPS.

The Carbon Disclosure Project (CDP) conducted a survey of 1,300 of world's largest corporations on behalf of institutional investors and found "a worldwide economic and industrial restructuring" driven by regulatory, policy and business responses to climate change.

The results show that many companies already understand the world is changing and they are looking to find ways to reduce their financial risk and exposure. In general, there is a tremendous shift in government and public spending away from products that have a negative impact on the climate, said Dickinson.

Climate change is completely changing how business is being done, and there will be big winners and big losers, Dickinson said.

"Investors are looking for the next Microsoft with the reality of climate change," he added.

Despite the steadfast opposition of the George W. Bush administration to mandatory action on greenhouse gas emissions, U.S. companies are anticipating an eventual carbon tax, increased requirements for energy efficiency and more pressure to produce products sustainability, he said.

Redefining competitive advantage

The report reveals that many companies are already redefining competitive advantage and financial performance. Banks and brokerage firms such as JP Morgan have invested 650 million dollars in 26 wind farms in 13 U.S. states. HSBC invested 55 billion dollars in clean technologies, in addition to purchasing 40 percent of its electricity from renewable energy in 2006. Barclays, which provides long-term financing for over 2,600 megawatts of renewable energy projects, purchases 50 percent of its energy in Britain from renewables.

The report also found that Anheuser-Busch is active in seed research design to develop crops that are resistant to extreme weather events, and its Water Council manages water-related issues related to its supply chain, products, and local communities. Unilever has partnered with several stakeholder groups to develop sustainable agriculture programmes that focus on ways to improve

farming efficiency and minimise water use. The CDP survey is voluntary, but 86 percent of European firms responded, while 74 percent of North American firms did so. None of the seven Chinese firms asked responded.

The responses are not audited, although Dickinson is confident that corporations wouldn't provide misleading information, he told IPS. "We are looking forward to the big accounting firms joining in," he said.

There is a rising clamour for the Securities and Exchange Commission (SEC), the U.S. stock regulator, to require corporations to reveal their risks under climate change. Allstate Corporation, which insures 1 in 8 homes in the U.S. and reported over 4 billion dollars in losses from Hurricanes Katrina and Rita, did not mention climate change at all in its latest annual filing. And energy giant Exxon Mobil barely mentioned it.

Investors, pension fund managers and environmental organisations officially petitioned the SEC on Sep. 18 to force all public companies to come up with something more useful. The petition said in part: "Climate change can affect corporate performance in ways ranging from physical damage to facilities and increased costs of regulatory compliance, to opportunities in global markets for climate-friendly products or services that emit little or no global warming pollution."

It also noted that a January 2007 study published by Ceres and the Calvert Group, an asset management firm, found that more than half of the companies in the S&P 500 Index are doing a poor job disclosing climate change risks to their investors.

"The SEC needs to do more to protect investors from the risks companies face from climate change, whether from direct physical impacts or new regulations," said Mindy S. Lubber, president of Ceres, a coalition of investors and NGOs and director of the Investor Network on Climate Risk. "Shareholders deserve to know if their portfolio companies are well-positioned to manage climate risks or whether they face potential exposure," Lubber said in a statement.

There is going to be an enormous global response to climate change, predicted Dickenson. All of the information collected by the CDP is available on their website because the organisation wants to "help investors vote with their money". He added: "Climate change is like the Internet -- it is never going away." he said. ☑

AN INTERNATIONAL COURT TO TRY ECOLOGICAL CRIMES?

By Thalif Deen

As the United Nations takes an increasingly dominant role in guiding the climate change debate, there is renewed interest in a longstanding proposal for the creation of an international court to try environmental crimes. But some diplomats and environmentalists are sceptical whether such a court will have the political support of the overwhelming majority of the UN's 192 member states for it to be a reality.

"It took ages for the creation of an international war crimes tribunal," says one Third World diplomat, "and a world court for environmental crimes can take generations."

Satish Kumar, an avowed environmentalist and editor of the London-based environmental magazine *Resurgence*, is a strong advocate of such a court. "We have no right to make waste," he argues. "And if I dump my waste on your house, it's a crime. You can take me to court."

"But if we put our waste on nature, nature can't take us to court? Nature should have a right to take us to court. And the United Nations should establish a nature court," Kumar told IPS.

He pointed out that environmental crimes -- from the dumping of toxic wastes to the military destruction of natural resources -- should be deemed "crimes against nature".

Dr. Franoise Burhenne-Guilmin, senior counsel at the Environmental Law Centre of the Switzerland-based International Union for the Conservation of Nature and Natural Resources (IUCN), thinks the proposal may hit legal and logistical snags. "IUCN has never taken a formal position on this matter, but members of the Commission on Environmental Law (CEL) have discussed the issue in the past," he said.

What constitutes an environmental crime?

He pointed out that the idea of a specific international court for environmental crimes was not supported by the CEL on the basis that they thought it would not be feasible.

"To establish such a court, people would need to agree on what constitutes an environmental crime," Burhenne-Guilmin said. Even if such a court were established, the rules which would have to be put in place in order for it to function would be very difficult to agree on, he added. In recent years, some of the cases involving "environmental damages" have been tried in local courts because of the absence of an international judicial body.

A landmark environmental case involved the spilling of over 11 million gallons of crude oil when the oil tanker *Valdez* hit a reef. A court in Anchorage, Alaska, awarded a record five billion dollars in damages to some 34,000 fishermen whose livelihoods were affected by the oil spill spread over 1,500 miles of the Alaskan coastline.

The award was later reduced by half by a U.S. appeals court. The damages were against Exxon Mobil Corporation, which appealed the ruling at several judicial levels. And more recently, a privately owned commodity trader was fined about 200 million dollars for dumping toxic waste off the coast of Cote d'Ivoire. The payment was described as one of the largest for environmental damage in Africa.

Rajendra Pachauri, chairman of the Intergovernmental Panel on Climate Change (IPCC), said that dramatic changes in consumer lifestyles could make a great difference, "though that did not mean that humankind had to go back to the stone age".

Rather, he said, it was time to start evaluating "the size of the footprint that humans were imposing on ecosystems through carbon dioxide emissions and other impacts."

But Kumar, editor of *Resurgence*, sounds very sceptical of the UN role in global environment. "The UN approach to environment is very limited and rather shallow because the United Nations still thinks that the environment is there for the benefit of human kind and therefore we need to protect the environment," he told IPS.

This is a very utilitarian approach. Human beings are seen as in charge, as superior and somehow more important than all other species, he pointed out.

"This is a very old and out of date concept. The United Nations needs to see environment and ecology and humanity as one interconnected and inter-dependent web of life," Kumar said.

And human beings are no more important and no more superior than animals, plants, forests, rivers, oceans -- and they have intrinsic value. "The United Nations does not accept the intrinsic value of the natural world. It says the value of the environment is only in relation to its usefulness to humans. That's a very anthropocentric, very human-centred, and a very narrow view," he added.

Therefore, the United Nations needs to do a lot of work to embrace this bigger vision which has a more respect and reverence and recognition of the intrinsic value of all living beings and humanity as part of it, he declared.

Asked if he was blaming member states or the UN Secretariat, Kumar said: "I think it's the Secretariat, because member states have no one single view." □

'INCENTIVES OFFERED TO DESTROY FORESTS'

By Julio Godoy

Instead of providing positive incentives to tropical nations to conserve their rainforests and so reduce greenhouse gases emissions, the world indirectly gives "perverse incentives" to destroy them by demanding goods produced by intensive logging, a leading environmental activist says.

"The Kyoto protocol does not give incentives to rainforest nations to protect their forests," Kevin Conrad, special envoy of the environment and climate change permanent mission of Papua New Guinea to the United Nations told IPS.

The Kyoto protocol is the international agreement that establishes how industrialised countries should reduce their greenhouse gas emissions (GHG) by an average of five percent relative to 1990 levels. The treaty does not assign targets to developing nations.

One of the instruments of the Kyoto protocol is the Clean Development Mechanism (CDM), an arrangement that allows industrialised countries with a GHG reduction commitment to invest in projects in developing countries that reduce emissions. This then counts towards their domestic 'clean' record. Conservation of rainforests is not included in such projects.

Between 1989 and 1995, global emissions as a result of deforestation amounted to 5,000 million metric tonnes of carbon dioxide, studies show.

"Instead of giving us incentives to protect our forests, the world gives countries like mine incentives to destroy them," Conrad said. Coffee, soy beans, sugar, flowers and wood furniture, he said, can only be produced in developing countries through systematic deforestation.

"Tropical rainforest nations deserve to be treated equally," Conrad said. "If we reduce deforestation, we must receive fair compensation for reductions. A tonne (of carbon dioxide) is a tonne is a tonne."

Conrad is also executive director of the Coalition of Rainforest Nations (CRN), a worldwide coalition of developing countries with significant rainforests cover. The coalition has a secretariat at Columbia University in New York, and facilitates development of proactive strategies towards environmentally sustainable economic growth.

Among the causes of deforestation in developing countries, other than the production of export goods, appear to be the need for cheap energy, and infrastructure projects, such as roads, mining and power lines.

Deforestation is particularly dramatic in Brazil and Indonesia, where some five million hectares of forest are lost every year due to such causes, and more recently, the plantation of alm trees to produce bio-fuels.

Other tropical countries such as Sudan, Burma and Zambia lose more than 400,000 hectares per year of forest. Africa is losing the most forest, with some five million hectares lost every year between 1990 and 2000, according to the Global Forest Resources Assessment (FRA).

The RFA, produced by the UN Food and Agriculture Organisation in cooperation with governments and specialists in the field, is a comprehensive assessment of forests.

Conrad told IPS that loss of rainforest has a large environmental impact, from degradation of the quality of water in lakes and rivers to decimation of biological diversity, damage to ecosystems, and prevention of natural processes such as pollination.

According to CRN, deforestation threatens to annihilate some 60 percent of all species.

Conversely, protecting rainforests represents major benefits for the environment, since it is a significant source of carbon emission reductions outside the framework of the Kyoto protocol. In addition, it can create substantial new revenue streams to addresses poverty in rural areas.

Conrad has called for a new approach to conserving rainforests, to be considered in negotiations towards a new international framework on climate change from 2012, when the operative period of the Kyoto protocol ends. The proposal is likely to come up at the conference the United Nations is organising in Bali in Indonesia in December.

According to the CRN, a new approach should begin in 2008. Conrad said new initiatives must consider both aforestation and reforestation. Aforestastion is the artificial establishment of forests in non-forest land, while reforestation is re-establishment of forest in an area previously under forest cover. "☑"