

## **Bali Roadmap: No Commitment for Quantitative GhG Reduction**

Md Shamsuddoha,  
Rezaul Karim Chowdhury

**Equity and Justice Working Group**  
**www.equitybd.org**

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Visibly the UN climate road show moves on, without its specific roadmap to Poland in December 2008 and Denmark in 2009. Whether the roadmap would be, it is apparently clear from the Bali talks that the interest of LDCs, who would be the worst victims of climate change, has been grossly ignored by the developed and advanced developing countries which are in the race of increasing GhG emission. And, ironically, Bali conference fails to instigate any political commitment for quantitative reduction of GhG even within the framework of Kyoto Protocol. Although the protocol asked the developed countries to cut carbon emissions by an average of about 5 percent from 1990 level by the period 2008-2012 but for many reasons, especially the negligence of the countries of larger economies, the actual cuts produced by 2012 will be much smaller. Many countries, belonging to the Annex 1 of Kyoto Protocol which were on binding commitments on GhG emission reduction are failed to miss their target by a long way

Hence, the 4<sup>th</sup> IPCC report has added urgency to the quest for deeper cuts saying that 'time is not our side, if we want to keep temperature rise below 2 degree C, global emissions need to peak by 2015 and then be reduced by at least 50 percent by 2050 (from 1990 levels). This means the industrialized countries need to cut their emissions by at least 30 percent by 2020 and by at least 80 percent by 2050. Taking these all into consideration it was expected that the Bali conference would result firm political commitment for GhG reduction for saving the Earth from increasingly climate catastrophes.

But from the very beginning of Bali negotiation the United States, which in all the ways was very critic to the Kyoto Protocol, has been showing their negativism on the mitigation measures and has been unwilling to sign on to the binding emission reduction commitments without action from large emitters in the developing world like China, India and Brazil. In contrary, the developing countries have made it clear that they won't accept mandatory limits on their emissions. In fact, from a moral, legal and practical perspective, the initial burden of emissions reductions has to fall on industrialized countries. The Kyoto Protocol also asked for 'common but differentiated responsibilities' for the advanced developing countries for GhG reduction. The first draft of the Bali text also reiterated the principle of 'common but differentiated responsibilities'-which noted the historical responsibility of industrialized (Annex I) countries for virtually all emissions leading to the

increase in the global atmospheric concentration of GhG. This text also urges for setting a near-term target for reduction from Annex I countries of 25-40 percent reductions; while the European Union embraced this text, it drove Americans crazy.

Besides, in all the side meetings through out the week the American negotiators have tried to pointed out that 'no current legislation, nor Warner-Lieberman, nor any other bill, contemplated that level of near-term reductions, and they said flatly that they were not going to agree to something in the text on which they saw no prospect of delivering. Therefore due the strong opposition from US lobby, the USA and partly Japan, Canada, the Ad-hoc Working Group on Long-term Cooperative Actions under Convention' removed all the quantitative language from the text replacing with qualitative language and included a phrase regarding the need for a 'peak and decline' in emission without stating any timeframes, which has kept left for negotiation during next 2 years period.

Therefore, the Bali Roadmap evidently proved that the industrialized countries are not ready to compromise their consumerism and development pace for the sake of global interest. In the Bali climate debate the USA and the advanced developing nations both have kept ways open for carbon emission. The consequences of delay in the process of reducing emission will result more climatic catastrophes and social imbalances and massive economic collapse in the least developed countries like Bangladesh. Although LDCs are within the group of G 77 and China but 'the area of interest' of LDCs and the advanced developing countries are different. In the Bali climate conference LDCs, being a part of G 77 and China, could not put forward their concerns, e.g. emission mitigation, more adaptation fund, fund based technological support for capacity building etc as these demands contradicts with the interest of G 77 leaders. Besides, during the whole way, most of the international civil society organizations and international NGOs were seen so busy for advocating adaptation fund.

The Bali 'road map' could ensure nothing for the countries would be worst affected of climate change. Therefore the transition plan for replacing the Kyoto protocol, which is so far from the concern of the recent IPCC report as well as from the 'Bali Mandate' instead, entrances the power of big business and, the global financial institutions to work on its behalf without committing any parties to tangible emission cut.

### **Bali Roadmap: A direction of climate commercialization**

- a) **IFI's investment on CDM and Renewable Energy is merely a Double Standard and Hypocritical Measure**

The prime sector of IFI's, especially of the World Bank, IMF and ADB, investment is energy sector; exploration of fossil fuel and exporting to the southern countries. Since 1992 i.e. following the Earth Summit in 1992, the World Bank's investment on fossil fuel (including coal) was USD 28 billion. In fact, the climate crisis of the recent days is the result of unsustainable and market based approach of exploiting non-renewable resources and energies which has been instigated by the IFI's investment and its flawed development paradigm imposed on the LDCs and on the most of the developing countries. Now, in the changing scenarios of global economic paradigm, the IFIs are trying to 'mask their dirty image' through financing in CDM (clean development mechanism) projects and promoting renewable energies. But we experienced, despite huge financing in all the dirty energy projects IFI's initiative still couldn't ensure electrification services to the 2 billion poor people around the globe. Besides, IFIs financing to the 'dirty energies' are 17 times more than the CDM funding. Therefore, the IFIs loan and 'aid' supposedly for CDM and renewable energies is a double standard and 'hypocritical measure' when the same institutions continue to promote a development framework and pour almost 17 times more of their fund towards projects and policies that aggravate climate change.

**b) Carbon Trading is a false and Discriminatory Solution:**

The Bali climate conference also has sidelined its major agenda, emission reduction' and have focused on alternate ways of carbon capture through Reducing Emission from Deforestation and Degradation (REDD) and emission reduction through CDM both of which are basically on the basis of market mechanism. The Kyoto protocol currently only allows the developing countries to promote afforestation and reforestation to tap financial incentives from carbon trading in the forestry sector which is being criticized by many countries as the system is too complicated. And, thus REDD came into focus in the Bali roadmap.

Indonesia and fellow 10 tropical forest nations Brazil Cameroon, Costa Rica, Columbia, Congo, the Democratic republic of Congo, Gabon, Malaysia, Papua New Guinea and Peru have set up a coalition and to promote REDD (Reducing Emissions from Deforestation and Degradation) in the Bali conference on climate change, demanding the developed nations provide financial incentives to tropical forest countries in order to prevent forest deforestation and degradation. REDD remains a controversial issue that is gaining unparalleled attention during the Bali Climate Change Conference. Theoretically, REDD could potentially benefit implementing countries environmentally and, may economically also as countries, supposedly, will get incentives for storing carbons by reserving forests. However, the countries

remained divided over whether the financial incentives will be raised based on a market mechanism or from a fund based mechanism.

Neither the mechanisms, either market or fund based, would work if committed incentives are not given, managed and distributed among the related stakeholders. The Global Environment Facility (GEF), the largest of such funds, can mobilize about USD 1 billion in several years wherein the carbon market has crossed USD 5 billion in 2007 alone. Besides, the market mechanism puts developing and industrialized countries on the same trading level which is neither fair nor realistic.

In relation to fund based mechanism, it has been seen that funds are largely replenished by 'good will' from the industrialized countries and are largely unpredictable; as despite repeated call the industrialized countries are reluctant to provide 0.7 percent of their GNP as development aid. In fact, carbon trading is a false and discriminatory measure of solving climate change crisis. Carbon trading will allure LDCs and developing countries reaping some benefit compromising their 'right to development' to the development pace of the industrialized countries.

**c) Adaptation Fund: Another tool of neo-liberal hegemony**

In Bali climate conference many countries, the developing and the least developed, civil society groups, international NGOs all were found busy advocating for more adaptation fund and its transparent management. Although adaptation fund is essentially required for the poor and climate-risk countries but adaptation without mitigation is pointless.

On the other hand, the fund's total capital is only USD 36 million, which is USD 50 billion that Oxfam estimates the developing world will need every year to cope with the climate change.

The adaptation fund taken from the 2 percent of the total value of the world's clean development mechanism (CDM) including carbon trading has now reached around USD 100 million a year, but is expected to grow rapidly, and can reach billions of dollars as the value of CDM continues to grow. Developed countries wanted GEF to manage adaptation fund, but the developing countries have wanted a different institution because they found the GEF funding model difficult to access. GEF is managing a trust fund channeled to CDM mechanism but adaptation fund should be managed through another different channel. Within the developing countries, countries of advanced economies like China and India are the prime beneficiaries of CDM fund; countries that suffer most from the climate change are not getting needful support from the CDM as they aren't hugely involved with development activities where CDM could fit. So the conditionality and procedure of CDM fund should be made simple

so that countries of highly exposed to climate change impact would have equal access to that fund. But it will endanger livelihoods of the forest-resource dependent indigenous people

### **Polluter pay and exploiter pay Principle**

In a broad call for climate justice the international civil society organizations and international NGOs put forward *'the polluter pay and exploiter pay principle'* to save the climate-risk countries. In relation to this, an Oxfam study report made countries responsible for climate crisis as; USA 44 percent, Europe 32 percent, Japan 13 percent, Canada 4 percent, Australia 3 percent and South Korea 2.5 percent.

Besides the loss caused by climate change impact, the Northern countries plundered resources from the Southern countries through colonization and strengthened their economy through industrialization. Still the colonial masters continue exploitation imposing on us flawed development paradigm by global institutions, northern governments and transnational corporations with the acquiescence and collaboration of our local elites and neo-liberal economic apologists.

Globally the international financial institutions like the IMF, the World Bank, the Asian Development Bank and other regional development banks, northern governments and their export credit agencies are desperately engaged in fossil fuel exploration and creating huge environmental loss, economic loss and corruption. For example in Bangladesh the inefficient operation of NIKO and Occidental, respectively Canadian and American Oil Exploration Company, caused gas fields blow-out in Magurchara and Tegratila gas-fields which resulted economic loss of USD 2 billion.

Therefore from the historical perspective, the Northern countries have owed the Southern poor countries for colonial exploitation, resource drainage and damage etc. which have to be considered as 'ecological debt' of the rich countries and they have to pay for this. But, ironically, the Southern countries are becoming more indebted due to neo-liberal economic hegemony of the industrialized countries and their allied financial institutions.

A study of Jubilee Netherlands in 2005 says Bangladesh annually pays about USD 715 million (figures from 2004, now it is USD 1500) to its creditors, while it spends less than USD 700 million to its annual health budget. Thus, indebtedness of Bangladesh to foreign loan is growing, presently around USD 151 (Tk 10,419) per person. Total debt service liability has already crossed country's annual national health budget, in contrary ODA has declined around 37 percent from 1990 level.

Moreover, the export led economic policies mostly advocated and imposed by the international financial institutions like the World Bank, IMF, ADB etc. to the aid recipient developing countries, aid ineffectiveness due to corruption and ill-governance, lack of community participation in the decision making and implementation are making country's economy more dependent putting people's livelihoods more on peril. Abul Barakat, Professor, Economics Department at the University of Dhaka, and the General Secretary of the Bangladesh Economic Association, in an article 'Political Economy of Aid in the last 30 years' published in 2002, noted that till that time only 25 percent foreign aid went to the poor. He stated that of each USD 100 aid, USD 25 went back to the creditor, USD 30 eaten up by the bureaucrats, politicians, commission agents, contractors, another USD 20 went to the urban and rural elites in different forms. Taking cognizance of Barakat's study, it could be said that the ineffective aids are 'illegitimate' and, these should be written-off.

### **Few recommendations: Next doings at country level**

Climate change is a major challenge of the twenty-first century, more so for the Asia-Pacific region its high vulnerability due to relatively large poor populations with low adaptive capacity. Indeed, 90 percent of the global climate change related disaster affected the region and contributed to over a half a million deaths since the 1950s. Current evidence thus suggests that the key drivers of the both social and economic developments are adversely affected by the climate change. Therefore, it is necessary to consider climate change related issues and impacts on our development planning; besides we also have to demand for climate justice united with other least developed and climate-risk countries. In this perspective our recommendations are;

- a) Raising political awareness on the impact of climate change so that political parties declare their 'specific position' in the upcoming election manifesto.
- b) We should not be so optimistic for getting necessary adaptation fund. Thus we should finance for appropriate adaptive technology development
- c) In country level we have developed 'coastal zone management policy'. This policy documents also indented some 26 projects for implementation, which afterward approved in the ministerial meeting. We demand the present government to initiate few of these projects in the SIDR affected area as a part of 'rehabilitation and development program'.
- d) We are foreseeing that like 'aid for trade' of the WTO negotiation LDCs are again swallowing the pills of 'adaptation fund'-which is mere a carrot dangled under the noses of the LDCs.

- We should not be allured for so called 'adaptation fund', rather we should raise our voice for carbon emission reduction.
- e) Consultants of controversial international organizations e.g. the World Bank, MF, ADB, multinational business corporations, donor agencies, oil and gas exploration companies etc. should not be the part of government delegation. This is because they may not represent neutrally for the national interest ignoring his/her employer's interest.
  - f) International negotiation should be led by related ministries or departments along with the ministry of Foreign Affairs. There should have some level of continuation of participation of the delegates, especially of the subject-matter specialists and expert delegates. Besides, prior to and after participation in international events/ negotiation government should disclose its position publicly.
  - g) Annually we are subsidizing huge money on fossil fuel import. The primary beneficiary of this subsidized fuel is urban middle class. Country should not expense more for the luxury of urban middle class, rather it should re-direct test effort for boosting rural economy and revitalizing agriculture based subsistence economy. We should re-define strategies for saving urban power consumption and supplying to the rural areas. Several energy saving strategies; i) expand renewable energy (solar) even in the urban household and non-industrialized sub-urban areas, ii) compulsory introduction of energy savings bulb and limiting the uses of air-conditioner, iii) introduce car free day, once in a week iv) banning imports of luxurious and more energy consuming cars, all cars more than 2000 CC,
  - h) We propose formation of 'National Public Company' for the utilization and management of country's precious natural resources like Coal, Gas, Oil, Forest etc. We also propose formation of 'National Energy Policy' for long-term basis.
  - i) Introduction of market based vocational trainings for the coastal people, especially for women, who, presently, are under threat of forced migration caused by the sea level rise.
  - j) We propose forwarding the issue of Mode 4 (free movement of natural person) negotiation of GATS of WTO and finding the ways for the migration of environmental refugees to the other countries. Already, there is an agreement between Australia and Papua that Australia will allow climate refugees from Papua and Tuvalu.

This position paper has been brought to you by Equity and Justice Working Group-EJWG. This group has been working for an economy of equity and justice and a society with the culture of human rights and democratic values. This group emphasizes campaign and advocacy for policy and practice changes with the micro and macro linkages. Thus, campaign for climate justice is one of the major focuses of group's work.

In relation to the UN climate conference held in Bali during 2-15 December 2007, EJWG organized campaign and policy advocacy both at the national and international level.

In relation of campaigning in international level, on the eve of G8 Germany, COAST prepared six briefing papers on climate change impact in coastal areas of Bangladesh for the German civil society activist and circulated widely. On the eve of UN Climate conference in Bali, COAST along with EJWG (Equity and Justice Working Group) have conducted research on climate change impact in local level and organized intensive campaign both in national and international level wherein we focused and demanded i) global commitment for deep GhG mitigation, ii) more adaptation fund for the LDCs iii) Debt cancellation of Bangladesh and iv) efficient use and transparent management of adaptation fund. Major activities include (i) preparation of six briefing papers and one booklet which has been circulated worldwide through electronic mail two months before of the conference, (ii) organized national level seminar in November to mobilize civil society and to influence government position, (iii) participated in Bali Climate conference with the invitation from Jubilee South and (iv) organized press conference and to present post Bali position on 18th of December, circulated the position world wide.

On the eve of the Bali Climate conference different international organizations like EPPA, EUROSTEP, GCAP etc. posted EJWG's activates and position paper in their websites and supported our campaign. Metro TV, a Indonesia based TV channel, recorded and broadcasted the interview of the EJWG's convener. The group along with Jubilee South, participated in the mass rally on 8 December raised voice for 'debt cancellation' and asked reparation of ecological debt that owe the Northern countries to the South.

### **Equity and Justice Working Group**

House 9/4, Road 2, Shyamoli

Dhaka 1207, Bangladesh

Tel: 088-02-8125181, Fax: 088-02-9129395

E-mail: info@equitybd.org, Web: www.equitybd.org