The Corporate Cookbook

How climate criminals have captured COP21

Corporate Europe Observatory
SUMMARY

You would be forgiven for believing that the corporate world has had a change of heart and is now serious about tackling climate change. Embracing low-carbon natural gas, a global carbon price, ‘net-zero emissions by the end of the century’ or ‘climate-smart agriculture’ are top of the menu. Unfortunately not.

Peeling back the PR reveals that the dish that’s on offer is nothing short of a climate catastrophe. Big business is writing a recipe guaranteed to cook the planet:

- **We can’t choose the best ingredients** – maximum economic growth and a ‘better’ fossil fuel (natural gas) must be included. Conflicting measures such as restrictions on dirty fuel imports must be left out

- **We can’t control the cooking process** – market signals, not regulators, will guide the way

- **It’s the same old business-as-usual recipe dressed up as ‘cordon verte’** – they want to appear green, but industry’s agenda is to keep on emitting greenhouse gases and have them ‘sucked’ out of the atmosphere with uncertain pie-in-the-sky new technologies instead

- **In some cases it’s just yesterday’s left overs dressed up as a new meal** – with industrial agriculture being re-branded as ‘climate smart’ for example

This briefing shows just when, where and how corporations are trying to capture the agenda of this winter’s UN climate talks in Paris, COP 21.

The market-based and techno-fix solutions on the table are diverting attention from the real culprits and delaying real action. Most political leaders have been happy to choose measures that suit existing business models and continued corporate profit-making. We need a different cookbook! And different cooks, for that matter.

At this point in time there’s little prospect of the deal that’s being cooked up in Paris delivering anything for the climate. But it could still be an important turning point in terms of de-legitimising the dangerous and destructive role that corporate climate criminals are currently playing in climate policy-making.

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HAS BUSINESS ALREADY CAPTURED COP 21?

CONCLUSION
As this winter’s UN climate talks in Paris approach, the lobbying and public relations push from the world’s biggest climate criminals has gone into over-drive.

Rolling out world leaders at climate conferences, running glossy advertising campaigns, establishing new pro-industry think tanks or hiring ex-politicians to use their savoir-faire and inside contacts are just a few of the tactics lurking in the corporate toolbox. But what are the messages they’re so keen to spread, and what will they mean for COP 21?

A closer look reveals that what’s on offer is nothing short of a climate catastrophe, a guaranteed recipe to cook the planet — market-based solutions and techno-fixes that try to mask the continued existence of the dirty business models responsible for climate change. Unfortunately world leaders appear to be dancing to the same tune, happily bringing business ever closer into the fold.

However, while the talks are unlikely to produce anything for the climate, growing public anger at the true reasons for this could mark the beginning of the end for the cosy relationship between politicians and polluters.

Key corporate climate events during COP 21

**INTRODUCTION**

BOX 1. Business and Climate Summit

There will be a flood of events during COP 21 (see timeline below), but the starting gun was definitively fired back in May 2015 by the Business and Climate Summit in Paris, organised by a myriad of lobby groups including the World Business Council for Sustainable Development (WBCSD), Global Compact, International Chamber of Commerce, We Mean Business, Cercle de l’Industrie, MEDEF and CEFIC, among others.

It had the full support of the French and US governments. It was opened by French President François Hollande, involved a keynote speech by French environmental minister, Ségolène Royale, and was closed by Foreign Minister Laurent Fabius, with a video message from US Secretary for State, John Kerry.

The two day event was extremely well orchestrated to create credibility: large numbers of political leaders, numerous CEOs and a pre-cooked press release touting its key political messages (which were also in the mouths of attending CEOs and political leaders). CEFIC used its position on the editorial team (one perk of sponsorship) to try and water down the briefing notes being given to speakers, specifically trying to remove references to the scientific basis for keeping temperatures to 2°C as well as adding caveats about maintaining industrial competitiveness.

**4-10 Dec.**

*Solutions COP 21, Grand Palais, central Paris (and Le Bourget 30 Nov. – 11 Dec.)*

A corporate expo organised by Comité 21 and Club France Développement Durable, sponsored by Engie, Renault-Nissan, Avril-Sofiprotol and others.

**30 Nov. – 11 Dec.**

*Open for Business Hub, Le Bourget*

Set up by IETA and WBCSD inside the official negotiations, a space for networking and business briefings.

**1 Dec.**

*Business & Climate: A positive revolution for companies?, central Paris*

Organised by the Positive Economy Forum and KPMG, hosted at UNESCO HQ, with the official COP 21 label, for “leaders” such as Veolia.

**2-9 Dec.**

*La Galerie des Solutions, Le Bourget*

Organised with the COP 21 Secretary General and the French employers’ organisation, Mouvement des entreprises de France (MEDEF) (among others), it is an exclusive business space inside Le Bourget.

**5 Dec.**

*Lima-Paris Action Agenda Day, Le Bourget*

A platform for non-state actors to present their climate commitments and lobby negotiators.
6 Dec.
The Future is Looking Up, central Paris
An invite-only business reception with Richard Branson’s B-Team (Plan B for Business) to push “net zero emissions” (see page 16)

6 Dec.
World Climate Summit, central Paris
Yearly event sponsored by the government of Dubai, Alstom, Lima COP 20 and others, with 4,000 delegates. Business is invited to “brand your organisation as a climate leader”

7 – 8 Dec.
Sustainable Innovation Forum, Le Bourget
Hosted by UNEP and sponsored by BMW, Vattenfall and BNP Paribas among others, an opportunity for business to meet “decision makers from across the globe”

7 – 8 Dec.
Caring for Climate Business Forum, Le Bourget
Hosted by the UN Global Compact to give members quality time with UNFCCC chief Figueres and COP 21 President Fabius, supported by EDF and Engie among others

7 – 10 Dec.
WBCSD ‘Council Meeting’, central Paris
Exclusively for its members, who include Shell, Dow Chemicals, Volkswagen, Rio Tinto

8 – 9 Dec.
Energy for Tomorrow, central Paris
Conference organised by the International New York Times, partnered by the WBCSD and We Mean Business, speakers include CEO of Total
Big business has been pushing to be on the inside since the UN Framework Convention on Climate Change (UNFCCC) was first agreed in 1992, at the Rio Earth Summit in Brazil. It has succeeded in this, and is now heavily engaged in determining which ingredients may or may not go into the recipe at the UN talks.

From an industry perspective this is important. At the national level climate deniers sometimes prevail, but at the international level business needs to be proactive to avoid progressive policies that could call time on Big Polluters and the dominant ‘light touch’ approach to regulation – the very same model that has seen corporate profits soar at the expense of local communities, their environments and the climate.

On the eve of the 1992 Earth Summit the international corporate lobby group, the World Business Council for Sustainable Development (WBCSD) was formed, “to ensure the business voice was heard”. The aim was to successfully re-brand its multinational members, including Shell, Volkswagen, BP, Monsanto, Total, Dow Chemical etc., as part of the climate solution rather than the problem – despite the well-documented evidence to the contrary.

The UN welcomed big business with open arms, creating new channels and institutions to facilitate the process (see timeline below). The result is what we see today: technology- and market-based solutions to climate change which mirror the interests of the very same corporations who are contributing the most to climate change in the first place. These take the place of policies that would end their destructive business practices and leave at least 80% of all fossil fuels in the ground (as science demands if we want to limit temperature rises to 2°C, let alone 1.5°C).

Almost 500 corporate participants were accredited to UNFCCC COP 15 in Copenhagen, in 2009, under the International Emissions Trading Association (IETA) lobby group. In contrast, one of the largest civil society organisations participating, with some 90 people accredited, had its entire team evicted from the conference centre by the UNFCCC Secretariat for voicing their concerns about climate justice and the interests of the poor.

“[It] will predominantly be business that delivers [emissions] reductions in all the sectors.” World Business Council for Sustainable Development

“If a global agreement on climate change doesn’t work for and with businesses, it just won’t work […] We want to find an opportunity where we are more inside the tent than on the sidelines,” Peter Robinson, Chief Executive of the US Council for International Business

“This issue is important for governments to address but it is far too important to leave to governments alone,” James Bacchus, a trade expert at the International Chamber of Commerce

UN and Big Business – an affair that spans decades

1991
First meeting of the Business Council for Sustainable Development (BCSD)

1992
Head of the BCSD appointed principal advisor on business and industry by Maurice Strong, UN Secretary-General of the Earth Summit

1999
UN Conference on Trade and Development (UNCTAD), WBCSD, Shell, Rio Tinto, KPMG and other corporations help form the International Emissions Trading Association (IETA), a corporate lobby group for carbon markets

2000
UN Global Compact created, a voluntary corporate social responsibility programme designed to integrate business views into international policy making, e.g. the ‘Caring for Climate’ programme pushing technology-blind carbon pricing

Forests officially included in carbon markets as part of COP 3 in Japan

Carbon markets and offsets (see Box 4) were agreed for the first time as part of the Kyoto Protocol after COP 3 in Japan
COP 15 in Copenhagen was the watershed moment for business participation, with IETA accrediting almost 500 of its members to the negotiations.

In Cancun the Mexican COP 16 President invited WBCSD and the ICC to organise the ‘Mexican Dialogues’, giving business advanced access to negotiators on sensitive topics.

“Corporate COP 19” in Warsaw saw fossil fuels officially sponsor the talks, only business invited to the official pre-COP negotiations and the Polish COP 19 Presidency organise a coal and climate summit on the side-lines.

UN Secretary General Ban Ki-moon organises his own Climate Summit, giving a global platform to some of the biggest polluters and stressing the role of the private sector in tackling climate change.

Peruvian COP 20 Presidency launches the Lima-Paris Action Agenda (LPAA), setting out how to formally include business in COP 21.

The UNFCCC Secretariat has also been instrumental in welcoming Big Polluters into the negotiations, led by its Executive Secretary, Christiana Figueres. As well as speaking at the coal and climate summit at COP 19 – despite massive civil society opposition – she is a regular at IETA’s annual Carbon Expo. She recently publicly attacked those who claim the fossil fuel industry is not part of the solution, telling them to “stop demonising oil and gas companies”. She may be more sympathetic to corporate interests than most, having been the “Principal Climate Change Advisor” to Latin America’s biggest private energy utility ENDESA Latinoamérica until she took up her current post.

In short, the UN – particularly the UNFCCC – has rolled out the red carpet for even the dirtiest of corporations, allowing their false solutions and broken business models to be taken up as key part of the supposed solution to climate change. Hoda Baraka, 350.org’s global communications manager, summed up the contradiction: “When you’re trying to burn down the table, you don’t deserve a seat at it.”

Unfortunately, we can expect the red carpet to keep rolling in Paris.
**KEY INGREDIENTS**

**INGREDIENT 1**

**SHORT-TERMISM**

**Key business argument**
Climate action is important but it can’t jeopardise economic growth.

**Who’s pushing it**
BusinessEurope, the European Roundtable of Industrialists (ERT), and most heavy industry trade associations; more vocally since the economic crisis began, taking advantage of the renewed focus on growth and industry.

**Example**
When the EU was drafting its 2030 climate targets, the ERT, a very influential European cross-sectoral business lobby, which includes CEOs from ArcelorMittal, BASF, BMW, E.ON, Repsol and Shell, had their annual private dinner with the French President François Hollande, German Chancellor Angela Merkel and then-European Commission President Jose Manuel Barroso. They stressed that “any climate or energy policy must be adapted to ensure that the goal to increase industry’s share of EU GDP to 20% by 2020 is respected.”16 Ministers in the EU’s Competitiveness Council also emphasised "the need for a more balanced approach between the EU’s industrial, energy and climate policies". This line of thinking is alarming, because ‘balancing’ industry and climate policies basically means that targets on climate change should be watered down if necessary.17

With BusinessEurope also pressing the same message whenever possible,18 it was no surprise that the EU’s subsequent 2030 Climate and Energy framework included the competitiveness of heavy industry as one of its goals. At the UN level, the International Chamber of Commerce has made similar noises, writing in the Financial Times that any measure should be "carefully designed to promote a global level playing field for commerce and to enable future trade-driven growth".19

**What it means in the real world**
This is the ultimate example of short-termism on behalf of vested interests. Effective solutions to the world’s long-term climate crisis should be shelved if there are likely to be any short-term economic losses involved for the current incumbents – climate targets will be weakened for fear of impacting industry. In practice this means that when climate policies are introduced, heavy industry is often exempted, or even handsomely compensated if it threatens to move to another country because of the cost of new climate measures (if and when it actually happens this is known as ‘carbon leakage’ (see Box 3)). This has been the case in the EU and the US, who claim they are being ambitious within the limits of what is politically possible (i.e. not ambitious).20

This insistence on putting the economy first has also been used as an argument for the replacement of strict regulations with voluntary business schemes such as the Global Alliance for Climate Smart Agriculture (see page 14) and market-oriented approaches like emissions trading. It can also been seen in the ongoing EU-US free-trade negotiation, the Transatlantic Trade and Investment Partnership (TTIP), which is set to be a climate disaster.21 Overall the approach is likely to wreck the climate and delay the transition to a low-carbon economy.

**Where will it be in Paris**
During COP 21 expect to see limited ambition from countries where climate action threatens heavy industry, particularly fossil fuel extraction. Meanwhile the push for expanding carbon markets continues (see page 10) and all eventual policies will have to be assessed against their impact on the global trade regime, which one could be forgiven for thinking is far more important than the climate. The ‘Lima-Paris Action Agenda/Agenda for Solutions’ is also intended as a way to show the world – via business commitments – that climate action "represents an economic opportunity in all countries, regardless of their level of development", reducing climate action to no more than a business transaction.22

**BOX 3. Carbon Leakage**

An argument that strong climate policies push energy-intensive production to relocate to areas with weaker climate policies, and therefore the carbon emissions are not cut, they just happen or ‘leak’ elsewhere, along with associated jobs. However, multiple studies have shown that climate policies are a marginal factor in the decision to relocate, and heavy industry began leaving Europe well before the introduction of climate policies.23 In fact, more ambitious climate policies create new jobs, but in new low-carbon sectors rather than within the polluting industries lobbying against them.24

**‘Obviously the climate’s important – but the economy comes first’**

**SPONSORSHIP OF THE TALKS:** some of France’s dirtiest corporations, including airlines (Air France), nuclear and coal giants (EDF), energy utilities (Engie – formerly GDF Suez) and coal-financing banks (BNP Paribas) are among the sponsors of the Paris climate talks. There is arguably no better platform than the official one, although sponsoring officially-endorsed events, such as Solutions COP 21, is also a very popular corporate greenwashing strategy.
INGREDIENT 2
MORE FOSSIL FUELS

Key business argument
Natural gas – both conventional and fracked – is the new ‘clean energy’ solution according to the fossil fuel industry, because it has half the emissions of coal when burnt. They argue that it can be a transition fuel towards a future with energy from wind, sun and waves, or be a permanent ‘reliable’ part of the energy mix.

Who’s pushing it
Primarily Big Oil and Gas, but this argument is echoed around the corporate world.

Example
During this June’s World Gas Conference in Paris, dirty energy executives lined up to claim coal was history and that gas is the fuel needed in the future. Exxon Mobil claimed it was the “only energy source which significantly reduced emissions”, and that embracing fracking would provide economic development as well as being ‘low carbon’. Total and GDF Suez (now called ‘Engie’) even issued a “call to arms against coal” at the conference, to boost their climate-friendly image (and bottom lines). The same month Europe’s Oil and Gas Majors wrote an open letter to UNFCCC chief Christiana Figueres and COP 21 President François Hollande – as well as penning one in the Financial Times – outlining their seriousness in tackling climate change and the “major role natural gas can play”. At May’s Business and Climate Summit, Statoil was backed by the Norwegian Minister for Europe, who claimed, “natural gas is renewables’ best friend”. Efforts behind the scenes have also been key; Total and other oil companies infiltrated the wind and solar energy trade associations in Brussels so that they would also promote natural gas, as well as scaling back their wind energy ambition. In the US, the gas industry has gone as far as secretly funding a big environmental NGO to campaign against new coal plants. More recently, the industry has been actively hiring ex-government officials (the tried and tested revolving door approach – see lobbying toolboxes), with Cheniere Energy, the first company to win a permit from US President Obama to export Liquid Natural Gas (LNG), appointing Obama’s Deputy Assistant for Energy and Climate Change, Heather Zichal, only months after she left office in October 2013.

The ‘dash for gas’ will “simply increase the total amount of fossil fuels available to burn, accelerating what is already beginning to look like a rush towards disaster.” Climate historian Naomi Oreskes

“Fear not, natural gas will save the climate”

What it means in the real world
While gas has lower emissions when burnt, the extraction process – particularly fracking – can be even worse for the climate than coal and oil due to the leakage of methane, a gas more than 80 times worse for global warming than CO₂ over a 20 year period. Fossil fuel extraction also has disastrous impacts on local environments and communities. The promotion of gas also means that less attention will be paid to developing and rolling out genuinely climate-friendly energy technologies such as solar, wind and tidal power technologies.

Behind all the pro-climate talk is a stark business reality: shifting to natural gas, particularly LNG, ensures oil and gas companies remain in the driving seat, and secures their future in a world focused on mitigating climate change. They’ve already got the expertise and infrastructure, while all the big oil companies – Shell, Total, BP, Chevron, Exxon – are making significant investments in what they see as an incredibly lucrative future market. If Big Oil and Gas succeeds, it could also signal the massive expansion of fracking outside the US, something which has so far failed to materialise, partly because of intense public opposition in many countries.

Fracked or not, it’s clear that gas is not a climate solution, since it is still a carbon-based fossil fuel and its extraction leads to underground methane being released into the atmosphere. Yet plans are underway for new infrastructure projects that will lock-in fossil fuels use for fifty more years. According to the International Energy Agency this will displace investment in renewable energy technology. The ‘clean’ image of gas is also being used to justify the push for natural gas in the EU-US free trade talks – the Transatlantic Trade and Investment Partnership (TTIP) – with the EU desperate to import cheap US fracked gas.

Where will it be in Paris
Everyone in the fossil fuel sector except the coal industry will be pushing gas at high-level and public events across Paris, and in the negotiations the US has already said that fracked gas counts as ‘clean energy’. Expect to see it as part of many countries’ official commitments, as well as being listed as being eligible for climate finance. Yet the public has not been as easily convinced as policy makers, particularly in relation to fracking, so vocal resistance can also be expected on the streets.

LOBBYSING TOOLBOX
ADVERTISING CAMPAIGNS: Winning the media battle and giving an impression that you have got the public on side is key to persuading decision-makers that you belong in the room, and there’s nothing like a high profile pro-climate action PR campaign to get you there, whatever the reality might be. As part of their US$ 50 million ‘We Agree’ campaign, Chevron plastered railway stations in Europe with posters of people holding signs that Chevron claims to agree with, such as “shale gas needs to be good for everyone”. Just don’t mention the actual pollution caused by their fracking activities or the lawsuits they are fighting in Ecuador to clean up oil spills! Shell are now involved in a similar activity with videos promoting natural gas as a ‘reliable’ companion to renewable energy.
INGREDIENT 3
THE ‘INVISIBLE HAND OF THE MARKET’

Key business argument
Industry is arguing that with a global price on carbon – meaning that companies have to pay for every tonne of CO₂ equivalent emitted – the business community would move away from dirty investments towards low-carbon ones in the most cost-efficient way possible. The carbon price could be set via a fixed tax per tonne, or the market could be allowed to determine the price (see Box 4).

Who’s pushing it
Business, world leaders, international financial institutions – in short, all of those with something to lose from moving away from the current neoliberal economy.

Example
Numerous platforms have been set up specifically to promote the issue or have taken up the cause, including the Caring for Climate campaign set up by the Global Compact, UNEP and UNFCCC, and the World Bank’s Carbon Pricing Leadership Coalition. Two months before COP 21, leaders of Germany, France, Ethiopia, Chile, Philippines and Mexico called for a global carbon price. The Business and Climate Summit in Paris – organised by the biggest business lobby groups (see Box 1) – made it one of their three key messages. Speaker after speaker hammered home its importance, with Statoil CEO Eldar Sætre claiming it was the ‘single most efficient measure’ with which to tackle climate change. Europe’s Oil and Gas Majors have also publicly offered to help the UNFCCC establish a global carbon price.

What it means in the real world
The push for a global carbon price is actually a long-standing battle over who’s in charge of tackling climate change: big business (who want to be able to choose the cheapest options based on a carbon price) or governments (who should be introducing policies based on furthering society’s best interests).

Business argues that cutting emissions should be left to them rather than government targets, as they can use the carbon price to evaluate which policies will be the least-cost. But this narrow focus on carbon means social, environmental or wider economic concerns or benefits that go into government policy making are ignored. If it is left to business via a price on carbon, then the power of governments to introduce policies and targets on energy from wind, sun and waves, energy efficiency, minimum technology standards or outright fossil fuel bans is significantly weakened, as the EU has recently experienced.

In the EU, the reliance on a carbon price created by the EU’s failed Emissions Trading Scheme (EUETS – see Box 5) has seen more effective policies attacked as being ‘overburdensome’, unnecessary or a distortion of the market. And markets – the main delivery mechanism for a price (see Box 4) – are also notoriously susceptible to industry lobbying (presumably another reason why the call for carbon pricing is so popular).

“If only we had a global carbon price, big business would change its ways”

A price signal is also technology blind, focusing only on the cost of reducing CO₂. ExxonMobil is convinced we should “allow markets, not regulators, to determine technologies that best meet consumer needs”.37 But the ‘market’ isn’t invisible, it’s those cutting emissions – the polluters themselves – who are getting to choose whichever dodgy or experimental technology suits their interests and is most likely to ensure their continued existence. Examples include carbon capture and storage (CCS – see Box 6), fracked gas and nuclear energy. Indeed, the WBCSD has explicitly said we need to stop confusing low-carbon technologies with renewables.38

Aside from the technical difficulties associated with establishing a global carbon price (can this be done at the global level? or through diverse but connected regional schemes? and should it be via a tax or a market?), there is a question about whether the price would ever be high enough for long enough to transform the energy system.

For example, in the EU CO₂ is currently just over €8/tonne but ex-UNFCCC chief Yvo de Boer proposes €150 per tonne. Exxon claims it has an ‘internal’ price for carbon of US$ 60-8039 yet it is still happily investing in fossil fuels, so if that internal price really does exist, it isn’t working.

Given the fact that governments are currently demonstrating a clear lack of collective ambition with respect to tackling climate change, a carbon price that is too low is only likely to facilitate industry’s desired shift from coal to gas, rather than triggering a wholesale move away from fossil fuels. And that move might not be triggered even if the price was high: Shell’s David Hone has said that he would expect a high price to “stimulate CCS investment and that is the technology of the future.”40 In other words, to stimulate the continued use of fossil fuels and associated technologies.

In reality, most experiments with pricing so far – such as the EU’s ETS or the UNFCCC’s Clean Development Mechanism (see Box 5) – have not worked because of industry’s refusal to use them by demanding compensation to cover the cost of paying for carbon emissions (see Box 3) or using legal loopholes to avoid having to reduce emissions.

Where will it be in Paris
Most countries were expected to include carbon pricing in their proposed climate actions (officially called Intended Nationally Determined Contributions, or INDCs), but at the time of writing, only Niger has included the call for one (at €50/tonne).41 However, the idea has high-level support, including French President François Hollande, German Chancellor Angela Merkel, and both UN chief Ban Ki-moon and UNFCCC executive secretary Christiana Figueres. But while it will be referred to constantly throughout the two weeks, do not expect Paris to deliver an actual global carbon price.
BOX 4. Carbon tax
Sets a fixed price on each tonne of CO₂.

Carbon market
Sets a cap on CO₂ emissions and issues permits to polluters equaling that cap. The market then decides how much each permit is worth depending on the demand for it – in other words will polluting companies find it more expensive to cut their emissions or buy permits from other cleaner companies? Those who find it cheaper to cut emissions can sell their spare permits to those who find it expensive to cut emissions.

While hypothetically working on paper, things are quite different in the real world. To start off with taxes are notoriously unpopular with industry and many governments. The President of the European Chemicals Lobby, CEFIC, even claims carbon markets are more stable than a carbon tax. The CEO of Spanish renewable energy conglomerate, Acciona, agrees with this arguing that it is because they are “further from policy makers”.42

International lobby groups like the ICC and WBCSD have pushed for a global carbon market for a long time, but a look at the EU ETS (see Box 5) should serve as a stark warning: heavy industry lobbying for more permits has meant polluters have been compensated by tax payers for a perceived loss of competitiveness, but domestic emissions have continued to rise because the system isn’t stringent enough.

The UN’s own carbon offset scheme, the Clean Development Mechanism, has also been a disaster for both the climate and human rights, without cutting emissions.43 Yet the myth of a ‘cost-effective’ carbon market is still alive.

BOX 5. Lesson from the EU Emissions Trading Scheme (EUETS) on a global carbon price
The EU carbon market – more holes than a Swiss cheese!
The EU’s regional carbon market and flagship climate policy, the EU ETS, came into being following a debate about the relative merits of carbon taxes and carbon markets (see Box 4). Industry won the battle for a carbon market, which was seen as being more business-friendly (since taxes are imposed by governments).

Yet despite winning, it soon became clear, in the design phase, that the new market was so susceptible to industry lobbying that loopholes allowed polluters to avoid making domestic emissions reductions and to claim billions of euros in tax payer-funded handouts to compensate for claimed impacts on competitiveness. These allowances look set to be extended from 2020 to 2030, despite Commission promises to end them.44 The resulting carbon price has been so low – due to a lack of demand for permits, as polluters were given so many for free – that it’s irrelevant.

Undermining other policies
The political capital invested in the EU ETS also means that it has monopolised discussions on climate policy and shut down debate about other more effective emissions reductions measures. More damaging still, the ETS has actually weakened existing climate policies, such as energy efficiency or industrial emissions. This is because of fears that they might be too effective at reducing CO₂ and lower demand for pollutions permits – and therefore the carbon price – even further.45

LOBBYING TOOLBOX
OPEN LETTERS: Why keep correspondence with world leaders a secret when you can give them to a newspaper to amplify your message? This explains why Europe’s top oil and gas companies gave their letter to head of the UNFCCC, Christiana Figueres, outlining their climate ‘solution’ to the Financial Times, as well as penning another letter to the newspaper, which Figueres welcomed, inviting them to work together on it. It’s a common tactic, also employed by the corporate coalition the ‘B-Team’, to set the agenda and force an official response.

BUSINESS SUMMITS: There have been an unprecedented number of climate-focused business summits in the run-up to COP 21 and more are planned during the COP (see timeline on page 8 and 9). These are being organised and sponsored by big corporations and their lobby groups, with speakers including influential world leaders. Attending can cost thousands of Euros, but sponsoring these events can cost hundreds of thousands.46 But they must be worthwhile, as there seems to be no shortage of sponsors. They provide a key platform to amplify the big business message, as well as getting political buy-in from governments and UN speakers. French President François Hollande announced his support for a global carbon price during his opening speech at the Business and Climate Summit. The COP 21 Presidency has added further official legitimacy to many events by offering its official ‘label’, a logo to be put on promotional material.
**INGREDIENT 4**

**RISKY AND YET-TO-BE-DISCOVERED TECHNO-FIXES**

**Key business argument**

Rather than actually reducing emissions to zero, ‘net zero’ means that some emissions can keep rising but be offset via the removal of emissions from the atmosphere (‘negative emissions’). The suggested aim is to reach ‘net zero’ emissions, and deadlines range from 2050 to the end of this century.

**Who’s pushing it**

Business coalitions like Richard Branson’s B-Team and the World Business Council for Sustainable Development (WBCSD); scientists and research institutes heavily invested in negative emissions; the Intergovernmental Panel on Climate Change (IPCC).

**Example**

The World Business Council for Sustainable Development (WBCSD) has made the “goal of global net-zero emissions within the 21st century” their first ask of governments ahead of COP 21, as well as ensuring it was a key demand of the Business & Climate Summit in Paris. Equally, the B-Team has twice this year called on political and business leaders to aim for ‘net-zero by 2050’ and to include it in the COP 21 outcome.

**What it means in the real world**

Christiana Figueres says that agreeing to ‘net-zero emissions’ or ‘zero emissions’ in Paris will be a success, but inserting the word ‘net’ has serious implications (and is also rather deceptive). According to Shell, going to net-zero will allow them to keep burning fossil fuels for the rest of the century, balanced out by sucking CO₂ from the atmosphere elsewhere. Clearly Shell has a vested interest in this version of ‘zero emissions’.

**BOX 6. Carbon Capture and Storage and Bio-Energy Carbon Capture and Storage**

**Carbon capture and storage (CCS)** is, in theory, supposed to capture CO₂ from fossil fuel power plants (or other CO₂ producing facilities like cement and steel) and store it permanently underground. However, it is a highly experimental technology and extremely expensive, and even its own supporters admit it will not be commercially viable before 2030—and then, only with massive public funding. Whether the CO₂ will stay underground is also a big question.

In the meantime, however, coal power plants are being built with ‘CCS-readiness’ with the pretence that the technology will mature. Until then CO₂ will continue to be emitted unabated. Thus promoting the possibility of CCS, which may well come to nothing, is another way of locking us in to further fossil fuel use for decades.

**BOX 7. Bioenergy carbon capture and storage (BECCS)** has all the problems associated with traditional CCS and then some. Rather than burning fossil fuels, power plants are supposed to burn ‘carbon neutral’ biomass. As plants absorb CO₂ from the atmosphere as they grow, burning them is theoretically carbon neutral, releasing the absorbed CO₂ back into the atmosphere. So storing the emissions underground, rather than allowing them to enter the atmosphere, would theoretically lead to negative emissions. However, ‘bioenergy’ when used on a large scale is far from carbon neutral. Demand for biomass and biofuels drives deforestation and land disturbance, and often leads to increased fertiliser use, all of which leads to high emissions—not to mention associated human rights abuses, land grabs and biodiversity losses.

Add to this the uncertainties around CCS technology and the prohibitive costs at all stages of the process—which are even higher for biomass than for coal-fired power plants—and BECCS looks less like a silver bullet and more like a white elephant.

“We’ll reach ‘net-zero’ emissions this century, if someone can just suck out of the atmosphere what we put in”

However, the techniques and technologies required include extensive tree plantations, growing more agrofuels, and the untested storage of carbon in soils (‘biochar’), and even ‘bio-energy carbon capture and storage’ (BECCS), which is supposedly intended to generate energy from burning biomass whilst capturing and storing the CO₂ emitted underground (see Boxes 6 & 7).

All these options could lead to land-grabbing, food price rises and human rights abuses. Biochar and BECCS are also unproven and therefore highly experimental, costly, and likely to have dire social and environmental consequences. But the complete lack of public and private research funding going into BECCS shows that it is little more than a delaying tactic to forestall meaningful action. Scientists themselves say BECCS is “unproven” and a “dangerous distraction” (see Box 7). The IPCC’s own scenarios for these emissions reductions (again couched in the language of ‘negative emissions’ and even ‘net-negative emissions’) require anywhere between 500 million and 6 billion hectares of land to keep below 2°C—a startling quantity, given that this is four times the amount of land currently used for global crop production or twice the landmass of Africa.

The word ‘net’ poses other tricky questions too. For example, which sectors are allowed to keep emitting, and in which countries? And whose land will be used to balance it out? Experiences so far show that it is the most vulnerable in the global South who lose their lands and livelihoods while Northern corporations profit from polluting.
Adding ‘net’ also avoids having to face up to reality: that it’s our economic model that has to change if we want to stop climate change. Proposals like BECCS are a distraction from having to make that change,\textsuperscript{55} and let Big Polluters off the hook. We need to bring emissions to zero, leave fossil fuels in the ground, and still remove emissions from the atmosphere via approaches such as agro-ecology, community forest management and habitat restoration.

**Where will it be in Paris**

‘Net-zero emissions’ can be found throughout the UNFCCC negotiating text.\textsuperscript{56} It will be promoted at all big business events, particularly the WBCSD four-day meeting. But increasing awareness of what ‘net-zero’ really means should see resistance in Paris.

Carbon capture and storage – either with fossil fuels or biomass – is not a realistic solution and shouldn’t be treated as such by politicians, business leaders and scientists. It is a deadly distraction from the urgent need to cut emissions.

**Box 8.**

**IPCC: political pragmatism means dangerous techno-fixes not system change**

The Intergovernmental Panel on Climate Change (IPCC), which gathers and synthesises the scientific literature, presented its first assessment report (FAR) in 1990. Since then the world has accepted that man-made emissions are causing climate change and what the consequences will be, yet emissions have continued to rise regardless. The unwillingness to move away from the current economic model has put considerable pressure on the IPCC to come up with a scenario that meets 2°C and still supports economic growth.\textsuperscript{60}

The fifth assessment report (AR5), released in 2014, is a product of this, creating climate models that are ‘politically pragmatic’. It shows leaders a pathway to 2°C is still possible – even with economic growth – despite them not having followed previous recommendations such as peaking emissions by 2015. Modellers now claim emissions can keep rising until 2030, but with drastic emissions reductions after that, going into net-negative emissions in the second half of the century. If politicians follow the plan, we’re in for wide-spread CCS with both fossil fuels and bioenergy, a recipe for disaster given the pie-in-the-sky technology is likely to never materialise (see Boxes 6 & 7). But in the meantime, business as usual and a 2°C temperature target are not contradictory as ‘we still have time’.

Many of those modelling the future – economists rather than scientists – have gone along with the pro-growth approach to avoid losing research funding and political access, while their influence over the IPCC has also grown.\textsuperscript{61} However, climate scientists are now distancing themselves from the projections, claiming the underlying assumptions are unrealistic.\textsuperscript{62} This is an important step and needs to be amplified as without scientists honestly and openly saying the current IPCC projections are not compatible with 2°C – let alone 1.5°C – politicians and polluters will continue to use them and the IPCC to legitimise their ‘political pragmatism’.

**LOBBYING TOOLBOX**

**FORMING NEW ALLIANCES**: an effective way for big polluters to go on the offensive, setting out proposals that won’t undermine their business model but give them an appearance of being engaged and proactive.

Despite Virgin Airline’s Richard Branson failing miserably on his previous climate commitments,\textsuperscript{63} he has regrouped and brought together the ‘B-Team’ to show that business is serious about tackling climate change. Europe’s oil majors took a similar approach in setting up the Oil and Gas Climate Initiative, a think tank to propose pro-fossil fuel solutions that can counter mounting pressure.\textsuperscript{64}

Shell has also joined BHP Billiton, German coal giant RWE, Nicholas Stern’s Grantham Institute and the United Nations Foundation and others to set up the Energy Transition Commission to “help energy policy and investment decision-making.”\textsuperscript{65}

**LEAVE IT TO THE LOBBY GROUPS**: Lobby groups include trade associations, like EUROGAS, EURELECTRIC or chemicals lobby group CEFIC, and cross-sector groups, like the World Business Council on Sustainable Development (WBCSD), the International Chamber of Commerce (ICC) and BusinessEurope.

They are key to lobbying at the European and international level, organising multiple conferences and summits, public greenwashing campaigns, as well as getting the all-important behind-closed-doors access to decision makers.

In Brussels, the European Automobile Manufacturers Association (ACEA) – whose current President is from Renault-Nissan, a COP 21 sponsor – has consistently fought against higher car emissions targets and been instrumental in delaying new testing procedures on behalf of its members – including Volkswagen, who also used to chair the group.\textsuperscript{66}
Key business argument
According to the UN Food and Agricultural Organization (FAO), Climate Smart Agriculture should “sustainably increase agricultural productivity and incomes”, “adapt and build resilience to climate change” and “reduce and/or remove greenhouse gases emissions”.67

Who’s pushing it
The Global Alliance on Climate Smart Agriculture (GACSA), including the FAO (who hosts it); the World Bank; the food retail industry (including McDonalds, Unilever and Nestlé); the seeds industry (Syngenta, Monsanto); 21 Governments (including France, Mexico, US and the Netherlands); and some NGOs and farmers’ organisations – and, most importantly, the fertiliser industry (which makes up 60% of GACSA’s private sector members).

Example
GACSA was launched at the Ban Ki-moon Climate Summit in September 2014, with Walmart, McDonald’s and Kellogg Company all committing to use ‘climate smart’ food in their supply chains. Yara’s Vice President of Global Initiatives, Strategy and Business Development, Sean de Cleene, says that “2015 and 2016 will be the years where we move from building a global movement to action on the ground. And the key words are climate smart agriculture, an area where Yara has products and knowledge.”68 The Norwegian fertiliser giant, 40% owned by the Norwegian government and the state pension fund, sees Climate Smart Agriculture as ‘sustainable intensification’ using its synthetic fertilisers, which it claims reduces deforestation.69 On the other hand Syngenta and Monsanto see Climate Smart Agriculture as using genetically modified (GM) seeds tolerant to toxic herbicides (which they conveniently manufacture), on the basis that weeds are suppressed so soils don’t need to be ploughed to control them, thereby keeping CO₂ in the soil (scientifically unproven and not exclusive to GM crops).70

What it means in the real world
GACSA’s high-profile launch promised to “protect 500 million farmers from climate change while increasing agricultural productivity and reducing carbon emissions,”71 but the lack of definition or criteria on what constitutes ‘Climate Smart’ makes it a vehicle for the same companies that are driving deforestation, biodiversity loss and land grabbing through intensive farming and GM crops to further their business models – now under the ‘Climate Smart’ brand. GRAIN describes it as “essentially just a rebranding of the Green Revolution”.72 Synthetic fertilisers are one of the most fossil fuel-intensive products to create and use, which explains why Yara and others are lobbying hard for fracking in the EU (see Box 9) – so, not quite so Climate Smart.

Likewise, small-scale farmers agree that GM seeds further erode seed diversity, which is crucial to climate adaptation, so they’re not quite so Climate Smart either. In fact, biotech companies like Syngenta and Monsanto are trying to privatise and control the seed market while criminalising farmers for the vital practice of saving seeds, claiming they’re stealing intellectual property.73

The corporations pushing these false solutions are also trying to claim their projects are eligible as carbon offsets, i.e. they should be eligible for funding from polluters willing to pay someone else to cut emissions in their place (see page 10). This is despite past experience of carbon offsets leading to land grabs and human rights abuses while failing to cut emissions either in the global South or North.74 The practice has been roundly rejected by global peasant farmers’ movement La Via Campesina, which has refused to join GACSA.75 Corporations also want GACSA projects to be eligible for international finance aimed at helping countries adapt to climate change – meaning that climate finance could go straight to some of the biggest corporate climate criminals.
LoBBey consultiAncies: Lobby consultancies are the hired guns of the corporate world. For the right sum (a lot of money), they will rebuild damaged reputations, secure access to politicians, plant stories in the media and even create citizens’ groups, as was the case with the pro-fracking Responsible Energy Citizens Coalition. According to the EU’s transparency register, Yara has three different lobby consultancies working for it, while ExxonMobil has six consultancies working for it in Brussels. A new report from CEO, due to be released during COP 21, will given even more details on their dirty dealings.

REVOLVING DOOR: Hiring ex-politicians is an easy time-honoured way used by corporate lobbyists to get access to the legislative process, because these highly sought after people bring with them the expertise and personal contacts they’ve built up in public office, enabling them to open doors that others cannot. Lobby consultancies even put out press releases after hiring senior ex-politicians, to let potential clients know about it. But smaller roles are also important: the EU’s ex-environment commissioner, Janez Potočnik, for example, recently became chair of the European Forum for the Future of Agriculture, a creation of the European Landowners’ Organisation and one of the world’s largest pesticide companies, Syngenta, which is also a GACSA member.

where will it be in Paris
Hundreds of civil society groups have called on the UNFCCC to reject Climate Smart Agriculture, labelling it “a policy influencing platform for the planet’s worst offenders,” but GACSA wants it in the negotiations.

The countries who have signed up so far will have to confirm their support officially, so expect announcements. It is certainly likely to feature in the ‘Lima-Paris Action Agenda/Agenda for Solutions’ announcements. The Global Landscapes Forum and Climate-Kic one-day conference will also focus on the topic. But if we are serious about cooling the planet through changing the system of production and consumption, then peasant agro-ecology is the only real agricultural solution.

box 9. the fertiliser industry – the new big oil?
The synthetic fertiliser industry has been labelled by GRAIN as “the oil companies of the food world.” They account for the largest source of emissions from farming, and rely on cheap fossil fuels and business-as-usual. One of the worst culprits is Norwegian company Yara, the biggest global producer of nitrogen fertilisers, who also coordinates the corporate shale gas lobby in Europe. Yara and fellow industry members have consumed the majority of all US fracked gas and want similar access to cheap fracked gas in the EU.

Producing synthetic fertilisers, particularly nitrogen, requires enormous amounts of fossil fuels, accounting for 1–2% of global greenhouse gases. But that accounts for only a fraction of total emissions compared to when it’s applied to the soil, and N₂O is released. This gas is 300 times more potent a greenhouse gas than CO₂. New research shows that in 2015 alone synthetic fertilisers will generate more greenhouse gases than all cars and trucks on the road in the US.

Yara and others have created a number of fertiliser lobby groups on both sides of the Atlantic to ensure their business model is considered a climate ‘solution’. Yara has been nominated for the 2015 Pinocchio Climate Awards in the greenwashing category for using the Global Alliance for Climate Smart Agriculture to push increased fertiliser use as a global climate solution.
World leaders have been lining up to proclaim business the key player in tackling climate change, participating in their conferences and creating new platforms for their involvement. So has business already captured COP 21?

It seems they have. The Paris outcome cannot deliver, because of the positions taken by those countries most responsible for climate change before they even get to Paris, and the close relationship they have to dirty industry at the national level. COP 21 is a symptom of this, cooked up in advance by polluters working hand in hand with the richest and most powerful governments. The corporate powergrabs by ongoing trade negotiations, such as the Transatlantic Trade and Investment Partnership (TTIP) and the Trans Pacific Partnership (TPP), are further evidence.88

What comes out of the Paris negotiating halls may not deliver for the climate, but outside of them, the efforts to peel back the corporate PR and expose the real reasons behind the Paris failure could have a far bigger impact, undermining this cosy relationship between polluters and policy makers. No COP is going to deliver meaningful action on climate change without a fundamental change in approach.

But it has happened before. For example, the World Health Organization (WHO) realised it was never going to be able to tackle tobacco use effectively when having to deal with industrial lobbying that was incompatible with public health interests. So it introduced a firewall between public health officials and the tobacco industry, officially called Article 5.3 under the United Nations Framework Convention on Tobacco Control (UNFCTC). Every country that signs — including the European Commission and all member states, but not the US — has to implement this at national level.

The real-world impact of the fossil fuel industry and climate criminals is far worse, and many organisations are campaigning for Big Polluters to be kicked out of climate policymaking altogether — at the UN and at national level.89 If Paris is a turning point towards delegitimising the relationship between government and big business, that will do more to save the climate than any official document that comes out of COP 21.
Look beyond the tentacle-like reach and multitude of lobbying tools. Peel back the PR and the progressive-sounding slogans. What’s left is a recipe to cook the planet, all the necessary ingredients to plough-on with business as usual, keeping the same corporations who have profited from trashing the climate in the driving seat.

• Since the economic crisis we’ve been told that growth is more important than saving the climate, despite evidence that effective climate action – like retrofitting houses or encouraging decentralised renewable energy – could have widespread economic, social and environmental benefits.

• Oil and gas companies, who have of course invested heavily in fossil fuels, are trying to convince us that ditching fossil fuels is a bad idea, despite them being a key cause of climate change.

• We’re told that setting a global carbon price and leaving it to the market is the best option – despite experience showing the market is not up to the challenge and that what’s needed is less market and more democracy.

• We are urged to gamble with delaying emissions cuts until 2030, on the basis that there might, by then, be some highly experimental and costly technology available to suck the extra emissions out of the atmosphere, even though these technologies are likely to lead to unprecedented land-grabs.

• We should also accept the repackaging of industrial agriculture – which is responsible for almost half of all global emissions – as being climate friendly because the effective and people-centred alternative, peasant agro-ecology, is a threat to agribusiness.

All of this should come as no surprise if protecting the bottom line is the primary driver. But should governments be listening?

Hans Joachim Schellnhuber, founding director of the Potsdam Institute for Climate Impact Research and advisor to the German government and Pope Francis, has said that fossil fuel companies “need to implode,” if we want to avoid a climate disaster. Yet the head of the UN talks, Christiana Figueres, has told the world to “stop demonising” them.

Really? If we are going to transform our energy system and the economy, then those who have a vested interest in not changing it should not be allowed anywhere near the negotiating tables, or even the corridors of power. We wouldn’t invite tobacco companies to weigh in on public health policy, so why is climate change different?

Real solutions already exist and are being practised within communities around the world—from locally-owned and controlled renewable energy and community forest management through to peasant agro-ecology. So why do corporate climate criminals and their lobby groups enjoy privileged access to decision-makers, while all others are sidelined?

Paris can be an important moment to say ‘No’ to the corporate agenda and the false solutions it entails. ‘No’ to the cosy relationship between Big Polluters and our governments. And ‘yes’ to community-based solutions that are already cooling the planet and challenging the status quo.

Paris must be a moment when this message is conveyed loudly and clearly, laying brand new foundations to be built upon in 2016 and beyond.
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79 For a full overview of Yara’s activities and the role of the fertiliser industry see GRAIN (2015), The Exxons of Agriculture, www.grain.org/article/entries/5270-the-exxons-of-agriculture
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89 For more information, see http://kickbigpollutersout.org/
93 For a full overview of Yara’s activities and the role of the fertiliser industry see GRAIN (2015), The Exxons of Agriculture, www.grain.org/article/entries/5270-the-exxons-of-agriculture
95 For more information, see the Carbon Trade Watch website, for example, Double Jeopardy: Carbon Offsets and Human Rights Abuses, September 2009, www.carbontradewatch.org/multimedia/video/carbon-connection/double-jeopardy-carbon-offsets-and-human-rights-abuses.html