

## **E-news update August 6 2007**

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### **CLIMATE POLICY**

- 1.1. UN climate chief calls on rich nations to cut emissions

4 August 2007, Agence France-Presse

The UN's top official on climate change on Friday called on wealthy countries to emulate the European Union (EU) and Japan by offering to slash their carbon emissions at a conference to be hosted by the US next month.

Yvo de Boer, executive secretary of the UN Framework Convention on Climate Change (UNFCCC), said the talks for long-term emissions reductions in Washington on September 27-28, announced by the White House earlier, offered an exceptional chance to break the deadlock for tackling greenhouse gases.

"I view it with a lot of hope and expectation. This is the next step in the process and I am very keen to see where it takes us," de Boer said in an interview from Bonn with AFP.

"I would like to see a serious commitment from industrialized countries that they will go much further [in offering to cut greenhouse-gas pollution] than what they have already proposed."

De Boer singled out as a model the EU, which has committed itself to cutting its own emissions by 20 percent by 2020 and promised to deepen this to 30 percent if other big polluters follow suit, and Japan which wants the world to halve emissions by 2050.

The Washington conference, gathering major emitters in the rich and developing world as well as representatives from other big emerging economies, will be hosted by US Secretary of State Condoleezza Rice and be addressed by President George W. Bush.

The goal is to agree on "a detailed contribution for a new global framework by the end of 2008" and this in turn would feed into a global deal under the UNFCCC, Bush said in his invitation, announced on Friday.

Under Bush, the United States has refused to ratify the 1997 Kyoto Protocol, which requires rich countries to curb greenhouse gases blamed for global warming.

The absence of the world's No. 1 polluter has nearly crippled the treaty, and its future beyond 2012, when its present commitment period runs out, is also uncertain.

Negotiations on the post-2012 treaty take place in Bali, Indonesia, in December under the UNFCCC, which is Kyoto's parent.

The process has been dogged by two problems -- how far big developing countries, such as China, India and Brazil, will pledge to tackle their own pollution, and the unwillingness of the United States to embrace the Kyoto principle of mandatory cuts.

Bush unveiled his initiative ahead of the Group of Eight (G8) summit in Heiligendamm, Germany, in June.

His scheme stirred anxieties among Kyoto's European champions that he sought to subvert the UNFCCC and exclude poor countries by limiting the deal to rich countries.

De Boer said he did not feel any concern on that score, as the G8 summit made clear that the multilateral process was paramount.

"I would describe President Bush as taking climate change by the horns, but I want to see where he and the bull go," he admitted, however.

Bush has always opposed the Kyoto Protocol, arguing its binding caps on emissions would be too costly for the oil-dependent US economy.

He also said it was unfair, as its present format only requires industrial countries, and not fast-growing emerging economies such as China and India, to make such pledges.

These countries reply that they will tackle their pollution as much as they can, provided it does not hurt their rise out of poverty and rich countries, which are historically to blame for global warming, shoulder the main burden.

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## 1.2. UN Climate Debate Tries to Kick-Start New Treaty

6 August 2007, Planet Ark Reuters

The UN General Assembly's first session devoted exclusively to climate change closed with nations worried about the devastating impact of global warming now and on future generations, although few countries altered their well-known positions.

Still Britain's ambassador, Emyr Jones Parry, said of the session, which ended on Thursday, "The world is actually motivated on the issue in a way it wasn't earlier. "Go back to January," he said. "Nobody here was interested in climate change and all people were concerned about this week was climate change." The meeting, which spilled into a third unscheduled day so nearly 100 nations could speak, was a preview of a summit that UN Secretary-General Ban Ki-moon called for Sept. 24, a day before the high-level annual Assembly session begins.

That session will be followed by UN-sponsored negotiations in December on the Indonesian island of Bali to see whether any progress can be made toward a new environmental treaty.

The 1997 Kyoto Protocol on the reduction of carbon emissions expires in 2012, possibly leaving the world without global warming regulations. That pact requires 35 industrial nations to cut emissions 5 percent below 1990 levels by 2012.

Both Jones Parry and Japan's director general for global issues, Koji Tsuruoka, said the negotiations toward another treaty would be protracted and that developing nations would have to be included, not just industrial countries.

US, China needed

The United States and China, which together account for more than 40 percent of the world's pollution, would have to be part of the process, they said. Also needed are Brazil, Indonesia and the



the Commission draws attention to possible further deterioration of the water situation in Europe if temperatures keep rising and if no clear mitigation strategy is adopted.

The Commission has thus identified an initial set of policy options to be taken at European, national and regional levels to address water scarcity and droughts and mitigate their impacts within the Union. The set of proposed policies on water aims to move the EU towards a water-efficient and water-saving economy.

#### Policy options

An integrated approach to addressing water scarcity and droughts based on a combination of options is likely to deliver better results rather than targeting a single-issue.

At the heart of the policy options is the need to put the right price on water. The 'user pays' principle needs to become the rule regardless of where the water is taken from. Efforts to introduce compulsory metering programmes are thus essential. Water savings and water efficiency need to be promoted given that there is a tremendous potential for water savings in the European Union. While it is estimated that approximately 20 per cent of the water available is wasted, recent data indicate that it could go up as high as 40 per cent. Therefore, substantial changes must be made on how water is channelled to users and how it is used.

It is easy, for example, to promote the installation of water saving devices on taps, shower heads, and toilets.

On a larger scale, a proper allocation of water use between economic sectors needs to be considered. Policy making should be based on a clear 'water hierarchy' meaning that water saving must become the priority. Effective water pricing and cost-effective measures for improving water demand management should also be considered before opting for additional water infrastructures. Accordingly, the integration of water sustainability and sustainable land use must become an integral part of policy making in areas such as agriculture and tourism. All activities should be adapted to the amount of water available locally.

The Communication and its accompanying document are available at: [http://ec.europa.eu/environment/water/quantity/scarcity\\_en.htm](http://ec.europa.eu/environment/water/quantity/scarcity_en.htm).

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## ENERGY AND EMISSIONS

### 2.1. US House Shifts US\$16 Bln Toward Renewable Energy

6 August 2007, Planet Ark Reuters

The US House Saturday passed a Democratic rewrite of US energy policy that strips US\$16 billion in tax incentives away from Big Oil and puts it toward renewable energy sources like wind and solar power.

The 786-page bill, passed in a rare Saturday vote, was a top priority for House Speaker Nancy Pelosi, and is an amalgam of bills assembled by about a dozen of the chamber's committees in recent months. Republicans called it a "no-energy bill" because it lacks new drilling incentives, and they derided the new emphasis on renewables as "green pork." The White House threatened to veto the bill on concerns that it could boost energy prices.

House Republican leader John Boehner said the bill "cuts the lifeblood of our economy off at the knees by increasing taxes to pay for green pork projects," referring to billions of dollars of "energy conservation bonds" that would finance renewable projects.

The bill, the New Direction for Energy Independence, National Security, and Consumer Protection Act and the related tax title would spur a massive redistribution of federal incentives to wind, solar, geothermal and away from producing energy from oil, natural gas and coal.

"It's an historic turn away from a fossil fuel agenda and toward a renewable energy agenda for America," said Rep. Ed Markey, Massachusetts Democrat. "It has been a long time coming."

The bill sets new standards for appliances and building efficiency codes, and spurs possible renegotiation of faulty Gulf of Mexico drilling leases signed by the Clinton administration that left about US\$2 billion on the table.

#### Utilities face penalties

The House voted 220-190 to add a controversial amendment that would require US utilities to generate 15 percent of their electricity from renewable sources like wind and solar by 2020. Utilities in Southeast and Midwest states that lack wind currents needed to justify new wind turbines would have to pay billions of dollars in penalties to comply with the rules.

"It's a giant tax," said Rep. Cliff Stearns, Florida Republican, noting that 24 states have already adopted similar standards. "Let each state work this out for themselves."

Notably absent from the bill is a hike in automobile fuel efficiency standards, which Pelosi put off until the fall to avoid a bruising fight with fellow Democrats including Energy and Commerce Committee Chairman John Dingell of Michigan, the staunch auto industry ally who says he wants to deal with fuel standards in global warming legislation later this year.

The Senate in June approved a bill that hikes auto fuel standards to 35 miles per gallon by 2020, a standard that US automobile executives say could devastate struggling Detroit automakers like General Motors Corp. and Ford Motor Co.

The House bill must be reconciled with the Senate version, which is markedly different.

Republicans and oil-state Democrats criticized provisions in the tax portion of the House bill that would repeal reduced tax rates for major integrated oil companies, and drop foreign income tax deductions for companies that produce oil and natural gas overseas.

Those two measures alone would impose about about US\$16 billion in new industry taxes from 2007-2017 on big U.S oil companies like Exxon Mobil Corp., ConocoPhillips and Chevron Corp. , according to the Congressional Budget Office.

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## 2.2. Emissions Permit Overallocation Increased in 2006

June 2007, Summarized from The ENDS Report (UK)

Once again European governments have allocated their industries more free rights to release greenhouse gases than their industries needed to cover their emissions under the EU Emissions Trading Scheme.

The UK was one of only a handful of countries whose emissions exceeded the allowances given out. Yet even in the UK, data published by the Department of Environment in May reveal that all UK sectors other than electricity generators received 12.1 million tonnes of CO<sub>2</sub> allowances more than they needed (see DEFRA, Sector Level Summary of 2006 EU ETS results in the UK).

That adds up to an average overallocation of 14.8 per cent in free assets given to industry. This is even worse than the figures for 2005.

Iron and steel received the largest overallocation in absolute terms. Nine sectors received overallocations of 20 per cent or more. The ceramics sector received 50 per cent more emissions permits than it needed. Engineering and vehicles got a 45 per cent overallocation.

The UK has tightened up the process of calculating emissions, and officials hoped that the overallocation would not be repeated in the second phase of the EU Emissions Trading Scheme (EU ETS), which runs from 2008-2012.

But even if calculations are improved, business will still be able to avoid cutting its emissions. This is because it has been given permission to use carbon credits bought from abroad in order to maintain its emissions at the usual levels.

These credits will come from the Kyoto Protocol's Clean Development Mechanism (CDM) and Joint Implementation (JI). They have been widely criticized for being meaningless in climatic terms.

WWF estimates that European business will have a shortfall in allowances of between 144-257 million tonnes of CO<sub>2</sub> per year during the second phase, but will be allowed to buy CDM and JI credits worth up to 227 MtCO<sub>2</sub> every year.

That means that between 88 and 100 per cent of any future emissions reductions required under the EU ETS can be met without industry doing anything about global warming domestically.

Carbon credits bought from abroad through CDM or JI would also depress the price of allowances. Such credits are currently trading at 8-10 Euro, while allowances for the second phase are going for 23-24 Euro.

This will undermine the effectiveness of the EU ETS, which is supposed to incentivise change through prices.

A separate report from The Carbon Trust says that even without foreign credits, the caps imposed in the second phase of the EU ETS will not be enough to force widespread investment in low-carbon technologies (see The Carbon Trust, EUETS Phase II Allocation: Implications and Lessons).

Tightening up allocation plans may result in prices for emissions rights going up to 15-20 Euro per tonne of CO<sub>2</sub>, the Trust says (up from the price for current allowances of close to zero). But this is not enough to encourage firms, especially in the power sector, to invest in low-carbon technologies.

The Trust adds that the rule governing new entrants to the EUETS, together with installation closures, are giving firms a perverse incentive to invest in HIGH-carbon technologies. Most member states give

new entrants free allowances to cover all of their emissions, while they retire the allowances from closures. The Trust says that allowing firms to keep the allocation from plant closures would encourage them to close polluting plants and switch to more efficient ones. The Trust also claims that unless more of the pollution rights being created by governments under the EUETS are auctioned instead of being given away free, power generators will continue to make "tens of billions of Euros" in phase two.

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## TRANSPORT

### 3.1. Carbon emissions - Binding rules on passenger car CO2 emissions agreed 17 July 2007, Greens/EFA

Commenting on the result of a vote in the ITRE Committee on her opinion on a Community Strategy to reduce CO2 emissions from passenger cars, Rebecca Harms, Vice-President of the Greens/EFA group, said:

"I am pleased that the Committee supported plans to introduce binding limits for passenger car CO2 emissions and rejected proposals to postpone its introduction to 2015. Moreover, the industry committee recognised that the current 120g CO2 / km target had already been approved by legislators ten years ago and was supposed to be achieved by 2005, but no later than 2010.

"In today's vote the Industry committee called for future legislation to effectively reward best performance in vehicle efficiency and to ensure incentives for reducing greenhouse gas emissions across the vehicle fleet. The committee also warned that future legislation should not directly or indirectly reward manufacturers of more polluting vehicles.

"I'm encouraged by the fact that the committee confirmed the EPs earlier position of limits in the order of 80-100 g co2 / km in the medium term, and recognised the need for mandatory limits beyond 2012.

"In addition, Members recognise that an ambitious EU greenhouse gas emission reduction policy will stimulate innovation and job creation and will have positive influence worldwide in terms of reducing transport emissions."

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### 3.2. Congestion charge returns to Stockholm 1 August 2007, <http://www.thelocal.se/8059/>

Congestion charging has been reintroduced in Stockholm, more than a year after a six month trial of the scheme ended.

The scheme, which is legally a congestion tax, means drivers will have to pay between 10 and 20 kronor every time they pass one of the electronic pay stations on the perimeter of the zone. Drivers will be charged Monday-Friday between 6:30am and 6:29pm, and the daily cost will be capped at 60 kronor per car.

At the Swedish National Road Administration (Vägverket), which administers the charge, initial signs were that the reintroduction was going according to plan.

"The first ten minutes looked OK and everything seems to be going well," said the organization's spokeswoman, Louise Jarn Melander to news agency TT.

The charge has been brought back following a referendum last September, in which 52 percent voted in favour of the charge, while 45 percent opposed it. Stockholm council's newly-elected centre-right majority, led by Major Kristina Axén Olin, vowed to push for the result to be respected. This despite the fact that all but one of the centre-right parties argued against the charge.

There will be a number of key differences between the new arrangements and those during last year's trial. One change is that the transponders - electronic devices used in the trial to make it possible to take the charge directly out of drivers' accounts - will not be used. Instead, cameras will read cars' plates, and those vehicles whose drivers are registered will have the money debited directly from their accounts.

Other drivers, as before, will have to pay the charge within 14 days of driving in the zone. This can be done online, at Pressbyrån or 7-Eleven stores or in banks.

Another key difference is that taxis will no longer be exempted from paying the charge. A number of taxi operators have already said they plan to increase charges as a result. The charge will be tax-deductible for some companies and commuters.

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## CONFERENCES

4.1. Scientific framework of environmental and forest governance -- The role of discourses and expertise

27 and 28 August 2007 in Goettingen, Germany

Further information at: <http://www.iufro.org/science/divisions/division-6/60000/61200/61202/activities/> or <http://www.iufro.org/download/file/1648/3058/goettingen07-call-for-paper.doc>.

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4.2. Intersessional: AWG 4 and the Dialogue 4

27 -31 August 2007, Vienna, Austria.

More info: [http://unfccc.int/meetings/intersessional/awg\\_4\\_and\\_dialogue\\_4/items/3999.php](http://unfccc.int/meetings/intersessional/awg_4_and_dialogue_4/items/3999.php).

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4.3. European Photovoltaic Solar Energy Conference and Exhibition

3 - 7 September 2007 in Milan, Italy

More info: <http://www.photovoltic-conference.com>.

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4.4. International Congress on Plant Oil Fuels

6 - 7 September 2007 in Erfurt, Germany

More info: <http://www.pflanzenoel-kongress.de/index.php?lng=en>.

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4.5. General Conference of the Union of the Baltic Cities

27 - 28 September 2007 in Pärnu, Estonia

More info: <http://www.reiser.ee/conference/ubc.htm>.

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4.6. RENEXPO 2007 - International Trade Fair and Conference for Renewable Energies

27 - 30 September 2007 in Augsburg, Germany

More info: <http://www.renexpo.de/?lang=en>.

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4.7. European Sustainable Energy Seminar and Tour

1 - 5 October 2007 in Samsø, Denmark

More info: [http://www.inforse.org/europe/seminar07\\_samsø.htm](http://www.inforse.org/europe/seminar07_samsø.htm).

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4.8. European Meeting Point: Energy for Development 2007

10 - 12 October 2007 in Beja/Alentejo, Portugal

More info: <http://www.energyanddevelopment-2007.net>.

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4.9. CDM 2.0 conference: what post-2012 mechanisms do we need?

15 October 2007 in Brussels, Belgium.

A more detailed announcement will be issued in early September. Those of you wishing to register their interest in participation already should email their contact details to [events@climnet.org](mailto:events@climnet.org).

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4.10. UN Millennium Development Goals - discussing practical examples on a local level

18 - 20 October 2007 in Bonn, Germany

More at: <http://www.service-eine-welt.de/en>.

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4.11. 3rd Annual European Energy Policy Conference 2007

21 - 22 November 2007 in Brussels.  
More info: [www.euenergypolicy.com](http://www.euenergypolicy.com).

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4.12. United Nations Climate Change Conference (COP 13 and CMP 3)  
3-14 December 2007, Nusa Dua, Bali, Indonesia.  
More info: [http://unfccc.int/meetings/cop\\_13/items/4049.php](http://unfccc.int/meetings/cop_13/items/4049.php).

#### PUBLICATION

5.1. Futu[r]e Investment – A sustainable investment plan for the power sector to save the planet  
This report shows that investment in renewables pays off quite quickly due to massive savings in fuel costs. In fact, a 'business as usual' mix in the world global power generation sector would result in 10 times higher fuel costs, when compared to the additional investment needed to implement the energy [r]evolution pathway.  
Download the report at: <http://www.greenpeace.org/raw/content/international/press/reports/future-investment.pdf>.

#### ANNOUNCEMENT

6.1. Public consultation "Living with climate change in Europe"  
The Public Consultation for the Adaptation Green Paper is now online:  
<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/979&format=HTML&aged=0&language=EN&guiLanguage=en>; <http://ec.europa.eu/environment/climat/adaptation/consultation.htm>.

#### 6.2. Vacancy announcement - Climate Adaptation Specialist

World Wildlife Fund (WWF), the global conservation organization seeks a Climate Adaptation Specialist to work on terrestrial ecosystems. This Senior Program Officer position plans, manages, communicates, and implements project as part of the EpiCenter of Climate Adaptaiton and Resilience Building. Leads the development of successful terrestrial adaptation field projects and manages other strategic efforts to build WWF's profile and knowledge around adaptation/resilience-building in order to protect nature from the impacts of climate change. Works under the supervision of the Chief Climate Change Scientist/Director of the EpiCenter of Climate Adaptation and Resilience Building and is part of the WWF Climate Change Global Program Unit.

Basic Requirements: Basic requirements include a graduate degree in a relevant field.

Position requires a minimum of five years of work experience in freshwater conservation biology, freshwater ecology or freshwater climate change science. Candidates should be a strong persuasive communicator, in person and in writing and have proven ability to work with scientists and funding agencies. Demonstrated knowledge of fundraising and proposal development is a plus. Excellent organizational and project management skills required.

Location to be determined.

#### 6.3. Vacancy announcement - Climate Witness Program Manager

WWF is seeking a Program Manager for the internationally managed Climate Witness Program ([www.panda.org/climatewitness](http://www.panda.org/climatewitness)). The position reviews the global strategy, formulates an agreed workplan and coordinates the implementation with national WWF offices around the world; develops global partnerships and communications; works with eminent climate scientists to ensure the programs scientific integrity.

Essential to this role is a good understanding of climate science and climate impacts, experience in conservation, environment and development or policy work in climate change advocacy and experience in project management, managing donor relationships and fundraising. Also essential are experience in working with governments, aid agencies, the public, NGOs and the private sector. A degree in communications, social or political science is also required.

Location: negotiable (Sydney preferred)

