

E-news update September 12 2005

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- 1.1. Commission to speed up policies to reduce energy demand
7 September 2005, <http://www.euractiv.com/Article?tcmuri=tcm:29-143898-16&type=News>
Worried about the negative effects of high energy prices on Europe's economy, Energy Commissioner Piebalgs presented a five-point action plan to counter rising oil prices. Although Western economies are now more resilient to surges in oil prices than during the oil shocks of the seventies and eighties, recent oil prices of 70 dollars per barrel have started to raise concerns about the impact on economic growth. The OECD predicts in a report published on 6 September that the eurozone will be "more vulnerable to the oil price spike" than the US and Japanese economies. Commissioner Piebalgs's "five-point plan" to counter rising oil prices actually consists of several actions grouped under five headings: Reducing Europe's demand for energy (following the publication of the Energy Efficiency Green Paper in June 2005, the Commission wants to present an action plan on energy savings early 2006; it wants to speed up the adoption and implementation of measures, already in the pipeline, such as the Energy Services Directive and the Buildings Directive; and it intends to promote more international action on energy efficiency.) Switching to alternative energy sources (the Commission will present a Biomass Action Plan before the end of the year and a Communication on bio-fuels early 2006; it will push for an increase of research budgets on renewable energies, clean coal and carbon sequestration: financial

support for renewables in the member states will be under review.) Increasing transparency and predictability of oil markets (to counter speculation, the commission will publish twice monthly better statistics on EU oil security stocks, a new DG TREN "Oil and Gas Market Observatory Unit" will be created; dialogues with OPEC, Russia and Norway will be intensified; a "Fossil Fuels Forum" will be set up to improve oil and gas market predictability.) Increasing the supply of oil and gas (the Commission will work with producers and European oil companies to promote a better investment climate) Better co-ordination of strategic oil reserves (in view of the fact that several EU member states are not members of the International Energy Agency, more coordination will be needed.).

1.2. EU warned of climate impacts on biodiversity

9 September 2005, Environment Daily 1937

Experts have warned that the EU could fail to meet its target of halting biodiversity loss by 2010 unless more emphasis is put on adaptation to climate change. Scientists from 15 countries issued a statement on Friday during a meeting of European environment and sustainable development advisory councils. The conference was timed to coincide with a joint meeting of EU environment and agriculture ministers in London this weekend, the focus of which will be on climate change. The advisory councils warn that climate change is magnifying loss of biodiversity. In a statement, they call for EU countries to be obliged to integrate adaptation to climate change into policies and plans for land and water management. The need for a Europe-wide adaptation strategy should be assessed, they say. Implementation of the EU's habitats, birds and water framework directives should be "reinforced", and a new European advisory panel should be created. The councils call on EU member states to adjust their conservation policies in the light of climate change. So far Finland is one of the only European countries to have developed such a climate adaptation strategy (ED 28/10/04 <http://www.environmentdaily.com/articles/index.cfm?action=article&ref=17572>). Follow-up: See councils' network body EEAC <http://www.eeac-net.org/>, a press release <http://www.english-nature.org.uk/news/story.asp?ID=761>, and the statement http://www.eeac-net.org/download/EEAC%20Biodiversity%20statement_23Aug05.pdf.

1.3. EU ministers discuss climate change impact on farming

10 September 2005, FT.com

By Fiona Harvey: The possibility of environmental disaster, which could tear the European Union apart and leave much of its farmland abandoned while the rich retreat to gated rural communities, will be presented to Europe's agriculture and environment ministers this weekend, to stimulate action on tackling climate change. Margaret Beckett, the UK's environment secretary, who will chair the informal meeting under the British presidency, said the EU's agriculture and environment ministers had never before discussed the likely impact of climate change on European farming. She told the FT: "The [EU's] environment council rarely gives much thought to agriculture, and agriculture almost never thinks about climate change." The European Environment Agency has prepared a report for the meeting, to be attended by nearly 50 ministers, that will outline some of the possible results of climate change in Europe. These range from the relatively mild to the disastrous, but the best outcomes are from those models in which action is taken promptly by the EU in order to mitigate climate change, and to help people and businesses to adapt to its effects. Jacqueline McGlade, executive director of the agency, told the Financial Times: "Ministers feel uncomfortable thinking about the future in this way. . . but their policy decisions now on subjects like changes to the CAP [common agricultural policy] have massive long-term impacts. We are showing them what [those impacts] could be." She said the most likely effect of climate change would be to trigger a few big disasters in the next two decades that would make people call on governments to take strong action. Tony Blair, the UK prime minister, has promised to make climate change one of the key themes of the UK's presidency of the EU, which runs to the end of the year. The next formal meeting of agriculture ministers will take place on September 19.

1.4. EU says high oil prices and nuclear power to stay

6 September 2005, EUObserver

By Andrew Rettman: Brussels predicts that oil prices will stay high in the foreseeable future and that the EU will need to build more nuclear reactors, while pressing for extra transparency on oil markets

as part of new measures to curb inflation. "There are no miracles that we can use now to decrease the prices below the current level", energy commissioner Andris Piebalgs said on Tuesday (6 September). He explained that instability in the Middle East and the impact of hurricane Katrina helped push levels up from \$45 a barrel at the start of the year to some \$70 a barrel today, causing alarm for EU motorists as petrol prices shot up across the union. But he warned that the EU must focus on combating the long-term problem of demand growth outracing supply, with Chinese consumption alone soaring by 65 percent in the past three years. The European Commission plans to accelerate the implementation of energy-saving and renewable energy source directives in the coming months to help stem European demand for fossil fuels. But he warned that new coal and nuclear energy plants might also have to be built to help deal with the global problem. "I expect investments in the nuclear sector in Europe, and in the rest of the world, will grow", the commissioner said. Consumers' pockets suffer: Both the commission and MEPs agree that rising oil prices pose a risk to European economic growth and to ideals such as the free movement of persons, with socialist group leader Martin Schulz saying there is a "social risk" of limited labour market mobility for less well-off EU citizens under the status quo. "Oil companies are bent on maximising profit in this situation, we will try to make them understand their responsibility in this regard", Mr Schulz said on Tuesday. But Mr Piebalgs pointed out that the recent spike in oil prices has not harmed the global economy or the European economy as much as was originally feared, with oil-rich countries stepping up purchasing in oil-consuming regions. The commissioner also sought to alleviate consumers' fears by highlighting that the International Energy Agency's (IEA) decision to release some 60 million barrels of oil reserves to the US has dampened down markets for now. "There could be surprises, but in the current situation I don't expect much more in the way of price hikes", he said. Meanwhile, a spokeswoman for British Petroleum told EUobserver that while the firm's third quarter 2005 profit outlook is "very good", the firm will spread the wealth back to shareholders and use it for investments in new energy-sourcing projects. Shell, one of the world's largest petrol retailers, also stood up for industry by pointing out that the impact on consumers has been aggravated by government taxation policies around Europe, claiming that almost 80 percent of UK petrol prices is made up of excise duty. Veil to be lifted on oil markets: One of the commission's more creative plans for stemming speculative price spikes in the oil markets is to set up a new oil and gas market observatory unit in Brussels, which will report on EU oil stocks in twice monthly bulletins starting "as soon as possible". "The lack of transparency fuels speculation", Mr Piebalgs explained. Brussels is also keen to rope in the remaining eight member states, who are not currently members of the IEA. IEA members are obliged to keep stocks of at least 90 days' worth of their normal consumption for emergency purposes as in the hurricane Katrina case.

1.5. EU to help China tackle greenhouse gas

6 September 2005, Reuters

The European Union agreed on Monday to give China the technology for a coal-fired power station designed to combat global warming as part of a wider accord on energy issues and climate change. Reuters reported. The clean coal-power plant will employ carbon capture and storage technology through which the coal plant can capture its own emissions of the greenhouse gas carbon dioxide (CO₂), burying them in porous rock underground for long-term storage. The offer, announced at an EU-China summit, comes as developed nations seek to engage emerging market powerhouses like China and India in global moves to stem climate change. Industrialized countries fear that efforts to reduce their own greenhouse gas emissions will be undermined by rising emissions from developing countries. The agreement "will include cooperation on the development, deployment and transfer of low carbon technology, including advanced near-zero-emissions coal technology through carbon capture and storage," read a joint EU-China statement. British Prime Minister Tony Blair, at the summit in Beijing because his country holds the rotating EU presidency, has made climate change a priority for this year, when London also presides over the Group of Eight rich nations. Blair said China would participate in a "dialogue" between countries on climate change. Blair will also seek to engage India in the global warming debate at an EU-India summit in New Delhi on Wednesday. Environmental group WWF hailed the agreement. "It is a very welcome signal that both China and the EU recognize climate change as a key geopolitical issue and are ready to take concrete action to reduce its threats," said Jennifer Morgan, Director of the global WWF Climate Change Programme, in a statement. "Unlike the recent Asia-Pacific Pact with the United States and other countries, this agreement includes policies, markets and technologies, which should lead to real and significant action." Some activists

say the six-nation Asia-Pacific Partnership on Clean Development and Climate, which was announced in July, had hazy targets and could be a distraction attempt ahead of U.N. talks in November that will focus on widening the environmental agreement known as the Kyoto Protocol past 2012. Coal is China's main energy source, satisfying 75 percent of the country's energy needs, said Chinese Prime Minister Wen Jiabao at the summit. An EU-China partnership on climate change was set up at the summit that will lead to cooperation on technology and ongoing discussions on tackling global warming, the statement said.

1.6. EU and China climate policy cut from the same cloth

5 September 2005, press release WWF EPO

The EU and China, two key actors in the global political arena, have signed an agreement on global warming, recognising the huge economic, social and environmental importance of climate change, WWF said today. At the Annual EU-China Summit in Beijing, China's Prime Minister Wen Jiabao, Britain's Prime Minister Tony Blair, who holds the European Union Presidency, and the President of the European Commission, José Manuel Barroso, agreed on a "China-EU Partnership on Climate Change and the Security of Energy Supply", a wide-ranging cooperation in energy and climate change matters. "It is a very welcome signal that both China and the EU recognise climate change as a key geopolitical issue and are ready to take concrete action to reduce its threats," said Jennifer Morgan, Director of the global WWF Climate Change Programme. "Unlike the recent Asia-Pacific Pact with the United States and other countries, this agreement includes policies, markets and technologies, which should lead to real and significant action." Importantly, the cooperation agreement is firmly placed in the context of the UN Framework Convention on Climate Change, the Kyoto Protocol and future international climate negotiations, and reconfirms both partners' commitment to work under the world's foremost multilateral agreement on tackling climate change. With China planning to invest an estimated €1.5 trillion in its power sector by 2030, the Partnership features key measures focussing on low-carbon technologies, with a high priority on renewable energy technologies and energy efficiency, as well as on a range of near zero-emission coal technologies such as carbon capture and storage. This offers the opportunity to ensure the next generation of energy installations in China will be as low carbon as possible, and to avoid a lock-in in climate-damaging infrastructures. In their partnership, China and the EU will tackle financing issues involved in these investment decisions. The partners agreed on significantly bringing down costs for modern energy technologies by 2020, to use export credits to support carbon-free technologies, and to explore market based instruments such as emissions trading. "With this agreement, the carbon market just took a big step in moving into the big time," said Jennifer Morgan. "An EU-Chinese partnership to use the market to leverage a low carbon economy is very exciting." WWF calls upon India and the EU, who will stage their summit meeting on Wednesday in New Delhi, to step up to the mark and secure their place as global leaders on securing a climate-safe and viable energy future.

ENERGY AND EMISSIONS

2.1. Climate Proofing Danish Development Cooperation

The Danish Ministry of Foreign Affairs has launched a new Action Programme for integrating climate change into Danish international development cooperation - "Danish Climate and Development Action Programme". Together with the Action Programme, an electronic tool kit is launched as an integrated part of the Danida Aid Management Guidelines (www.climate.dccd.cursum.net/client/CursumClientViewer.aspx) The Action Programme is a practical tool including concrete guidance on how the climate change challenge can be addressed in development cooperation. The main target group of the Programme is personnel working with Danish development cooperation in Danish partner countries. The Action Programme lists sectors that potentially affect or are affected by climate change and devices actions to address their effects related to adaptation and mitigation. Examples of climate proofing are protecting agricultural land from drought and erosion; improved building codes for roads; protection of mangrove in coastal areas; prevention of salt-water intrusion due to sea level rise. Mitigating measures may include promotion of electrical minivans for public transport; wind farms; clean technology for district heating; and energy efficiency in buildings. As an element of the Action Programme, and in addition to mainstreaming climate change into development cooperation, Denmark offers development partners to carry out

screening of national development and sectors plans. "Danish Climate and Development Action Programme" can be downloaded or ordered from www.netpublikationer.dk/um/5736/ For further information, please contact Mr. Frode Neergaard, Chief Adviser, tel. +4533920778; email: fronee@um.dk.

2.2. World Bank Blowing Hot Air on Carbon Credits, Undermining Kyoto

29 August 2005, press release International Rivers Network

An IRN analysis of project documents has exposed as fictional World Bank claims that it is helping China reduce its greenhouse gas emissions by three million tons through buying carbon credits from a hydropower dam. (1) The Bank has applied for the spurious credits to be certified by the Kyoto Protocol's Clean Development Mechanism (CDM). The Bank has signed an agreement to buy the credits from the Xiaogushan Dam. This large dam is due to be completed in 2006 regardless of whether or not it receives carbon credits. The Bank is giving the project developer an increase in revenues (the credits are worth approximately \$13 million), but is not reducing China's emissions by a single gram. "The World Bank's claims of reducing emissions through the Xiaogushan Dam are just hot air, and are undermining the Kyoto Protocol," says Patrick McCully, Executive Director of International Rivers Network. Carbon credits are used by countries that have ratified the Kyoto Protocol to help meet their commitments to reduce greenhouse gas emissions. The CDM is only supposed to issue credits for projects that would not be built if they did not receive carbon credits. To get around this, the World Bank's June 2005 application to the CDM therefore stresses several supposed barriers to Xiaogushan being built without carbon credits. The World Bank states that: "Without CDM support, it would not have been able to reach financial closure, mitigate the high project risk, and commence the project constructions." Xiaogushan Dam was funded by the Asian Development Bank in 2003. ADB documents reveal that, contrary to World Bank claims, the dam was considered the cheapest and most economically robust alternative for expanding electricity generation in China's Gansu province, and a priority for the central and provincial governments. No mention is made in ADB documents of CDM benefits being in any way necessary for project construction to proceed. The fact that construction went ahead and is scheduled to be completed next year without carbon credit revenue gives the lie to the World Bank's claims that the project should be eligible for carbon credits. "The World Bank is the Enron of global carbon trading. It dominates the field, paints itself as the good guy, and yet behind the scenes is shamelessly manipulating the market," says Patrick McCully. "Unfortunately, Xiaogushan is just one of the more blatantly business-as-usual projects which the World Bank is claiming are reducing greenhouse gas pollution." Notes: (1) See IRN Comments Submitted to the Japan Consulting Institute (JCI) Clean Development Mechanism (CDM) Center regarding Xiaogushan Large Hydroelectric Project (XHP), August 21, 2005. Posted at <http://www.irn.org/programs/greenhouse/index.php?id=050823xiaogushan.html>. See also World Bank "China to Reduce 3 Million Tons of Greenhouse Gases With Renewable Energy Project," World Bank Press Release, July 14, 2005. IRN works to halt destructive river development projects and to encourage equitable and sustainable methods of meeting needs for water, energy and flood management.

2.3. German car giants outsmarted by Brazilian sugar cane

5 September 2005, CETEX news

While economic growth forecasts for leading industrial nations are overshadowed by fuel price volatilities, Brazil has taken the lead in a quiet transport revolution, reducing significantly its dependence on foreign oil supplies. According to the Brazilian Ministry of Transport most of Brazil's 20 million cars run already on gasoline mixed with 25% of sugar cane generated ethanol; and an ever increasing number of new cars in Brazil drive on 100% ethanol. Alfred Szwarc, energy specialist and adviser to UNICA, the Sao Paulo Sugarcane Agroindustry Union, points out that over the past 30 years, Brazil has been producing ethanol from sugar cane and using it in automobiles across the country. "It is high time that industrialized countries start to use gasoline mixed with ethanol to mitigate their volatility to rocketing oil prices and to help stop global warming", says Szwarc. Brazil has the capabilities to turn into one of the worlds' largest bio fuel exporters, as a fleet of ethanol tankers will help to feed the energy hungry economies of India, China and Korea. Even in the U.S., with its poor record on climate change, 3% of the total fuel consumption will be secured through bio fuels in 2005. Doubling the green fuels capacity of the world's largest car market from its 1,5% level in 2001.

"Germany has clearly lost the lead in the global clean transport technology race and we have to catch up fast", warns Johannes Lackmann, president of the German Renewables Trade Association. "We may be still the largest producer of bio diesel but rather surprisingly German car manufacturers and industry lobbies have put the breaks on clean technology and infrastructure innovation." Lackmann, who will be speaking at CETEX Germany, the first major energy and transport industry forum following the German general election later this year, comments: "Bio fuels are on average 20% cheaper for consumers than conventional fuels and energy costs will only stop rising if we replace oil and gas imported goods in great quantities with renewable fuel sources." Renewable energies in Germany replace already 5.4 million tons of crude oil and 5.3 billion cubic meter of natural gas per year. Meanwhile, Ernst Ludwig Winnacker, the president of the Deutsche Forschungs Gesellschaft (industry research council), gave a stern warning to the German automobile industry not to miss crucial car innovation trends. "There are cars in the world, which offer the same performance by using only half the amount of gasoline. I find it alarming that German car manufacturers can't supply this technology today", said Winnacker in an interview with the Financial Times.

2.4. Gold Standard Scores First CDM Registration

6 September 2005, Gold Standard press release

The FIFA Green Goal programme has announced its intentions today to offset carbon emissions from next year's FIFA World Cup in Germany through Gold Standard projects. The ongoing search for projects has resulted in the selection of a biogas project based in a tsunami-affected region of Southeast India. A few days prior to this, the CDM Executive board registered the Kuyasa community housing project in South Africa as the first CDM Gold Standard project. The Gold Standard project presented at the press conference was developed by the Indian organisation WSD (Women for Sustainable Development) and provides a source of energy using micro-scale biogas units. The project will offset a third of a total of around 100'000 tons of CO₂ emissions associated with next year's FIFA World Cup in Germany as well as provide income, shelter and access to clean energy in a tsunami-affected area. "It was truly important for us that the project supported would not only reduce emissions but also support an area affected by the tsunami", says Horst R. Schmidt, First Vice President of the Organisation Committee (OC). Further projects are currently being sought for the offset programme. The Green Goal initiative requires projects seeking The Gold Standard validation. Virginia Sonntag-O'Brien, Managing Director of BASE, negotiated the transaction on behalf of WSD and will assist the OC in sourcing further projects. She explains that, "the development and poverty alleviation benefits of the project were crucial for its selection. What we need now are more projects with Gold Standard potential." In light of the increased demand for Gold Standard credits, the CDM Executive Board registration of the first Gold Standard project is an important milestone. The Kuyasa lowincome housing energy upgrade project was developed by SouthSouthNorth (SSN) and Cape Town City Council, and registered on August 29th, 2005. "The registration of Kuyasa represents a positive confirmation that there is a currency in doing work at the nexus of climate change and poverty alleviation, and that the CDM can be an effective tool in the delivery of sustainable development", says Stef Raubenheimer, CEO of SSN. "The FIFA transaction and the registration of Kuyasa show that the Gold Standard both works and is attractive for buyers", says Michael Schlup, Director of The Gold Standard. "We are seeing a substantial demand for these credits from other initiatives", says Schlup, "and there are interesting opportunities for developers who can deliver sustainability benefits". Schlup underlines that the prevalence of sustainable energy projects delivering sound benefits for the local population is essential if the CDM is to successfully deliver sustainable development. The Gold Standard, originally initiated by WWF, the Climate Action Network (CAN) and Helio International, is the only market-ready tool for carbon buyers seeking high quality certificates that has broad backing from NGOs and other stakeholders*. Integrated into the CDM and JI project cycle, it uses established screening methodologies to strengthen the environmental integrity of the flexible mechanisms without substantially elevating transaction costs. Gold Standard credits mean less risk for investors and fair carbon prices for project developers, whilst directly supporting sustainable development strategies in host countries.

2.5. Warning on damage from climate change

Vanya Walker-Leigh talks to Michael Zammit Cutajar:

MALTA'S Ambassador for Environmental Affairs, Michael Zammit Cutajar, has called for an innovative system of global long-term climate change commitments and responsibilities, anchored in existing international agreements. The call was made during an informal ministerial meeting on climate change organised two weeks ago by the Danish government in Greenland. On his return to Malta Mr Zammit Cutajar told The Sunday Times in an exclusive interview that the meeting revealed a general political consensus from the 20+ participants from all the world's regions, on the need for immediate action to slow the pace of climate change and prepare to adapt to its impacts. "Flights over the fast melting Arctic ice sheet and interaction with Greenlanders brought home the message to participants," he said. "New environmental awareness in China was clear. In contrast, there is tension between the urgent need for action, and the prospects in the coming decades perceived by the US and Russia for new oil and gas exploration possibilities and year-round ice-free navigation in the circumpolar regions. "The first executive secretary of the UN Framework Convention on Climate Change (UNFCCC) from 1992 to 2003, Mr Zammit Cutajar played a key role in the negotiation for its related Kyoto Protocol (1997) to reduce greenhouse gas emissions. Since his UN retirement, he has represented Malta at UNFCCC and other related conferences, and is also continually active in a number of high-level dialogues and informal climate change initiatives. The protocol, which entered into force in February 2004, despite the refusal of the world's largest emitter of greenhouse gases - the United States - to ratify, provides for a modest first round of emission reductions from industrialised countries by 2012. Kyoto's contracting parties are mandated to start negotiations on post-2012 commitments in 2005, for completion in 2008, a process so far not supported by the US. The Danish government's discussion paper for dialogue participants warned that "if adequate action is not taken within the next decades, the window of opportunity for avoiding large global climate change could effectively close. The protection of the climate system requires substantial further action as soon as possible, and beyond 2012, if risks for what is considered to be 'dangerous' change should be avoided. The next five to 15 years are crucial". The paper added that climate change damage "will fall disproportionately on developing countries", while the \$16 trillion (Lm5.6 trillion) investments in new energy infrastructure needed globally up to 2030 presented a unique chance to introduce new, low carbon and renewable energy technologies. In his dialogue presentation, Mr Zammit Cutajar urged "disengagement from zero sum diplomacy" on climate change. Instead, he advocated a new 'menu' approach to include cross-national sectoral targets for major emitting industries such as cement, aviation, aluminium and shipping; linking of existing emission trading systems; engaging global corporations as well as "climate victims"; and building around a core consensus among the top 25 leading economies from North and South. He indicated to The Sunday Times that during the dialogue, Canada's environment minister, Stéphane Dion, presented his goals for the 11th conference of UNFCCC's 189 contracting parties (COP 11), also the first conference of the Kyoto Protocol Contracting Parties, hosted by Canada in Montreal this December. The key goal was to launch a "process for the future", framed by agreed political guidelines and a time line. In July, the G8 summit in Scotland adopted a climate change action programme brokered by its chair, Prime Minister Tony Blair, which tried to get around the US refusal to cut emissions or accept the broad scientific consensus on the human role in present climate change. Previously, the EU Council in June confirmed the Union's support for international actions to keep the global increase in temperature over the pre-industrial level to 2°C, hardly one degree more than the increase to date. While not agreeing on a ceiling for global greenhouse gas emissions to reach this target, the Council suggested that developed countries should cut emissions by 15-30 per cent by 2020. Floods and droughts in Europe this summer, as well as the growing violence of hurricanes, are being attributed to climate change. Malta's national climate change strategy, issued as part of its First National Communication to UNFCCC, was approved by Cabinet in April 2004. However, Nature Trust's president, Vince Attard, told The Sunday Times that there seemed to have been little action or information of the public to date.

2.6. Katrina – a global wake-up call on climate change

5 September 2005, press release FoEEurope

In the aftermath of the devastating hurricane Katrina Friends of the Earth Europe has called the catastrophe a wake-up call for world leaders to act upon the global threat of climate change by swiftly agreeing new steps to cut greenhouse gas emissions. According to Friends of the Earth Europe, any delay will mean more people suffering from more intense weather disasters as a result of global climate change, including in the United States, but also in Europe, as the 2005 floods, droughts and storms show. Friends of the Earth in particular criticised the continued refusal of US President Bush to

join international efforts to curb global warming. Jan Kowalzig from Friends of the Earth Europe said: "Our hearts are with the victims of this tragedy, and disaster relief must be top priority for the coming weeks. Looking for someone to blame will not help the people in New Orleans. Yet, it is in our hands to avoid an increase in number and intensity of similar weather disasters around the globe, including their destructive impacts on our societies and economies". "The cure is well known: we need a drastic cut in greenhouse gas emissions. With all respect to the tragedy, this means President Bush must rethink his stance on global warming. In the face of mounting evidence of rapid climate change the US President has so far downplayed the scale of the problem and refused to take action to tackle it. His Administration has worked tirelessly to derail international agreements on climate change and sought to put narrow US economic interests above global climatic stability". "The price to pay is too high, as we learned from this disaster, which is a taste of what we will have to live with if we continue to pollute the atmosphere". Friends of the Earth Europe notes with concern that extreme weather events such as the hurricane Katrina will become more common as climate change is proceeding apace. Although there is at present no means by which to tell whether this particular storm was due to human induced global warming, the devastation it has caused is consistent with the projections generated by climate change models that suggest such storms will become more severe as the world warms up. Also, scientists are convinced that the increasing water temperatures in the world's oceans, from where this hurricane gained its destructive powers, are indeed a result of man-made global warming. The intensity of such hurricanes has increased by 50% over the last decades. Jan Kowalzig continues: "The world must act together to avoid irreversible climate change whose consequences are set to get worse. The impacts are ubiquitous. Hurricanes in the Caribbean region, but also the recent floods in Romania, Austria or Germany, the extreme drought and forest fires in Portugal, or the storms in the Baltic States and Scandinavia earlier this year clearly show the trend." "This is also a great challenge for Europe. Greenhouse gas emissions are rising, and agreed policies do not deliver the necessary reductions, mostly because national economy ministers block meaningful action in order to protect a few individual industry sectors. They do so at the expense of the overall economy and society, which will be increasingly suffering the negative impacts of unabated climate change." The next opportunity to tackle climate change is the UN climate change conference COP11, taking place between 28 November and 8 December in Montreal, Canada. Governments will meet to formally begin new negotiations on future action on climate change for the time after 2012, when current provisions of the Kyoto Protocol end. Friends of the Earth Europe calls on the European Union to show leadership at these negotiations, ensuring a robust framework for the future that delivers real emission cuts in order avoid the more catastrophic effects of climate change. This will mean emission reductions for industrialised countries of at least minus 30% by 2020, compared to 1990 levels. It will also mean that rich countries will have to provide finance and technology for developing countries to allow them to develop in a low-carbon, sustainable manner.

2.7. CO2 rise threatens Britain's hope of meeting Kyoto target

5 September 2005, The Guardian

John Vidal, environment editor: Britain is burning so much oil, gas and coal it may miss its international target to reduce global warming gases, according to government figures which show carbon dioxide emissions rising by 2.5% in the first six months of this year. The figures from the Department of Trade and Industry, analysed by Friends of the Earth, show that emissions of the main greenhouse gas have risen by 5.5% since 1997, when they should be reducing by 1% a year. The government is obliged by the global Kyoto agreement to reduce emissions of six greenhouse gases to 12.5% below 1990 levels during the 2008-12 period. It was so confident of meeting this target that it set an ambitious domestic target of a 20% cut in 1997. That is now widely accepted as a near impossibility. The prospect of Britain missing the lower Kyoto target will embarrass Tony Blair, who has taken a diplomatic lead on global warming and is in Beijing today for EU bilateral summits with India and China, where climate change is due to be discussed. "Britain's credibility as a leader on climate change is now in serious danger and urgent steps must be taken," said Tony Juniper, director of Friends of the Earth. Yesterday the government said that it still considered itself on target to meet its Kyoto obligations. "But there is no complacency. We are reviewing our climate change programme to meet our ambitious target of 20% cuts by 2010 and will report later this year", said an environment department spokesman. One of the reasons Britain took the international lead on global warming was because its carbon gases fell dramatically in the 1980s and 1990s with the closure of coal mines and the wider use of gas. Much of the emissions rise is attributed to a rise in transport.

CLIMATE IMPACTS

3.1. Global Warming Could Hit Indian Agriculture, Study Reveals

9 September 2005, Reuters

By Palash Kumar: Global warming will push temperatures in India up by 3-4 degrees Celsius by the turn of the century, hitting agriculture and infrastructure, a joint India-UK study said on Thursday. Rainfall will increase substantially in many areas while diseases such as malaria will spread, the report entitled "Investigating the Impacts of Climate Change in India" said. "The impact of climate change on agriculture could result in problems with food security and may threaten livelihood activities upon which much of the population depends," said the report released by Indian Environment Minister A. Raja and British deputy minister for trade and investment Ian Pearson. "Changes in certain crops can affect imports and exports." The report warned that rising sea levels due to global warming could damage India's vast coastal railway network, especially the country's showcase 760 km (475 mile) Konkan railway project along the western coast. The report's release coincided with the visit of British Prime Minister Tony Blair for a European Union-India summit. Nearly 70 percent of India's billion-plus population depends on agriculture which accounts for about a quarter of its GDP. India has no obligation to cut greenhouse gas emissions, which cause global warming, under the first phase of the Kyoto climate change protocol to 2012. Under the agreement, developed nations will aim to reduce greenhouse gas output by 5.2 percent from 1990 levels by 2008-12, but developing nations such as India and China are exempt because they said their economies would be hit if they changed their energy policies. In July, the United States, India and Australia unveiled a six-nation "Beyond Kyoto" pact to combat global warming, but critics said it had no targets and could undermine existing treaties. "Climate change in India represents an additional stress on a country that is already facing tremendous pressures due to rapid development," Pearson said. "Understanding climate change and its consequences is critical to protect lives and assets upon which India's economy is dependent." India is Asia's fastest growing economy after China. The economy is expected to expand 7 percent this year.

3.2. Global warming causes soil to release carbon -study

7 September 2005, Reuters

By Peter Graff: Global warming is causing soil to release huge amounts of carbon, making efforts to fight global warming tougher than previously thought, scientists said on Wednesday. A study in the journal Nature looked at the carbon content of soil in England and Wales from 1978-2003 and found that it fell steadily, with some 13 million tonnes of carbon released from British soil each year. The team from Britain's National Soil Resources Institute at Cranfield University said its results implied a similar process would be under way in other temperate areas across the globe. "Our findings suggest the soil part of the equation is scarier than we had thought," Professor Guy Kirk, of Cranfield University, told journalists at a science conference in Dublin. "The consequence is that there is more urgency about doing something." Since the carbon appeared to be released from soil regardless of how the soil was used, they concluded that the main cause must be climate change itself. Though they could not say where all the missing carbon had gone, much of it may be entering the atmosphere as the greenhouse gases carbon dioxide and methane, which scientists say has caused global warming. Kyoto Protocol: International efforts like the Kyoto protocol, which came into effect in February this year, have been aimed at stopping climate change by reducing the amount of greenhouse gases released into the atmosphere by industry. But those efforts don't take into account carbon trapped in soil, about 300 times the amount released each year by burning fossil fuels. In a separate article published alongside the paper in Nature, scientists from Germany's Max Planck Institute for Biogeochemistry said the carbon released from British soil wiped out the gains made by cutting its industrial emissions. "These losses thus completely offset the past technological achievements in reducing CO2 emissions, putting the United Kingdom's success in reducing greenhouse-gas emissions in a different light," Detlef Schulze and Annette Freibauer wrote. "An effective climate policy will require a more comprehensive approach," they wrote. "The scientific and political implications of the new findings are considerable."

3.3. Climate change raises risk of hunger

5 September 2005, Reuters

By Patricia Reaney: About 50 million more people, most of them in Africa, could be at risk of hunger by 2050 due to climate change and reduced crop yields, scientists predicted on Monday. Roughly 500 million people worldwide already face hunger but rising levels of greenhouse gases could make the problem worse. "We expect climate change to aggravate current problems of the number of millions of people at risk of hunger, probably to the tune of 50 million," said Professor Martin Parry of the Hadley Center of the UK Meteorological Office. "The greatest proportion, about three-quarters of that number, will be in Africa." Parry told the British Association science conference that it would take huge reductions in emissions of greenhouse gases -- about 20 times those required by the Kyoto Protocol -- to avoid the additional risk of hunger. The 1997 protocol demands cuts in greenhouse emissions by 5.2 percent below 1990 levels by 2008-12. The United States, the world's biggest polluter, has refused to back the protocol, saying it would hurt its economy. It also believes the pact is flawed because it omits rapidly industrializing emerging economies such as India and China. In a separate presentation at the meeting Professor Steve Long noted that although it is widely recognized that climate change will decrease the yield of crops, a rise in CO₂, which is a major driver of global warming, will increase plant growth. "So as you increase carbon dioxide, plant growth is actually boosted," said Long, from the University of Illinois in the United States. But in field experiments Long and his colleagues found that the yield increase due to carbon dioxide is only about half of what is predicted and for corn there was no increase at all. He added that a second change in the atmosphere -- rising levels of ozone in the northern hemisphere -- further complicates the picture because there have been experiments that have suggested this would decrease crop yields. "We've conducted, in Illinois, the first of these experiments in the open field situation. In fact, we find that with our soya bean crops that the elevation to the levels expected by 2050 decrease the yield by about 15 percent," he explained. "So that would cancel out any stimulation due to carbon dioxide. We think these new experiments suggest that as bad a picture as Martin (Parry) presented, actually the reality may be even worse."

3.4. Climate change to hit UK insurance premiums

5 September 2005, Independent

<http://www.climateark.org/articles/reader.asp?linkid=45811>: The cost of home insurance in Britain could soar in the aftermath of Hurricane Katrina, insurance companies are warning. The Association of British Insurers said its members were concerned that the hurricane was part of a pattern of global climate change in which incidents of severe weather would become more common, both at home and abroad. Malcolm Tarling, an ABI spokesman, said: "We're not expecting an immediate premium increase directly as a result of Katrina, but the wider issue of climate change is beginning to have a very serious impact on insurers." Katrina could cause some British home insurers difficulties. Although none of Britain's large general insurers have direct exposure to the Katrina disaster, they almost all insure themselves with the world's largest reinsurers, which will pick up part of the bill for the damage cause by the hurricane. These companies are expected to pass on their higher costs to customers. However, Mr Tarling said the threat posed by climate change was much more serious. ABI research conducted on the basis of advice from climate experts suggests the global bill for property damage caused by incidents such as Hurricane Katrina could increase by two-thirds over the next 10 years unless immediate environmental action is taken. In Britain, the value of weather-related claims reached £6bn between 1998 and 2003, twice the total in the previous five years. Separately, the Lloyd's of London insurance market yesterday dismissed rumours that it has priced the cost of Hurricane Katrina to the insurance industry at \$40bn. A spokeswoman said: "It is far too early to say what this will cost - risk analysts have suggested the cost could be between \$9bn and \$50bn and the picture is very unclear." Lloyd's has asked its members to give a preliminary estimate of their liabilities by 12 September. The cost of home insurance in Britain could soar in the aftermath of Hurricane Katrina, insurance companies are warning. The Association of British Insurers said its members were concerned that the hurricane was part of a pattern of global climate change in which incidents of severe weather would become more common, both at home and abroad. Malcolm Tarling, an ABI spokesman, said: "We're not expecting an immediate premium increase directly as a result of Katrina, but the wider issue of climate change is beginning to have a very serious impact on insurers." Katrina could cause some British home insurers difficulties. Although none of Britain's large general insurers have direct exposure to the Katrina disaster, they almost all insure themselves with the world's largest reinsurers, which will pick up part of the bill for the damage cause by the hurricane. These companies

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CONFERENCES

4.1. Third annual energy conference: New Strategies for Developing and Financing Energy in Central & Southeast Europe
14-15 September 2005, Sheraton Hotel, Sofia, Bulgaria. Further information at: <http://www.energy.easteurolink.co.uk/>.

4.2. 5th Balkan Power Conference, BPC 2005
14th and 16th September in Hotel Princess Sofia. Further information at: www.balkanpower.org.

PUBLICATIONS

5.1. Addressing Opportunities and Challenges of a Sectoral Approach to the Clean Development Mechanism
by Wolfgang Sterk and Bettina Wittneben: Grave concerns with the Clean Development Mechanism (CDM) have increasingly surfaced in the international climate policy arena. The sectoral approach described in this paper may be a way to address some of the shortcomings of this Kyoto mechanism. The paper examines the conflicting interpretations of such an approach and outlines issues that need to be resolved: deciding on the role of the actors involved, defining the sector and its baseline, ensuring additionality and tackling procedural issues. The sectoral approach can enable countries to guide their structural development but it also opens up a gap between public and private investment that needs to be addressed before conflicts arise. Sectoral CDM activities may be able to lower transaction costs for projects that otherwise cannot compete in the CDM market and might even pave the way to sectoral greenhouse gas limitation targets in developing countries by establishing the necessary infrastructure for data collection. The paper can be downloaded at: <http://www.wupperinst.org/Sites/Projects/rg2/1078.html>.

5.2. Tiempo Climate Newswatch
<http://www.tiempocyberclimate.org/newswatch/>: Issue 56 of the quarterly bulletin Tiempo is now available on-line in pdf format: <http://www.tiempocyberclimate.org/newswatch/latest.htm>. The new Tiempo Climate Portal: <http://www.tiempocyberclimate.org/portal/index.htm>. In the latest issue of Tiempo Climate Newswatch, a weekly online magazine on climate and development news on: Hurricane Katrina; The hockey stick controversy; Methane and rice production.

5.3. Handbook of Renewable Energies in the European Union. Case studies of the EU-15 States.
Danyel Reiche (ed.); Forewords by Hermann Scheer, Claude Turmes, and Stephan Kohler. Second, completely revised and updated edition including DVD. This publication is the completely revised and updated second edition of the "Handbook of Renewable Energies" of 2002. The handbook is a collection of systematic case studies describing national renewable energy policies in the EU-15. In all case studies of this edition data from 2003 was used. All the developments in the field of renewable energies were integrated, such as new support schemes and changing administrative responsibilities. All chapters follow the same structure: At the beginning of each case study a definition of renewable

