

Episode 31

Major Climate Agreements

The Kyoto Factor

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[Kyoto Protocol represents a milestone in history of international climate negotiations. Presented in 1997 before the participating nations in the third Conference of Parties, it was the first serious effort at reducing Greenhouse Gas Emissions. Its net impact was finally in the negative but underlined the need for undertaking responsible initiatives to tackle climate change. The present episode discusses the pros and cons of the protocol with due importance to the major factors. Four friends sitting in a coffee shop get involved in the discussion and give the listeners a fair idea of the Kyoto phase of negotiations.]

(It's a dimly lit room in a coffee shop. Four friends Vineet, Ajay, Jacob and Srinivasan sitting around a small table. All of them are in their mid-forties. It's a self-serving shop. Ajay brings the coffee filled cups to the table.)

Vineet: What variety is it today Ajay?

Jacob: Variety means? It's not coffee? Come on, I won't have anything other than coffee!

Srinivasan: Arreh! Don't get so tensed Jacob. You do not know because you are coming to this shop for the first time. It's of course coffee but with some cookies that keeps varying every week.

Jacob: Oh I see! Variation in cookies, not coffee!

Ajay: Today they are serving Japanese variety. Let's see whether Srini likes it or not!

Srinivasan: Why concentrate on me buddy? What about the likings of others?

Vineet: Simply because among four of us you are the only one to have breathed in Japanese air! (Laughter)

Srinivasan: Oh, that tour! It was a hurricane type one. Zip zap zoo, finished in eight days.

Vineet: Say whatever you can! I only know that the rest of us haven't been there for eight minutes even.

Ajay: Your work, as far I can remember, was near Kyoto...no Srini?

Srini: It was in Kyoto itself. I was ordered by my office to have a series of meetings there to finalize our project. That's all.

Vineet: So humble!

Srini: There you start again! Never tired of leg pulling.

Jacob: The very name Kyoto reminds me of that famous climate pact.

Ajay: See Vineet, Srinu has a partner here. Never think Jacob is obsessed with coffee only. He knows Kyoto as well! (Laughter)

Jacob: Come on buddies! These days even kids know about the pact! That was one initiative that could have changed the face of our environment!

Vineet: Seems to be serious business Ajay! Get smart...even kids know...don't fall behind. (Giggles)

Jacob: Ignore them Srinu. Tell me did you visit the place where this Kyoto pact was drafted?

Srinu: In fact my meetings were scheduled at this very centre. Earlier it used to be called a conference hall but it has now been renamed as the Kyoto International Conference Centre.

Jacob: Lovely!

Srinu: Lovely it is! The centre is situated on the banks of a vast lake. You know Ajay, this complex was the location for the finale of the famous martial arts film The Challenge.

Vineet: That was made in the early eighties I believe.

Jacob: See! Even Vineet is able to connect to Kyoto! (Laughter)

Srinu: But that centre is mainly famous for hosting the climate conference.

Ajay: (Taking a big sip) I don't understand why these people continue to hold conference after conference over the years! Why cannot they settle it once and for all?

Srinu: Well though I have visited Kyoto, I am no climate expert. But as far as I understand, it's the power struggle between big and small nations that is holding us back.

Jacob: The Kyoto Conference was the third in the series of climate conferences. These have become a routine now. Countries of the world continue to meet every year and it is called Conference of Parties.

Vineet: What kind of party? Political?

Jacob: The countries are the parties! Of course all of them have a political identity but they are called parties under the UNFCCC.

(Coffee almost spills out of Vineet's mouth.)

Vineet: What see-see?

Jacob: It's UNFCCC. United Nations Framework Convention on Climate Change. It's basically an international environmental treaty. It was conceptualized during the Earth Summit in Rio de Janeiro and entered into force in March 1994.

Ajay: That's called FUNDA Vineet! Don't even try to belittle Jacob's studies!

Vineet: I never do that Ajay! I know how to honour my friends. Tell me Jacob what was the agenda of this body, I mean u see- see.

Jacob: It's UNFCCC. Come on Vineet, don't you have to help your kids with their homework? They must be looking up to you for help.

Vineet: No way boss! My wife takes care of all that. They know that asking for help from papa won't fetch them anything.

Srini: Don't disturb his peaceful family life Jacob. You tell us about the UNFCCC, I mean the convention that was signed.

Jacob: This convention basically asked the signatory countries to establish national inventories for greenhouse gas emissions and removals.

Ajay: Ah, greenhouse gas! Carbon dioxide and all that stuff.

Jacob: Exactly. Unless you do that how can you measure how much of carbon dioxide or methane is getting into the atmosphere.

Srini: I think they also used this data to categorise the countries as Annex I and like that.

Vineet: Who are these Annex I countries?

Srini: This I know. The industrialised countries like the USA, UK, Australia, the European Union are included in this. Interestingly you will find countries like Cyprus, Estonia, and Belarus in this list as well.

Vineet: Do you think we shall have another round of coffee? And make sure Ajay, the coffee is as strong as this discussion.

Ajay: Come on Mr Event Manager, this time you will bring coffee. Always eager to thrust responsibility on others!

Vineet: Ok ok...no issues. So here goes Vineet the great!(Laughter heard as Vineet rises from the chair to fetch coffee.)

Srini: What are your kids doing Ajay? I think the younger one is in class seven, no?

Ajay: Class eight now. My elder one is in class eleven.

Srini: Lovely kids. Haven't met them for a long time. What do they want to do?

Ajay: Well, the younger one wants to become Virat Kohali. And as far as Manu, I mean my elder son, I just do not have any clue.

Jacob: What does that mean?

Ajay: He has all sorts of wild ideas occupying his mind. A week ago he told me that he wants to work for the improvement of the plight of poor people.

Srini: That is great! So why are you afraid?

Ajay: What great element you find in this I do not know but when I asked him what would be your profession he answered that he wants to study disaster management. All my life I have looked after account books and I really do not have any idea what these fancy things are all about.

Srini: Relax Ajay! Disaster management is the in-thing these days. Why Jacob, all the climate pacts include provisions for preparing disaster management teams.

Jacob: Of course. Management can come in several layers. You have to manage the emissions and at the same time you have to strive to lessen the damage to life and property due to natural or man-made calamities.

Srini: There comes Vineet. Look, he is so expert at balancing everything. Just look at his style of holding the tray! (Laughter)

Vineet: Huh, applying my own medicine on myself! The future won't pardon this crime my friend ... come on get the cups off the tray.

(Vineet's attention is drawn by the wallpaper in the coffee house.)

Vineet: Look at those surging waves Srini. Aren't those nice?

Jacob: Yes, as long as the waves don't claim all that you have ... your house, property and even the lives of your near and dear ones!

Vineet: Such a weird person you are! Can't even appreciate such a beautiful photograph.

Jacob: I do appreciate the photo but at the same time I shudder at the thought of seeing thousands of inhabitants from the coastal areas flocking towards the mainland in search of safety and livelihood.

Ajay: He is at it again Vineet. Global warming, seas and oceans swelling and devastating huge tracts of land.

Vineet: Yeah, I too understand that not everything is fine with the climate but what can we commoners do?

Srini: Frankly speaking, we can do a lot. We can organize rallies and seminars to put pressure on our governments to sign the treaties that are our last hopes. Why Jacob?

Jacob: Of course. The Kyoto protocol should have been signed by USA which is one of the top emitters of greenhouse gases, The US citizens could have played a role in influencing their government. Look at Canada also. The government of the country denounced the protocol altogether. How many protests by Canadian citizens have we heard about?

Vineet: Come on Jacob! It is easy to pass comments on the actions of government functionaries. But there must have been compulsions for them which they could not ignore.

Jacob: See, we are back to your surging waves. What could be a greater compulsion than to save the climate from going wild?

Srini: The Kyoto conference was held in 1997. There was a period for meeting the commitments outlined in the protocol, no?

Jacob: You are absolutely right. The Kyoto Protocol has had two commitment periods. First was from 2008 to 2012. The second one runs from 2013 to 2020. All Annex I parties, except the US, have participated in the first Kyoto commitment period.

Srini: And the second one?

Jacob: Thirty seven Annex I countries and the European Union have agreed to second-round Kyoto targets.

Vineet: I understand but tell me what the commitments were? If those are not logical for the US then why should it follow the other countries?

Jacob: Well, for the first period it was five per cent reduction in greenhouse gases below what they emitted in 1990.

Vineet: Five per cent? Small enough Ajay! Why then did the US government disagree?

Ajay: (Laughing) Five per cent in actual figures can come to a huge figure. You have to stop the use of a good lot amount of petroleum, coal and natural gases. That means compromising with the American lifestyle. The successive governments probably do not have the courage to say 'yes' to such a step. This is why the US remains defiant at almost all the conferences.

Jacob: What are you watching on your cell phone Srini?

Srini: I am going to call a friend of mine who will tell you about the Clean Development Mechanism concept in Kyoto Protocol. She actually does business in this.

Ajay: I see. Who is that? Do we know him?

Srini: Not him, her. No you don't know her. She is Shamima. She is presently doing business in Karnataka. But she keeps travelling throughout the world for spotting business opportunities. Let me see where she is now.

(Srini dials. Ring heard. Shamima answers.)

Srini: Hi Shamima....yeah this is Srini...where are you now? What? I can't hear you....ok, now the signal is becoming clear. You are in Denmark? Ok. Shamima, do you have a little time to spare? You have? Ok. My friends are

discussing the Kyoto Protocol here at a coffee shop and they want to know about the carbon credit system. I am putting the phone on speaker.

(The voice of Shamima could be heard on phone.)

Shamima: Hi guys, I am Shamima. Tell me what do you want to know?

Ajay: Hello Shamima, I am Ajay. I am a financial executive at a multinational company. I have heard about the carbon credit system but I do not have a clear idea. In fact all four of us here are quite ignorant about the system. How does it work?

Shamima: That's a nice question. It's a very basic one, no doubt, but it's very important to know the way carbon credit system is functioning.

Srini: I believe your explanation will have to start from the concept of carbon footprint.

Shamima: Exactly Srini. The Carbon Footprint is the measure of the amount of Greenhouse Gases emitted by an organization or agency involved in any production activity. This is measured in tonnes of Green House Gases. A central governing body allocates a certain permit. The body could be a national or an international one. The permit is in terms of gross tonnes of Green House Gases that it may emit.

Srini: So, in effect, the permit restricts the emissions that an unit can make.

Shamima: Precisely so. In this way the permit effectively helps in reduce air pollution, but at the cost of capped economic growth. Now to increase production one needs to have Carbon Credits that allow it to offset the permit of Green House Gas emissions.

Ajay: I can understand that but what is the source of such credits...I mean how do you obtain it?

Shamima: If a company has more carbon credits than it requires currently, then it may sell them to one in need to undertake production through an Emissions Trading market like the European Climate Exchange, Chicago Climate Exchange, NASDAQ OMX etc.

Jacob: Shamima, where does our country stand in this business map? How is India positioned?

Shamima: See there could be many ways of looking at our current position. I have my own views. Given the economic benefits of Carbon Trading developing nations like India tend to gain immensely from it. With its juvenile fledgling industries India is in a position to develop and implement new eco-friendly technologies that are highly energy efficient according to standard international norms.

Vineet: But do we have sufficient technology for that?

Shamima: Probably not. But there are other ways of excelling that at first look might not seem very smart. We can attain the standard simply by mass employing the enormous youth labour workforce at its disposal.

Srini: You mean to say by employing lesser number of machines and using lesser amount of fossil fuel?

Shamima: Exactly. You may not like this but it's a win-win situation. By doing so we all stand to gain by selling our credits to old foreign industries that need them to make both sides of the Carbon ledger match.

Ajay: I think this will be mostly applicable in small scale industries.

Shamima: You guessed it correctly. Small scale Indian industries tend to be the biggest beneficiaries of this system. Such units have the luxury of using the cheapest and most energy efficient means i.e. raw labour.

Jacob: Is that the only way Shamima to have carbon credits at your disposal?

Shamima: Not necessarily. You can just set up an efficient plastic recycling industry and earn the much needed credits. Or you can use tin cans to make automobile sheets. The opportunities are limitless as far as our economy is concerned.

Srini: So you are doing handsome business in this, I suppose.

Shamima: Mine is a brokerage firm. It's one of the hundreds operating in our country. See, in the recent past India and China were the largest sellers and Europe was the targets buyer. Waste disposal units, plantation companies, chemical plants and municipal corporations, all can sell the carbon credits and make money.

Jacob: Is there any particular example?

Shamima: One case that I can recall was that of Jindal Vijayanagar Steel plant. I can't remember the year exactly but the plant owners had declared that in some 10 years they would be able to sell 225 million dollar worth of carbon credits by using superior furnace technology. Another example of the local public efforts was the Handia Forest in Madhya Pradesh.

Shamima: What happened there?

Shamima: Ninety five rural villages stood to gain approximately three hundred thousand dollars per year just by reclaiming community forest cover.

Srini: That is excellent Shamima.

Shamima: Very true. But you will have to excuse me now Srini. I have to meet a top notch person of a manufacturing plant in about five minutes. Excuse me for now but I am always here to answer your queries. Bye everybody.

Srini: Thanks a lot Shamima. Bye and have a successful meeting.

(Srini disconnects the phone and heaves a sigh of satisfaction.)

Jacob: All of this said and done, Kyoto protocol didn't serve to reduce greenhouse gas emissions.

Srini: Really!

Jacob: Yes. In fact, before the protocol could become international law, the level of global emissions had risen substantially. Though some countries and regions like the European Union were on track by 2011 to meet Kyoto targets but other large nations were falling way behind.

Ajay: Which nations?

Jacob: Quite a good number of those. China and the US emitted enough gases to erase all reductions made by other countries during the Kyoto period.

Ajay: You mean the end result was...

Jacob: Worldwide emissions rose by nearly forty per cent from 1990 to 2009. This figure was given by the Netherlands Environmental Assessment agency.

Srini: What to say...so many people showing concern for the climate but nothing is achieved!

Ajay: I do not think that a third round of coffee would be advisable even with this Kyoto content.

Vineet: No but I have an alternative plan.

Srini: What?

Vineet: Wife not at home. So I have to order my dinner from outside anyway. How about having it together?

Srini: I do not have a problem.

Vineet: I know a nice place across the road. I know the cook there. He is a very skilled follow.

Jacob: Just one more thing buddies before we step out to have a follow up meal I just want to tell you about the Bali conference.

Vineet: How would that help with the dinner? No, I mean I can't understand. We had discussed enough conferences already.

Ajay: Aha, sit down for a couple of minutes Vineet. Allow Jacob to finish his course.

Jacob: It's not a course. It's about a follow up initiative to realize the Kyoto Protocol goals.

Srini: Ok. Go ahead.

Jacob: The Kyoto Protocol came into effect in February 2005. It was to lapse in 2012. So naturally there had to be an effort to design a new roadmap.

Ajay: Agreed.

Jacob: The members of the European Union were mounting pressures for a binding treaty to cover all nations, both developed and developing. There was a thin hope that the US could sign a post-Kyoto treaty.

Vineet: So a new treaty was drafted?

Jacob: Slow Vineet, slow. These are important international agreements. The thirteenth conference of parties was held in 2007. The host this time was Bali in Indonesia. Remember, in that very year former Vice President Al Gore had shared the Nobel Peace Prize for his film on Global Warming.

Vineet: An Inconvenient Truth! Very frightening film Jacob! Are we to die like that?

Jacob: Definitely like that if we continue to emit greenhouse gases at will. In June of 2007, the Intergovernmental Panel on Climate Change also published its fourth assessment report that put all the blame on man-made emissions.

Ajay: So the situation must have been tense in Bali!

Jacob: Yes it was. Other than government functionaries from 180 countries people from several non-government agencies around the world gathered to watch the negotiations.

Srini: But I can't recall any success being achieved there.

Jacob: You are true. The draft that was forwarded by the European Union failed to get enough supporters. The US did not budge from its earlier position. Further the move to cap aviation and shipping emissions also did not succeed.

Srini: Everything ended in smoke?

Jacob: The only positive thing was the Bali road map. The participating nations expressed their good intent to work more intensively to tackle the menace of global warming and come up with a treaty in two years.

Vineet: Very fair. But I can't even wait or two more minutes. A severe cyclonic storm is raging inside my stomach. So please help!

Jacob: Ok ok, no more conferences. Let's attend to our immediate needs. Let's proceed.

Vineet: It's a short march from here, I promise. We won't have to cross any difficult hurdle. Crossing the road will do. Come on!

(Laughter)