Fossil fuel companies undermining Paris agreement negotiations – report

Exclusive: report says outcomes of climate negotiations have been skewed to favour biggest corporate polluters

The report questions the role of the world's biggest polluters sponsoring the negotiation meetings. Photograph: Prakash Singh/AFP/Getty Images

Michael Slezak

1 November 2017

Global negotiations seeking to implement the Paris agreement have been captured by corporate interests and are being undermined by powerful forces that benefit from exacerbating climate change, according to a report released ahead of the second meeting of parties to the Paris agreement – COP23 – next week.

The report, co-authored by Corporate Accountability, uncovers a litany of ways in which fossil fuel companies have gained high-level access to negotiations and manipulated outcomes.

It highlights a string of examples, including that of a negotiator for Panama who is also on the board of a corporate peak body that represents carbon traders such as banks, polluters and brokers.

It also questions the role of the world's biggest polluters in sponsoring the meetings in return for access to high-level events.

The report argues that as a result of the corporate influence, outcomes of negotiations so far have been skewed to favour the interests of the world's biggest corporate polluters over those of the majority of the world's population that live in the developing world. It finds that influence has skewed outcomes on finance, agriculture and technology.

We have the wrong people at the table and we're looking to the wrong people for advice

Corporate Accountability's Jesse Bragg

It comes as the 2018 deadline approaches for member countries to finalise the rule book that guides the implementation of the Paris Agreement. That rule book will determine things such as how compliance will be monitored and enforced and how the developing world will receive finance and support.

"We've been at many crossroads on climate change but this is perhaps one of the last of those that we have left," said Jesse Bragg from Corporate Accountability. "If parties don't arrive at a set of guidelines that actually facilitates the transition we've been talking about and keeps us under 1.5C, we may never have another shot at this."

"We're doing this wrong right now. We have the wrong people at the table and we're looking to the wrong people for advice. If we don't course-correct at COP 23 and the next inter-sessional in Bonn, we're in real trouble. And you can look at what's happened so far to see the evidence of that."

Examples of the infiltration of polluters into the official negotiations include:

- The UNFCCC's Climate Technology Network, which advises on how to develop and transfer green technology to the developing world, includes a member of the World Coal Association, and its board has included managers at Shell and EDF – one of the world's biggest electricity producers.
- A negotiator for Panama is currently a board member of the International Emissions Trading Association (Ieta), and was previously its president for several years. Ieta was set up by the fossil fuel companies including BP and Rio Tinto in order to make sure climate action caused "minimal economic harm". Today its members include Chevron, BHP, Dow, Duke Energy, Repsol, Xcel Energy, Veolia and Statoil.

- Sponsorship of the COP21 meeting in Paris gave fossil fuel companies access to the “communications and networking area” inside the rooms where the negotiations were taking place.
- Big agricultural corporations such as Monsanto, Syngenta and Yara have been lobbying heavily at UNFCCC meetings, with Monsanto even co-charing the World Business Council on Sustainable Development’s Climate-Smart Agriculture working group.

The report argues this access has influenced outcomes at the UNFCCC, undermining the Paris agreement in the following ways:

- Market-based solutions to climate change have become dogma at UNFCCC meetings, despite many developing world countries urging alternative mechanisms such as direct regulation, and despite studies suggesting they can allow big polluters to continue polluting, according to Corporate Accountability.
- The US and Canada have adopted agricultural corporations’ approach to “climate-smart agriculture”, and argued against regulation of non-CO2 emissions from agriculture.
- Most of the funds from the Green Climate Fund have so far been allocated to private sector projects.

The report argues that if the UNFCCC process results in a rulebook being developed in line with what the world’s biggest polluters want, then the Paris agreement is doomed to failure.

“If those rules are written in a way to give weight to the provisions that industry is in favour of, and ignores those things that the industry is against, then you’re almost renegotiating the Paris agreement,” Bragg said. “What you’re doing is cherry-picking out of the Paris agreement the things that they want, and leaving behind the things that the global south [developing] countries need.

“It’s where you lose any nod to incorporate non-market mechanisms into article 6. It’s where ‘climate smart agriculture’ becomes the only focus of agricultural negotiations, and so big ag is dominating negotiations there and petrochemicals are the solution. And the fossil fuel industry dominates the conversation around technology so we’re just hoping for a successful large-scale carbon capture and storage to get us out of this mess. It’s those things that are at risk in the rulebook negotiations.”

Momentum has been building over the past couple of years to have an official conflict-of-interest policy agreed on at the UNFCCC.

In Marrakech in 2016 moves instigated by a group representing the majority of the world's population – the Like Minded Group of Developing Countries – were thwarted by the US, EU and Australia.

Australia's delegation has argued that "there is no clear understanding of what a conflict of interest is and it means different things to different people" and that fossil fuel companies were "the providers of the biggest and best solutions".

But in May this year in Bonn, the group succeeded in getting the UNFCCC to agree to improve "transparency", and discussions will continue in May 2018.

The World Health Organisation's Framework Convention on Tobacco Control successfully implemented a conflict of interest policy that has widely been acknowledged as a key ingredient in its success.

Corporate Accountability says a similar policy is needed for the UNFCCC.

https://www.theguardian.com/environment/2017/nov/01/fossil-fuel-companies-undermining-paris-agreement-negotiations-report