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After Bali What Next?

By Irina Mosesova in Quebec for CAAGLOP (07/01/2008)

Problem in the Nutshell

It has been widely accepted that the main cause of the global warming is the increased emission of the carbon dioxide (CO₂) [1]. Carbon dioxide is the most abundant human-caused greenhouse gas in the atmosphere [2]. It is released into Earth's atmosphere when fossil fuels such as oil, natural gas, and coal are burned in the air. As a result of the tremendous world-wide consumption of such fossil fuels, the amount of CO₂ in the atmosphere is on the constant rise and this is thought to be a cause of the drastic climate change [3].

Nothing is Impossible

It has been consistently brought up by politicians and businessmen that if measures were taken to reduce the CO₂ emission the economy will go down with it. This view is now being challenged by a number of profit-oriented companies that are trying to find alternatives to make profit and cut on CO₂ emission. One of the pioneers is [HYPERLINK "http://www.skysails.com/"](http://www.skysails.com/) SkySails GmbH & Co. KG and its partner [HYPERLINK "http://www.beluga-group.com/News.345.0.html?&cHash=8d7c34a750&tx_ttnews%5bt_tnews%5d=505"](http://www.beluga-group.com/News.345.0.html?&cHash=8d7c34a750&tx_ttnews%5bt_tnews%5d=505) Beluga Shipping. SkySails have developed an automated steerage system and a high-tech kite that helps ships and yachts cut fuel consumption. To put in the perspective, during its journey across the Atlantic, the SkySails on the 132-metre long Beluga Group ship is expected to save as much as 20 percent of fuel and CO₂ emissions – and up to 50 percent with larger versions expected within the next year or two. [8]

There are number of reasons why a business can benefit from reducing emission, as discussed in Business Link article "Cut carbon emissions to drive profit" [9]. Reducing the use of energy, considering the type of transportation and fuel, and taking advantage of the environmental tax incentives - all could be beneficial in both reducing CO₂ emission and the expenses for one's business.

Overview on the Bali Conference

Over 160 countries met on December 3rd of 2007 for two weeks in Bali, Indonesia to discuss the climate changes. The discussions mainly involved shifting the blame between delegates for climate decline. The conference received extensive world-wide media coverage, although an angle from which it was presented varied [4]. For example, while China pointed its fingers at the United States, US. had little coverage of the conference. Japan, on the other hand, mostly concentrated on the fact that China is not doing enough considering it will soon surpass USA in its carbon dioxide emission. England, generally speaking, emphasized the fact that Arabic Gulf is to be blamed, where four of the world's top five per capita emitters of CO₂ are located [5].

U-turn by USA

The highlight of the meeting was indeed the last day of the conference. Developing countries led by China and India, demanded developed countries to do more. After a persistent rejection of the plan, USA delegation eventually backed down and informed the members of the conference that they will "go forward and join consensus," as announced by Paula Dobriansky. According to her, the change of heart was brought upon the realization that developing countries were in fact serious about fighting climate change [6]. No doubt that bold remark by Papau New Gunea's delegation, Kevin Conrad, has played a role in this decision as he announced during the meeting: "..we seek your [USA] leadership.. but if for some reason you're not willing to lead, leave it for the rest of us; please get out of the way." [7] As a result, Indonesian Environment Minister Rachmat Witoelar announced consensus on a deal to launch two years of talks on a new global treaty to succeed the Kyoto Protocol. The outcome of the conference is now known as Bali Roadmap.

Bali roadmap

The following summary of the Bali Roadmap was taken from the Vancouver Green Business Journal article "Bali Agreement - Is this better than nothing?" published on December 15, 2007.

Commencing the negotiation process to reach a long-term global goal for emission reduction, *"in accordance with the provisions and principles of the Convention, in particular the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors."*

Measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives, by all developed countries, taking into account differences in their national circumstances.

Measurable, reportable and verifiable nationally appropriate mitigation actions by **developing** countries in the context of sustainable development supported by technology and enabled by financing and capacity-building.

Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in **developing** countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in **developing** countries.

Various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and **developing** countries;

Enhanced action on adaptation

International cooperation to support urgent implementation of adaptation actions, including through vulnerability assessments, prioritization of actions, financial needs assessments, capacity-building and response strategies, integration of adaptation actions into sectoral and national planning, specific projects and programs, means to incentivize the implementation of adaptation actions, and other ways to enable climate-resilient development and reduce vulnerability of all countries, taking into account the urgent and immediate needs of **developing** countries that are particularly vulnerable to the adverse effects of climate change, especially the least developed countries and small island **developing** States, and further taking into account the

needs of countries in Africa affected by drought, desertification and floods.

Risk management and risk reduction strategies.

Disaster reduction strategies and means to address loss and damage associated with climate change impacts in **developing** countries that are particularly vulnerable to the adverse effects of climate change.

Economic diversification to build resilience.

Enhanced action on technology development and transfer to support action on mitigation and adaptation.

Scaling up of the development and transfer of technology to **developing** countries in order to promote access to affordable environmentally sound technologies.

Accelerating the deployment, diffusion and transfer of affordable environmentally sound technologies.

Cooperation on research and development of current, new and innovative technology, *"including win-win solutions"*.

Enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation.

Improved access to adequate, predictable and sustainable financial resources and financial and technical support, and the provision of new and additional resources, including official and concessional funding for **developing** countries.

Positive incentives for **developing** countries for the enhanced implementation of national mitigation strategies and adaptation action.

Innovative means of funding to assist **developing** countries that are particularly vulnerable to the adverse impacts of climate change in meeting the cost of adaptation.

Means to incentivize the implementation of adaptation actions on the basis of sustainable development policies.

Mobilization of public- and private-sector funding and investment, including facilitation of carbon-friendly investment choices.

Financial and technical support for capacity-building in the

assessment of the costs of adaptation in **developing** countries, in particular the most vulnerable ones, to aid in determining their financial needs.

Bali conference has achieved many milestones. This time all present governments have agreed that global warming is undeniable and further delays in dealing with issues at hand will result in more severe weather changes. The main achievement of the meeting was the establishment of the working group to discuss wide range of issues, which include financial support, technology development, and adaptation. In addition, **developing countries** have decided to take "nationally appropriate mitigation actions in the context of sustainable development, supported by technology and enabled by financing in a measurable, reportable and verifiable manner." [10]

Several controversial issues were left for discussion due to failure to reach consensus. For one, it is still debatable which issues should be discussed by the group. For example, some developed countries, namely United States, Japan, Canada, European Union and Russia, proposed that developing countries need to show stronger commitment. In addition, developed countries have argued that Kyoto protocol and even some part of the Convention (documents that are friendly to the developing countries) need radical change. It is yet to be determined whether new process will lead to a new "comprehensive" agreement or whether it will reinforce the accomplishment of the existing Kyoto Protocol [10]. And thirdly, the conference has failed to set global targets to reduce Greenhouse gases in the Bali roadmap document.

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Irina A.Mosesova based in Quebec, Canada, is CAAGLOP's correspondent.

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