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Fossil fuel lobby in the UNFCCC process

Heinrich Böll Foundation's strategy workshop at COP 19

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Corporate Europe Observatory



- **blog: „Corporate COP19“:**

<http://corporateeurope.org/blog/warsaw-cop19-climate-blog>

- **„The COP19 Guide to Corporate Lobbying. Climate crooks and the Polish government's partners in crime“ (together with Transnational Institute):**

<http://corporateeurope.org/publications/cop19-guide-corporate-lobbying>

- **report...**

Typology of corporate lobbying/ „Guide to Corporate Lobbying“

- the Polish government's partners
- powerful players in Polish lobbying
- the big fossils: oil, gas and coal lobbies
- cross-sectoral big business and industry lobbies
- carbon markets and financial players
- agribusiness and agrofules lobbies
- big polluting industries

(WHO), WHEN, HOW, WHAT FOR?

- corporations – the only partners and sponsors of the COP19
- Business Day during the PreCOP meeting of environmental ministers, 2-4 October in Warsaw
- Round tables on 19 November with business during the COP19
- Business Day during the COP19 as “an official day of discussions between business sector and representatives of governments”
- “International Coal & Climate Summit” organised by the World Coal Association and the Polish Ministry of Economy, 18-19 November
- ...

The Polish government's and **the COP19 partners**

- Alstom Power
- ArcelorMittal Poland
- BMW Group Poland
- Emirates
- Europress Poland
- General Motors Poland
- Lotos Group
- International Paper Kwidzyń
- Kaspersky Lab Poland
- LeasePlan Fleet Management Poland
- PGE Polish Energy Group
- IKEA

Alstom Power

- French energy conglomerate: coal, gas, oil and nuclear
- power generation, transmission, rail infrastructure
- quarter of the world's power production capacity
- manufacturer for 95% of Poland's coal plants installed since 1990
- major role in construction of two new 900 MW coal plants in Poland
- corruption scandals
- World Business Council for Sustainable Development, BusinessEurope, International Emission Trading Association, Eurelectric, Carbon Capture and Storage Association
- **climate talks:**
 - „cleaner“ fossil fuels, CCS and nuclear
 - public subsidies for big business (risk sharing)
 - global carbon market
 - scaling up of CDM

PGE Polish Energy Group

- largest Polish majority state-owned power company
- two large lignite coal mines, 40 conventional coal power stations
- Bełchatów – the biggest single source of CO2 emissions in the whole of Europe and the biggest recipient of free EU ETS allowances in 2012
- only 3% of installed capacity – renewables
- nuclear energy, shale gas
- European Association for Coal and Lignite (EURACOAL), Polish Electricity Association, a member of EURELECTRIC
- **climate talks:**
 - **further use of coal (higher efficiency)**

Powerful players in Polish lobbying

- Kompania Węglowa (Coal Company)
- Katowice Holding Węglowy (Katowice Coal Holding)
- Konfederacja Lewiatan (Confederation Lewiatan)

Konfederacja Lewiatan (Confederation Lewiatan)

- biggest representative of private employers in Poland
- member of BusinessEurope
- together with the Polish Ministry of Environment organised **„Business Day“ as part of the Pre-COP** on 2nd October
- **climate talks:**
 - **joint statement with BusinessEurope „European Business Key Messages for PRE-COP Meeting“:**
 - **market based-approach = technology neutral way**

Pre-COP

- Alstom
- ArcelorMittal
- BASF
- CEMEX
- Intel, International Paper
Kwidzyń S.A.
- General Electric
- Philips
- LOTOS Group
- CEZ
- Dalkia
- Cleantech Poland
- PGE
- CitiBank
- Business Europe
- Lewiatan
- Symid
- US Chamber of Commerce - US
Council for International
Business
- Keidanren
- Business New Zealand
- Brazilian Industry
Confederation
- The Climate Markets &
Investment Association
- European Economic and Social
Committee

Pre-COP

- three sessions:
 - business expectations towards governments
 - financing
 - development of technologies
- **climate talks:**
 - **stable and transparent framework to invest in climate protection**
 - **simple procedures**
 - **existing mechanisms, processes and agencies**
 - **bottom-up approach = permanent inclusion of business in the formulation of a new climate agreement**

The big fossils: oil, gas and coal lobbies

- International Petroleum Industry Environmental Conservation Association (IPIECA)
- World Coal Association
- European Union of the Natural Gas Industry (EUROGAS)
- Union of the Electricity Industry (EURELECTRIC)
- Carbon Capture and Storage Association

World Coal Association

- global coal industry association
- core goal: „acceptance for the fundamental role coal plays in achieving a sustainable and lower carbon energy future“
- host, together with the Polish Ministry of Economy, the **„International Coal and Climate Summit“** on 18-19th November
- **climate talks: joint „Warsaw Communiqué“:**
 - **use of high-efficiency low-emissions coal combustion technologies until CCS once commercialized**
 - **development banks to help investing in „clean coal“**
 - **signing ceremony, delivering to the President of the COP19**

Cross-sectoral big business and industry lobbies

- Business Europe
- World Business Council for Sustainable Development (WBCSD)
- World Economic Forum
- European Round Table of Industrialists
- Climate Group
- International Chamber of Commerce (ICC)
- Foundation for the Global Compact (FGC)

BusinessEurope

- European employers confederation, business members
- lobbied intensively to undermine efforts to make the EU ETS more ambitious (i.e. carbon leakage):
 - secured free permits for 77% of the European manufacturing sector until 2020 = billions of windfall profits every year
 - prevented an increase of the EU's emissions reduction target from 20% to 30%
- **climate talks:**
 - **agreement should apply to all = the same targets**
 - **open global carbon market (technology neutral)**
 - **avoiding protectionism linked to climate change**
 - **institutionalised access for big business to the UNFCCC**
 - **strict protection of Intellectual Property Rights**

Carbon markets and financial players

- International Emissions Trading Association (IETA)
- Carbon Markets and Investors Association (CMIA)

International Emissions Trading Association (IETA)

- 140 members (industry – BP, Alstom, big banks – Commerzbank, consultancies – Ernst & Young, carbon trading companies, massive investors in fossil fuels)
- formed in 1999 by f.e. Shell, BP, with the support of the United Nations Commission for Trade and Development
- largest COP accredited NGO
- **climate talks:**
 - **expanding carbon markets all over the world**
 - **Business Partnership for Market Readiness (EU, World Bank)**

Agribusiness and agrofuels lobbies

- Biotechnology Industry Organisation (BIO)
- International Fertilizer Industry Association
- agrofuels lobbies:
 - Brazilian Sugarcane Industry Association (UNICA)
 - Brazilian Association of Vegetable Oil Industries (ABIOVE)

Big polluting industries

- European Chemicals Industry Council (CEFIC)
- International Air Transport Association (IATA)
- World Steel Association
- World Nuclear Association

Climate talks - what the fossil lobby wants?

- **low carbon technologies: higher efficiency coal power plants, „clean coal“, CCS, shale gas, nuclear...**
- **simple procedures, existing mechanisms**
- **bottom-up approach = permanent inclusion of business**
- **market based-approach = carbon market and offsets market mechanism (like CDM) = technology neutral way**
- **agreement should apply to all = the same targets**
- **avoiding protectionism linked to climate change**
- **public subsidies for big business (risk sharing), banks**
- **strict protection of Intellectual Property Rights**

Thank you for your attention!

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