

Stern Review - Discussion Paper
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General I think this discussion paper is well structured but it has important weaknesses:

- mis-statements (definition of emissions trading, calculation of CO2 equivalent, options for Kyoto continuation, application of market-driven measures to achieve required targets with certainty)
- Wishful thinking- benefit of various current institutions on technology, possibility of stabilising at low levels
- Understatement of impacts eg omission of impact in OECD countries and large developing countries.
- Lack of analysis of the intergenerational issue/discounting argument.
- Omission of key issues (transnational impacts, dynamic value of resources, need for developing countries to accept targets under UNFCCC, oil and natural gas depletion)
- Paradoxically, the report presents the issue as too complicated. Barriers to change are well analysed. Likewise the solution IS simple, politically and technically.

Specific

Para 14 It would be valuable to quote the current CO2 equivalent (about 415 to judge from Table 1.5, though I doubt that it is so low), as well as the CO2 only figure of 380, to compare with the figures in Table 1.2 better.

Para 15 It is important to give some indication of what is meant by "stabilisation", and to outline the (un)likelihood of stabilising at the levels in Table 1.2 by 2001, given the current level is already about 415 CO2 equivalent (going by Table 1.5), the trend is strongly up, and CO2 is a longlived gas .

Table 1.5 (1) I am really surprised that the range of 2050 emission levels relative to 1990 is so high, compared to the view taken by the Royal commission on Environmental Pollution (RCEP).
(2) I am surprised that the relationship between CO2 only and CO2 equivalent appears to be about 9/10, between the top and bottom halves of the table, given that footnote 12 states that in 2001 23% of warming potential was NON-CO2. This is a key point. I believe 9/10 is far too optimistic.

Paras 28-32 (1) It is ingenuous to make NO reference to intense cyclones in this section. I raised this issue in my previous submission. In particular Atlantic hurricanes are becoming savage, and there are indications that this may be linked to climate change (see paper by Emanuel in Nature for example).
(2) It is misguided to focus on the effect in developing countries only. Europe and USA have suffered from extreme weather in the last decade, as has Australia. Indeed I read in 26 January 2006, page 375 "Nature" that Nordhaus has revised his view of the impact of climate change upwards significantly to 1-3 % of global income at 3C.

Para 32 There is no mention of the EFFECT of the 2003 heatwave. This is well summarised by Munich Re , but note that recently the death toll was re-estimated at over 50, 000 due to a review of the Italian position.

Para 34 Q1 One issue that is often ignored is the transnational effect of climate change. Events do not tidily affect single countries, but spill over, through issues like shared waterways/rivers/resources and population movements. There may not be good literature to cite, but it needs to be raised.

Q5 The simplest and most effective way to tackle the problem is through all countries adopting "Contraction and Convergence", as RCEP advocated. I trust this will be properly dealt with, and not simply brushed aside as impractical as Ministers have done recently, so not worth examining.

Para 43 This is wishful thinking. Without incentives, pump-priming finance, and tough regulations for efficiency standards, little will emerge in terms of operational change to the energy economy. This is well covered in IPCC Working Group 3., which I have recently reviewed, and has not changed in essence since the previous IPCC report..

Para 44 This is wrong. The patchwork of initiatives described in para 43, is NOT strong, but WEAK. They do not work together, but compete, and have different rationales..

Para 45 (1) It is wrong to suggest that the continuation of the Kyoto Protocol will consider commitments for developed nations, without any suggestion that this will extend to developing nations. Indeed we are doomed to fail in global emissions control, unless the big developing nations take on targets soon.
(2) I am sceptical about the value of the Gleneagles Dialogue resulting in any concrete or permanent benefits. Please cite some actions due in 2006/7, and say which country is actively chairing it this year and into 2007.

Para 51 (1) The list in the first sentence is overlapping, and obscure (what is "consequentialism"?). No need to list 8 approaches.
(2) The only sensible answer is "Contraction and Convergence" as already advocated by RCEP and many others. The key parameter there is pollution per capita, which is NOT one of the variables cited here!!

Para 52 I disagree fundamentally. There IS a simple answer to climate change- politically it is "Contraction and Convergence", and technically it is efficiency and renewable energy.

Para 63 I think a key issue is that the value of physical assets will shift dramatically, and this dynamic aspect must be addressed. Resources which are ignored currently as energy sources will become hugely important. Others, such as water and arable land may become as precious as gold in regions unaccustomed to scarcity.

Para 72 I do not follow the point about transport costs making nations with coal more likely to focus on coal-fired power. UK has large, but difficult-to-extract coal, and we are NOT focussing on coal. If the point were stated in reverse, that nations without coal (eg Japan) will not look at coal, that is fair comment.

Para 75 This is a mis-statement of how emissions trading works. Under "Contraction and Convergence" and also under Domestic Tradable Quotas for CO2 (recently introduced as a Bill in UK Parliament) ALL parties receive rights to emissions, not just big polluters. This satisfies equity, and also helps to redistribute wealth.

Para 80 (1) There is no such thing as a global energy generation market. There ARE international markets in oil, natural gas, and coal. Maybe you mean to say that globally (ie generally), energy generation markets are complex?
(2) This appears to be the only place where resource depletion ie of oil and natural gas is even touched on, and only in passing. This is a key omission, and must be treated much more seriously.

Para 83 I agree this is fundamental. Recent experience for successful technologies would be very useful as evidence eg mobile phones, wind turbines, PC's. On the other hand, the effect of resource depletion on oil and natural gas availability MUST be included. Cheap mass technologies based on natural gas and oil will soon vanish.

Para 84 Issues like barriers are well aired already, in IPCC, UNEP Finance Initiative, BASE Renewable Energy Conference 2005, Tyndall Centre Technical Report #20 etc. The report should distinguish issues that need more research, and those which just need to summarise current analysis.

Para 87 This seems to imply that certainty of volume cannot be achieved within a market-driven context. Surely that is EXACTLY what the EU ETS does! (Of course there is no certainty about the COST, which concerns industrialists, but that is not the issue here). Measures like targets for carbon intensity (as Bush advocates) DO fail the test.

Para 89 (1) The grammar here is odd, as it adopts the "we" view, unlike the impersonal approach elsewhere.
(2) Crucially I think the discussion is incomplete. I am now a grandfather. Accordingly, I place a high value on the planet being livable in 50 years time, when I shall be dead, but my descendants will hopefully be alive, and I am not so worried about now, as I am reasonably provided for anyway. This surely cuts across the selfish ethos underlying the approach here, and I am not the only person that thinks this way, nor is it the only rationale eg stewardship of the planet.

Para 104 (1) While I can agree that UNFCCC and Kyoto provide an adequate, though not brilliant, basis for response, I do not think that the existence of other mechanisms as outlined in para 43 is at all helpful.
(2) Note the redundant phrase in first sentence.

Para 105 A mistake that is made is to assume that developing countries (India, China, Brazil) have a strong card in that they can develop using "dirty" technology, particularly coal. They are also extremely vulnerable to impacts eg dieback of Amazonia, melting of Tibetan glaciers as feed for rivers etc). Therefore they have a strong reason to switch to clean technology from self-interest, and this needs to be used in negotiation also. The Brazilian argument that climate change is a problem caused by the western world will soon lose its validity as developing world emissions soar, and it needs to be strongly contested.

Para 112 I am pleased to see the belated reference to insurance here. Note my previous submission had various ideas in this context.