



# UJAE

# Unions for Jobs And the Environment

Address: PO Box 56173, Washington, DC 20040-6173 Voice and Fax: 301-585-5828 Email: [ujae@rcn.com](mailto:ujae@rcn.com) Website: [www.ujae.org](http://www.ujae.org)

## Newsletter

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### Member Unions

- Brotherhood of Locomotive Engineers
- International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers
- International Brotherhood of Electrical Workers
- International Brotherhood of Teamsters
- Marine Engineers Beneficial Association
- Sheet Metal Workers International Association
- Transportation • Communications International Union
- International Association Of Plumbers and Pipe Fitters
- United Food and Commercial Workers International Union
- United Mine Workers of America
- United Transportation Union
- Utility Workers Union of America

### President

Bill Cunningham

## From Poznan to Copenhagen: Road to a New Climate Treaty? Gene Trisko\*

The 14<sup>th</sup> Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (FCCC) met in Poznan, Poland from December 1 to 12, 2008. COP-14 attracted the largest delegation of union representatives ever to attend an annual meeting of the FCCC. Several UJAE member unions - the International Brotherhood of Boilermakers, the International Brotherhood of Electrical Workers, and the United Mine Workers of America – joined the AFL-CIO and dozens of unions affiliated with the International Trade Union Confederation to help shape the agenda for negotiations for a new climate treaty to replace the Kyoto Protocol. These negotiations are scheduled to conclude next December in Copenhagen, Denmark.

Poznan made little progress toward the ultimate goal of crafting a replacement to Kyoto. In December 2007, the Bali Action Plan approved at COP-13 called for industrial nations to commit to “measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives.” Developing nations agreed to “nationally appropriate mitigation actions ... in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner.”

Led by the G-77 and China, representing the bulk of developing nations, these countries refused to put forward any concrete proposals in Poznan for reducing their future emissions growth. Major developing nations also rejected proposals for creating new categories that could result in growth limits on the largest emerging economies like India, China and Brazil.

Instead, China and other rapidly growing economies insisted that industrial nations make deeper emission reduction commitments to provide additional “room” for their economic growth. They argued that the European Union’s (EU) proposal for a 20% emission reduction below 1990 levels by 2020, negotiated in separate meetings in Brussels while COP-14 convened, was too weak because it did not meet the Intergovernmental Panel on Climate Change’s (IPCC) call for industrial nations to reduce emissions by 25% to 40% below 1990 levels by 2020 (see article by Bill Cunningham on page four).

The EU has pledged to tighten its reductions to 30% below 1990 levels if the U.S. joins in commitments in Copenhagen. In comparison, President-elect Obama has proposed to stabilize U.S. emissions at 1990 levels by 2020.

## **Two Tracks Converge**

COP-14 featured discussions among the EU and other parties to the Kyoto Protocol for a replacement to Kyoto when its initial emission reduction period expires in 2012. Separately, an Ad Hoc Group on Long-Term Cooperative Action, including the United States, struggled with little success to define a “shared vision” of long-term global emission reductions. Ultimately, the talks on long-term action may converge with the negotiations for a replacement to the Kyoto Protocol, producing a global agreement in Copenhagen on future actions by developed and developing nations. The prospects for a real agreement in Copenhagen are inextricably tied to the willingness of major developing nations to agree to real commitments – a willingness that was not evident in Poznan.

Developing nations advanced a proposal at COP-14 for technology transfer from industrial to emerging economies, contemplating that blueprints, operating manuals and other essential intellectual property would be turned over for free. China, a leading manufacturer and exporter of energy efficiency technologies, emphasized that technology transfer was a “one way street,” from industrial to developed nations. Predictably, no agreement was reached on technology transfer.

Progress was achieved on proposals to provide economic benefits to Brazil, Indonesia and other nations with huge forest resources in exchange for plans to reduce the rate of global deforestation. Deforestation accounts for about 20% of current global greenhouse gas emissions. Industrial nations view forest conservation as a major potential source of low-cost carbon “offsets” that can reduce their costs of emission cuts.

A key concern about forest offsets is that they could impede the development of carbon capture and storage technologies (CCS) needed to permit the continued use of coal in the U.S. and other coal-dependent economies. Economic modeling studies presented at COP-14 dispelled these fears, showing that forest conservation credits could reduce world carbon dioxide prices by \$20 to \$40 per ton while preserving vulnerable rain forests, with no adverse impact on investments in CCS technologies.

Separately, nations debated the inclusion of CCS technologies within the Clean Development Mechanism. The CDM provides tradable credits for investments in clean energy projects in developing countries. Including CCS projects within the CDM could stimulate investments in CCS in China, India and other coal-dependent industrializing economies. No agreement was reached on the CCS proposal due to opposition from some developing nations which viewed CCS as a threat to investments in biomass and other energy projects. Without CCS technologies available for deployment in China, the world’s largest carbon emitter, it will be extremely difficult to achieve the Convention’s long term objective of stabilizing atmospheric concentrations of greenhouse gases at a level to prevent “dangerous” interference with climate.

## **Minefields in Copenhagen**

The path to a new global climate agreement is strewn with minefields for the incoming Obama Administration. Unless Congress acts in 2009 to define the scope of U.S. greenhouse gas emission reductions – at a minimum through comprehensive national climate change legislation accepted by at least one house of Congress – the U.S. will be subject to intense international pressures to match the EU’s pledge of a 20% or 30% emission reduction by 2020. Any commitment of this magnitude would face an impassable road to ratification by the U.S. Senate. Ratification of a treaty requires 67 votes, seven more than the 60 votes needed to prevent a filibuster on proposed legislation.

Current U.S. greenhouse gas emissions are some 16% above 1990 levels, and are likely to be 20% or more above 1990 levels by 2020. Reducing our emissions to 1990 levels by 2020, consistent with President-elect Obama's proposal, likely would entail large-scale curtailment of coal-based electricity generation and major emission reductions across the economy. Because CCS technologies will not be commercially available for widespread retrofit use in 2020, many existing coal-based plants would be shut down, replaced by generation from plants fueled by higher-cost natural gas or imported LNG.

Meeting the EU's emission reduction targets of 20% or 30% below 1990 levels by 2020 is not economically feasible for the United States. None of the principal climate change bills introduced in Congress in the recent past has proposed such severe reductions. The Lieberman-Warner bill (S. 2191) - rejected by the Senate in July 2008 - called for a 19% reduction below 2005 emissions by 2020. Based on analyses by U.S. DOE's Energy Information Administration, the UMWA estimates that S. 2191 would cause the loss of up to 1.3 million industrial jobs, and a 65% reduction of coal use. The more recent Dingell-Boucher draft bill in the House proposed a more realistic 6% reduction below 2005 emissions by 2020, recognizing the limited availability of CCS technologies at that time, leading ultimately to an 80% emission reduction by 2050.

### **Looking Ahead**

The path to a new global climate agreement is further complicated by legal uncertainties. Negotiators at COP-14 were unsure whether such an agreement could be structured as an amendment to the Kyoto Protocol, as a new, free-standing protocol, or as a form of amendment to the UN FCCC. Amending the Kyoto Protocol would prove difficult because it recites the pledge of the 1995 Berlin Mandate exempting developing nations from any new commitments. Amending the FCCC is generally regarded as impractical. A free-standing replacement to Kyoto seems the more likely path, provided that industrial and developing nations can reach agreement on their respective commitments. In Poznan, it was clear that the major industrial nations will not be receptive to another one-sided agreement like Kyoto, essentially letting developing nations off the hook of any meaningful commitments.

Structuring an agreement that provides more moderate levels of emission reductions for the U.S. than the EU has precedent in the Kyoto Protocol. Kyoto assigned a range of specific reductions to individual nations. For example, Kyoto allows Australian emissions to increase 8% above 1990 levels by 2008 to 2012, while the overall EU target is an 8% decrease. At this point, few countries in the EU are expected to meet their Kyoto targets, and the protocol lacks legal teeth to compel compliance. If the U.S. commits to legally enforceable emission reduction obligations through a ratified agreement or Congressional legislation, multiple tools will be available to ensure compliance through judicial and other legal means.

As COP-14 ended, the consensus view held that reaching an agreement in Copenhagen may not be feasible given the complexity of issues to be resolved in such a short timeframe. Additional meetings of the UN negotiating groups are scheduled in Bonn, Germany, in March and June 2009, with a third meeting tentatively set for August. A draft negotiating text could emerge next summer.

The Obama Administration will deploy its negotiators in force next March and June, and should be prepared to respond to the EU's calls for more stringent emission cutbacks than the President-elect has proposed. Meanwhile, the fragile state of the U.S. and global economies, along with rising unemployment, should exert a moderating influence on delegates in Bonn.

Extending the Copenhagen negotiations into 2010 would be advantageous for the U.S. because Congress would have additional time to formulate comprehensive legislation defining the scope and extent of our domestic greenhouse gas reduction plans. Measures to revive the economy and avoid further unemployment will consume Congress and the new Administration for the next year. Repeating the mistakes of Kyoto by agreeing in Copenhagen to new treaty commitments that the Senate would not accept would only further delay an appropriate and measured U.S. response to global climate change.

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\*Gene Trisko, an attorney in Berkeley Springs, WV, attended COP-14 as an NGO on behalf of the UMWA. He has participated as an NGO in all major UN FCCC negotiating sessions.

### Trade Unions Disagree over IPCC Emission Reduction Pathways for Developed Countries

Bill Cunningham\*

The most recent report of the Intergovernmental Panel on Climate Change (IPCC) is generally seen as the most authoritative compendium on climate change science. The three volumes, each with over 800 pages, is issued at intervals of about five years. The fourth and most recent report was published in 2007.

The 2007 IPCC report offers three alternative emission reduction scenarios put forth for consideration by developed countries. The most stringent path is a 25 to 40 percent reduction below 1990 emissions by 2020, with emissions turning down by 2015 at the latest. The middle pathway is a reduction of 10% to 30% below 1990 by 2020, and the least stringent is a reduction of 0 to 25% with emissions turning down by 2030 (page 776, IPCC Report, Working Group III). No position as to which path policymakers should follow is taken by the IPCC in the report.

In recent speeches and presentations, R. K. Pachauri, Chairman of the IPCC, favors the most stringent path, but stops short of formally endorsing it. The IPCC is a science advisory body to the UN FCCC process, and policy decisions are left to the formal FCCC deliberative process.

EU negotiators in Poznan advocated a 20% reduction by 2020, which seems to correspond to the middle pathway put forth in the IPCC report. However, negotiators from developed countries could not reach agreement on targets and timetables to follow after 2012.

**Box 13.7 The range of the difference between emissions in 1990 and emission allowances in 2020/2050 for various GHG concentration levels for Annex I and non-Annex I countries as a group<sup>a</sup>**

Scenario category	Region	2020	2050
A-450 ppm CO <sub>2</sub> -eq <sup>b</sup>	Annex I	-25% to -40%	-80% to -95%
	Non-Annex I	Substantial deviation from baseline in Latin America, Middle East, East Asia and Centrally-Planned Asia	Substantial deviation from baseline in all regions
B-550 ppm CO <sub>2</sub> -eq	Annex I	-10% to -30%	-40% to -90%
	Non-Annex I	Deviation from baseline in Latin America and Middle East, East Asia	Deviation from baseline in most regions, especially in Latin America and Middle East
C-650 ppm CO <sub>2</sub> -eq	Annex I	0% to -25%	-30% to -80%
	Non-Annex I	Baseline	Deviation from baseline in Latin America and Middle East, East Asia

The International Confederation of Trade Unions (ITUC), after the 2007 UN negotiations in Bali, sent comments to the United Nations recommending that the most stringent path be adopted by negotiators in Poznan. The ITUC also prepared a draft report for the Poznan negotiations reiterating support for the adoption of the 25 to 40% reduction by 2020.

Despite strong and repeated objections from the AFL-CIO and from several U.S. and Australian unions in the months leading up to the Poznan negotiations, the ITUC would not budge from its basic position advocating 25% to 40% reductions below 1990 levels by 2020 for all industrial nations. The American unions received strong support for their opposition to ITUC's proposed reduction targets from the International Federation of Chemical, Energy, Mine and General Workers' Unions.

In a discussion with a leading IPCC scientist, a senior IBEW representative questioned the feasibility of the U.S. achieving a 25% to 40% reduction below 1990 levels. The IPCC scientist essentially conceded the point.

The disagreement among members of the ITUC appeared in a BNA article which noted that the AFL-CIO had put forth a separate position paper in Poznan supporting views of the ITUC, including concerns for "decent work, green jobs, industrial regeneration, border adjustment mechanisms and worker adjustment mechanisms." Noticeably absent from the AFL-CIO statement is any indication of support for the targets and timetables advocated by the ITUC.

The BNA article pointed out that "U.S. labor unions balked at backing ITUC's position, given fears that deep cuts would 'devastate' heavy manufacturing in the United States as well as the coal and steel industries, several U.S. union representative told BNA Dec. 9."

The AFL-CIO statement expresses support for legislation that would set mandatory emissions curbs across the U.S. economy, but points to continuing debate in Congress "on the appropriate timing and scope of U.S. reductions."

Targets and timetables advocated by the ITUC are much more stringent than bills such as the Bingaman-Specter "Low Carbon Economy Act" (S. 1766) and the Lieberman-Warner "Climate Security Act" (S. 2191) Bingaman-Specter was endorsed by the AFL-CIO in July 2007. The AFL-CIO has not endorsed any other climate bill, although a number of unions endorsed Lieberman-Warner.

The General Secretary of the ITUC, in public presentations in Poznan, claimed that the ITUC statement reflected a consensus view of trade unions around the world, but in a later presentation described it as a consensus "a bit frayed around the edges." The opposition of U.S. unions to the ITUC position advocating 25% to 40% emission cuts by 2020 evidently had an impact on the ITUC. We anticipate that this issue will reemerge as a critical discussion among U.S. and other ITUC and ICEM member unions at the Copenhagen negotiations in December 2009.

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\* Bill Cunningham attended COP-14 representing UJAE.

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