



Real action on climate change

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**PRESS INFORMATION:
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Poland and climate change – why it needs to stop biting the hand that’s currently feeding it

The spotlight of the world’s climate change media will fall on the town of Poznan in Poland this week as Ministers gather for the UN Climate Change Conference meeting of parties (<http://unfccc.int/2860.php>).

But at the same time as Poland is acting as host to this important meeting, benefiting economically from the influx of visitors such gatherings bring, on the other side of Europe, Heads of State will be meeting in Brussels on December 11th and 12th to discuss and agree the EU energy and climate package - a critically important negotiation which has been seriously undermined by Polish complaints that the package is potentially too damaging to their economy. (As the fourth largest industrial centre in Poland, Poznan is home to many of the industrial lobbyists who have helped to fuel these concerns.)

The meeting in Brussels is arguably the more important of the two events. Europe has contributed more to the current global climate problem than any other party represented at the negotiations and the world will therefore be watching what is agreed very carefully. [1] A weak deal therefore could have a much greater impact on negotiations in Copenhagen next year than the detailed discussions going on in Poznan this week.

Poland’s unhelpful position in the EU negotiations is not hard to understand. Reliant on coal for 95 per cent of its energy, Poland’s carbon footprint is larger than most countries. [2] And as a result of acceding to the European Union in 2004, Poland is now officially treated as a developed country and so has targets to meet.

But there is no evidence at all that Poland has actually suffered any negative effects from being subject to targets or that it need suffer in the future. Europe’s main climate change policy – the Emissions Trading Scheme covering 50 per cent of Europe’s emissions – delivered Poland a



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generous amount of money in its first phase. Polish companies were allocated around 90m tonnes of dioxide permits more than were needed to cover emissions. Roughly half were sold to other members of the EU principally the UK, Spain and Italy, raising around 200m Euros in income. [3]

It is likely that the same thing will happen in the current phase which will last until 2012. Frustratingly, despite the fact the phase started in January of this year, there is still no way of knowing exactly how many permits Poland will hand out, as their National Allocation Plan is not yet approved or published. [4]

In the negotiations about the future of the scheme, the EU has already included important concessions that remove permits from richer EU States and donate them to the accession countries but Poland is insisting on more.

And under the current round of the Kyoto Protocol, a recent news report indicated that Poland is seeking to sell up to 1bn Euros worth of permits to other countries unable to meet their targets. [5]

But instead of embracing the trading schemes that it has profited from, Poland appears to be set on weakening them – threatening to undermine the position of the EU internationally. If they are successful and emissions trading fails, civil society will almost certainly begin calling for it to be scrapped and replaced with more robust and much less profitable alternatives.

The problem lies in the fact that, like many countries, Poland's Government clearly believes its role is to defend and preserve the status quo, rather than managing a process of change. If global emissions are to peak and decline within a decade then a massive investment in a new energy infrastructure is necessary. This investment will generate jobs and economic growth but it will flow to non-traditional energy technologies and solutions – those profiting from the existing system will be required to adapt and governments need to help them to change.

Fortunately, the EU Emissions Trading Scheme provides not only the regulatory imperative to change but also a way of raising huge sums of money to pay for that change – through the auctioning of permits rather than handing them out for free. [6]



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Paying for permits will push up energy prices but that simply has to happen if we are going to avoid a future where the planet is no longer finely tuned to supporting our way of life.

If only Poland's Prime Minister, Mr Tusk, could take a leaf out of Barack Obama's book and adopt a positive attitude to change, he might then see why backing a strong EU ETS makes sense – a robust scheme will give a higher price of carbon and result in more money flowing into his economy from the West.

Trading schemes offer the least painful way possible for Poland to leapfrog into a clean energy system with numerous co-benefits in terms of health, air quality and job creation and he should be backing them all the way, both in Poznan and in Brussels. Poland could then be an example to the rest of the world - a less rich nation but nevertheless party to an international emissions reduction scheme which is actually benefiting its economy. This would be the most effective way Poland could help to secure the urgently needed global deal.

ENDS

Notes:

1. Europe has contributed roughly 30 per cent of the global stock of man-made greenhouse gases present in the atmosphere today (excluding Russia). This compares to 27 per cent from the US and 9 per cent from China. Source: Dr James Hansen
2. Poland's electricity sector produces approximately 1,000kg of CO₂ per kwh – roughly double the amount in the UK. Source: Datamonitor.
3. Source: Caisse des Depots, Climate Report, Issue no 13 June 2008. In the first phase of the EU ETS which ran from 2005-07, Poland sold 17.7 million tonnes to the UK, 10m to Belgium, 8.2m to Spain and 6.8m to Italy. Overall the EU 15 spent 505 million Euros on 127 m permits it bought from the 10 accession countries.
4. Each Member State was required to submit a plan to the European Commission that it then approved. Poland's plan has yet to be signed off by Brussels and is not yet public making it impossible to compare Poland's recent emissions with its proposed allocations.
5. Bloomberg Newsroom, Dec 2nd
6. Auctioning permits to participants in trading schemes is widely seen as the most efficient and fairest way of deciding who should receive how many allowances. Companies are required to bid in an auction and can decide themselves how many permits they wish to buy at what price. Lobbying by Poland and others in the EU will potentially weaken the EU's proposals to roll out auctioning for most participants including 100 per cent of the power sector over the next decade or so.

Sandbag Climate Campaign is a not-for-profit enterprise registered as a Community Interest Company under UK Company Law. Company No. 06714443
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Bryony Worthington
5th December 2008

Notes to Editors:

1. Sandbag is a new web-based campaign to help individuals take real action against the threat of climate change. It works by buying up carbon permits which are currently available in the carbon emissions trading scheme. Sandbag was launched on Sept 16th 2008
2. For more information please call 07876 130 352, visit sandbag.org.uk or email: info@sandbag.org.uk. For press enquiries, call Jo Moulds on 020 7359 7961, 07968 801467 or email jo@sandbag.org.uk.
3. Why 'Sandbag'? Increasing global temperatures will lead to higher sea levels and more severe weather. Sandbags are a traditional form of self defence against threats – our campaign is a way of defending ourselves against the threat of climate change so that we will need fewer real sandbags in the future
4. About the organisation: Sandbag is registered as a not-for-profit Community Interest Company in the UK. The founder Bryony Worthington is an experienced campaigner in the field of climate change and an expert in emissions trading policy. She previously set up the Friends of the Earth 'Big Ask' campaign, worked inside Government on the drafting of the Climate Change Bill and acted as a climate change adviser to a leading UK energy company
5. Sandbag is a member of The Guardian Environment Network
6. Read more about the Sandbag campaign at:
<http://www.guardian.co.uk/environment/2008/sep/12/carbonemissions.carbonoffsetprojects>
Guardian weekly science podcast:
<http://www.guardian.co.uk/science/audio/2008/jun/23/science.weekly.podcast>