

## Climate Scorecards 2009: The Price of Progress

**Rich nations are failing the climate change test: their emissions continue to rise. But emissions from leading emerging nations like China and India are rising even faster. How are they responding? Niklas Höhne, lead author of the WWF/Allianz G8 Climate Scorecards, discusses their climate performance.**



**Niklas Höhne, lead author, WWF/Allianz G8 Climate Scorecards**

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### **The G5 countries Brazil, China, India, Mexico, and South Africa have become major polluters. What is their share of global carbon emissions?**

The G5's total emissions are roughly the same as the G8 countries' total emissions. The two groups make up roughly one third of global greenhouse gas emissions each. The figures are dominated by the U.S., which accounts for half of G8 emissions, and China, which accounts for more than half of G5 emissions.

The G5 countries' emissions are increasing rapidly and are projected to continue to increase in the future as developing economies are growing much faster. Meanwhile G8 countries present a mixed picture. The U.S., Canada and Russia are increasing emissions, Japan and Italy are stable, while Germany and the UK are reducing emissions.

For climate change to be kept at a safe level G8 countries need to reduce emissions levels to minus 95 percent by the middle of the century and developing countries' emissions growth needs to halt by 2020.

### **Which has made more progress since the 2008 Scorecards report, the G5 or the G8?**

Broadly speaking, over the last year there has been more progress in G5 countries. All G5 countries are developing plans to reduce emissions and that is very positive.

Take, for example, the stringent emissions reduction goals Mexico has taken on, or the implementation of the energy efficiency targets in China, Brazil's activity to reduce deforestation, and South Africa's analysis of long-term emissions reduction plans.

In G8 countries the change from one year to the next is not that drastic because some of them already have quite substantial policies in place.

The most dramatic change is in the U.S., from complete inactivity to a very comprehensive package now being discussed. If these plans are implemented the U.S. can move onto a more climate friendly path.



**Animation: G8 Climate Scorecards 2009**

Click on the image to see how each country performed (Animation: Allianz)

### **How would you rank the G5 countries?**

Any judgement depends on the current status of each country. I would put Mexico, South Africa and China at the top while Brazil and India have not been so proactive.

Mexico is quite an advanced developing country and has drafted a plan to cut emissions in half by mid century. That is very ambitious. In the same category is South Africa, which is preparing a long-term emissions plan.

China is a little less developed but very important in terms of absolute emissions. China has developed plans in terms of energy security and has ambitious energy efficiency targets. If these are implemented, emissions growth will be slowed substantially.

Brazil has a lot of hydropower, which is positive and is using a lot of renewable energy in the transport sector—ethanol from sugarcane. But they have very high emissions from deforestation. They have ambitious plans to reduce that deforestation but I am not convinced they will be easy to implement.

India is in a different category with much lower per capita emissions and much lower economic capacity. They have a plan that is weaker than the other four countries, but that plan will contribute to lower emissions growth.

### **How do the G5 countries' future policies stack up against the G8 countries' plans?**

Mexico's is probably the most advanced policymaking of the G5. Mexico is developing a comprehensive plan

including an emissions trading system. If this plan is implemented it would be compatible with what G8 countries are doing.

The other countries are not as comprehensive or stringent and have not yet discussed emissions trading systems.

**How active are G5 countries in the international Clean Development Mechanism where rich world countries invest in emissions reduction projects in developing countries?**

They all are. Actually, one criticism of the CDM is that almost all projects go to the G5 and not many go to other countries. That is because one has created a market mechanism where investors gravitate to the cheapest, simplest emissions reduction options before more complicated projects.

These opportunities are in big countries with projects that can be implemented at low cost. So now most projects are in China and India because the emissions reduction potential is so big. Hydropower and wind power are popular CDM areas, although I hope for more projects around energy efficiency in housing and transport, where there is not much happening.

**So is it easier for G5 countries, compared to G8 countries, to green their economies?**

At first sight it is easier for developing countries. The easiest way to achieve a low-carbon economy is to build efficient industrial plants or housing right from the start, and developing countries have much more growth and are building new infrastructure.

For example, efficiency in cement production is better in China than in the U.S. because there are many new plants in China whereas the U.S. is operating plants 30 to 40 years old.

But to apply low-carbon technologies usually means extra costs and it is questionable whether these developing countries can pay extra. Furthermore, developing countries have much less historical responsibility for climate change, and they have much less per capita emissions.

That is why industrialized countries have to support developing countries with those extra costs.

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