



**CHANGING CLIMATE:  
WHY OPEC IS SLOWLY PROGRESSING TOWARDS ACTION ON  
CLIMATE CHANGE, AND HOW THE G77 CAN HELP**  
**GLOBAL VOICES UNFCCC AUSTRALIAN YOUTH DELEGATION**

**LUKE MCGREEVY**  
**MONASH UNIVERSITY – FACULTY OF ARTS**  
**NOVEMBER 2012**



**MONASH University**

[www.globalvoices.org.au](http://www.globalvoices.org.au)



globalvoices

## GLOBAL VOICES

Global Voices is a non-profit organisation seeking to promote an understanding of and participation in international diplomacy by young Australians.

We do this through regular events and research & development opportunities in Australia, and the coordination of youth delegations to important diplomatic forums abroad.

***Our mission*** is to provide opportunities to young Australians to research, discuss and contribute to foreign policy both at home and abroad.

***Our vision*** is for young Australians to be heard and engaged on the world stage.

## UNFCCC

The United Nations Framework Convention on Climate Change (or UNFCCC) is a global mechanism that aims to provide an intergovernmental platform to mitigate the effects of climate change globally. Membership is almost universal across the world with 194 countries listed as members of the UNFCCC.

The ultimate objective of the UNFCCC is to stabilise the level of greenhouse gas emissions in the Earth's atmosphere as to stop any major disruptions to the world's environments and ecosystems as a result of human induced interference with the climate system. It was established at the Rio Earth summit in 1992 in response to international concerns about climate change. Its establishment was a formal recognition that climate change was an issue that simply could not be resolved by individual nations; a coordinated response was required.

Member-states attend an annual 'Conference of Parties' (or COP) to assess the level of progress in mitigating the effects of climate change and establishing legally binding obligations for countries to reduce their emissions. In 2012, the main COP will be held in Qatar.

## LUKE MCGREEVY

Luke McGreevy, 22, is a Bachelor of Arts / Science student at Monash University in the Faculty of Arts. He is an active member of the Monash Association of Debaters.

## Abstract

Climate change negotiations under the UNFCCC have for many years been stifled and obstructed by the members of OPEC, and in particular Saudi Arabia. Stalling tactics, hijacking G77 leadership positions for regional gain, and denial of climate science have embodied the approach taken by a group who had an interest in keeping carbon emission reductions low due to their reliance on oil revenues. This is contrasted against the goals of AOSIS, the LDCs and the Africa Group, who also operate within the G77, but have not had the financial power or diplomatic institutions to compete with OPEC. But recently, a shift in the stance of many OPEC nations, and investment in renewables, carbon capture and storage, and energy efficiency, is providing an opportunity for these poorer nations to bring OPEC to the negotiating table for fair and honest discussions. The upcoming 18<sup>th</sup> Conference of Parties in Qatar is the first COP to be hosted by a founding-member of OPEC, and provides a unique opportunity for real action on climate change.

## Introduction

The Group of 77 (G77) voting bloc was established in 1964 at the United Nations Conference on Trade and Development as a way for developing countries to combine their resources and influence, so that they might better their individual economic situations<sup>1</sup>. The group rapidly expanded in both membership and scope – there are currently 132 member countries, and the G77 operates across a wide range of issues in forums such as the UN General Assembly and the United Nations Framework Convention on Climate Change (UNFCCC)<sup>2</sup>. But with almost 40 years since the group was founded, the individual economic profiles and needs of many of the member states have changed dramatically, and specifically, the views of the G77 nations on climate change action have diverged. Many G77 nations are still at low levels of development and few naturally occurring resources to capitalise on, but are highly vulnerable to climate change; this includes the Small Island Developing States (SIDS), the Least-Developed Countries (LDCs) and those belonging to the Africa Group. Others, whilst still developing their economies, have significant investment in carbon-intensive resources that other nations do not have; the members of the Organisation of Petroleum Exporting Countries (OPEC) are all members of the G77, and are active participants in climate discussions, though have advocated for a vastly different set of interests. The diversity inherent in the G77 has led some authors to question whether developing nations can continue to articulate a unified position on climate change that adequately represents the needs of all member states<sup>3</sup>. However, whilst previous literature has primarily focused on the incompatibility of OPEC with other developing nations, there have been a number of positive signals and actions taken by members of OPEC towards cooperation on climate change in recent years that is only just starting to be felt. It is the contention of this paper that OPEC member states are making progress towards reorienting their views to align with the majority of the G77, and that there is a rare opportunity for the world's poorest nations to facilitate that progress through the G77, especially given the upcoming 18<sup>th</sup> Conference of Parties (COP) of the UNFCCC is being held in Qatar, a member state of OPEC. This view

---

<sup>1</sup> A. Vihma, Y. Mulugetta & S. Karlsson-Vinkhuyzen (2011): *Negotiating solidarity? The G77 through the prism of climate change negotiations*, Global Change, Peace & Security: formerly Pacifica Review: Peace, Security & Global Change, 23:3, 315-334.

<sup>2</sup> *ibid*

<sup>3</sup> S. Kasa, A. T. Gullberg & G. Heggelund (2008): *The Group of 77 in the international climate negotiations: recent developments and future directions*, International Environmental Agreements, 8, 113-127

will be established by firstly analysing the history of OPEC obstructionism against the needs of the Alliance of Small Island States (AOSIS), the LDCs and the Africa Group; secondly, by examining the recent progress made by OPEC nations; and thirdly, listing a number of recommendations as to how OPEC member states can be brought closer to action on climate change.

## Background

### The most vulnerable nations

The ravages of climate change are expected to be felt most by those who have contributed the least to global carbon dioxide emissions into the atmosphere. Specifically nations belonging to the Least-Developed Countries, the Africa Group and the Alliance of Small Island States (AOSIS) are highly vulnerable. The fourth Assessment Report by the Intergovernmental Panel on Climate Change in 2007<sup>4</sup> highlighted the threat to the poorest of the developing countries, and this issue has been of intense focus in recent negotiations. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States highlighted in 2009 that small island states like Tuvalu, Kiribati and the Maldives would be submerged by rising sea-levels if the global temperature were to increase by 4°C<sup>5</sup>. Problematically, global sea level has not only been rising over the past few decades, but it has been doing so at an accelerated rate<sup>6</sup>. African and Asian LDCs face flooding in their coastal regions and a decrease in the availability of drinking water, as well as a significant reduction in their agricultural output, with a 50% reduction in rain-fed agricultural yields predicted around Africa by 2020<sup>7</sup>. A comprehensive report by the European Parliament's Committee on the Environment, Public Health and Food Safety highlighted that that within developing countries it is the poorest people who are most vulnerable to alterations in the global climate<sup>8</sup>.

The economies of the poorest developing nations are also increasingly vulnerable; the average GDP reduction brought about by a 2°C rise in the global temperature is predicted to be around 1 per cent, but in actuality it would be around 4 per cent in Africa and 5 per cent in India, according to the World Development Report produced by the World Bank<sup>9</sup>. Developing countries are already feeling the impacts of climate change on their societies<sup>10</sup>; droughts in East Africa are now more common because of an increase in the global temperature as part of man-made climate

---

<sup>4</sup> The report is accessible here: <http://www.ipcc.ch/>

<sup>5</sup> Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) (2009): *The impact of climate change on the development prospects of the Least Developed Countries and Small Island Developing States*.

<sup>6</sup> B. Hare, M. Schaeffer, M. Perrette, & M. Mengel (2011): *Future Sea Level Rise and its Implications for SIDS and LDCs*, presented at COP17 in Durban.

<sup>7</sup> UN-OHRLLS (2009).

<sup>8</sup> F. Ludwig, C. T. van Scheltinga, Jan Verhagen, B. Kruijt, E. van Ierland, R. Dellink, K. de Bruin, K. de Bruin & P. Kabat (2007): *Climate change impacts on Developing Countries - EU Accountability*, Policy Department Economic and Scientific Policy, European Parliament.

<sup>9</sup> The Economist (2009): *A bad climate for development*, accessed from <http://www.economist.com/node/14447171/> on 3/11/12

<sup>10</sup> P. O. Jarju (2012a), chair of the Least Developed Countries, in *Press release: Progress on finance and adaptation should not be lost in round of compromise, warn the world's Least Developed Countries at UNFCCC*, accessed from <http://ldclimate.wordpress.com/2012/08/30/press-release-progress-on-finance-and-adaptation-should-not-be-lost-in-round-of-compromise-warn-the-worlds-least-developed-countries-at-unfccc/> on 20 October 2012.

change<sup>11</sup>. Other analysis has shown that if the international community fails to take drastic action on climate change, by the middle of this century the development of the world's poorest nations could stop altogether, or more disturbingly, that progress could be reversed<sup>12</sup>.

The stance taken by the AOSIS, the LDCs and the Africa Group matches this heightened vulnerability. Many of these nations have suggested that their long-term viability and survival as countries depends on swift and decisive action in global climate negotiations<sup>13</sup>, and as a result comprehensive action on climate change is one of their key goals. The Kyoto Protocol is an important plank in their negotiating aims – securing emissions targets from major emitters for a second period at the Conference of Parties in Doha is seen as crucial by these states to making progress in climate negotiations<sup>14 15</sup>. Given that the original Kyoto Protocol expires on the 31<sup>st</sup> of December 2012<sup>16</sup>, these groups feel a pressing need to secure a second round of commitments to ensure the Protocol is not ineffective. The lead negotiator for AOSIS highlighted during the Bangkok Climate Conference in 2012 that raising the ambition of emission targets is also crucial to preventing a shift in the global temperature beyond 2°C<sup>17</sup>. Beyond setting targets, the poorest developing nations are also concerned with funding for the adaptation and mitigation programs they want to implement. Pa Ousman Jarju, current chair of the Least-Developed Countries, spoke of the importance of projects financed by the Least Developed Countries Fund (LDCF) to achieving real progress and equality in dealing with climate change in developing nations<sup>18</sup>. These National Adaptation Programs of Action (NAPAs)<sup>19</sup>, aim to prepare developing nations to establish low-carbon economies, whilst also creating resilience against the effects of climate change<sup>20</sup>. Similarly, the Climate Action Network, a collection of NGOs from around the world, has stressed the importance of increasing the levels of Fast Start Finance available to vulnerable states until 2015 in order to help them adapt to climate change<sup>21</sup>. Aside from finance for adaptation and mitigation, plans are starting to be floated at climate change negotiations about insurance schemes for developing nations if global climate change cannot be reversed<sup>22 23</sup>. This funding, also known as 'parametric insurance', would be triggered when thresholds for weather events like rainfall or wind speed are met, so that developing nations can have immediate access to funds when a natural disaster hit<sup>24</sup>. Having these

<sup>11</sup> T. C. Peterson, P. A. Stott, & S. Herring (2012): *Explaining extreme events of 2011 from a climate perspective*, Bulletin of the American Meteorological Society, 93, 1041-1067.

<sup>12</sup> R. Nuwer (2011): *Climate Change and the Developing World*, accessed from <http://economix.blogs.nytimes.com/2011/11/02/climate-change-and-the-developing-world/> on 20 October 2012.

<sup>13</sup> S. Navoti in M. Crocker (2012a): *AOSIS Makes Strong Call For Short-Term Ambition*, accessed from <http://aosis.org/aosis-makes-strong-call-for-short-term-ambition/> on 20 October 2012.

<sup>14</sup> M. Macan-Markar (2012): *Kyoto Protocol May End With the Year*, accessed from <http://www.ipsnews.net/2012/09/kyoto-protocol-may-end-with-the-year/> on 21 October 2012.

<sup>15</sup> M. Crocker (2012b): *AOSIS and LDCs Deliver Joint Statement on KP*, accessed from <http://aosis.org/aosis-and-ldcs-deliver-joint-statement-on-kp/> on 21 October 2012.

<sup>16</sup> *Ibid*

<sup>17</sup> M. Crocker (2012a)

<sup>18</sup> P. O. Jarju (2012b), chair of the Least Developed Countries, in *Statement by LDC chair at 12th LDCF/SCCF council meeting – 7 June 2012*, accessed from <http://ldclimate.wordpress.com/2012/06/08/statement-by-ldc-chair-at-12th-ldcfscf-council-meeting-7-june-2012/> on 21 October 2012

<sup>19</sup> A summary of the LDCF can be found at <http://www.thegef.org/gef/ldcf>

<sup>20</sup> P. O. Jarju (2012b).

<sup>21</sup> J. Parnell (2012): *Bangkok 2012 – NGOs warn of climate finance complacency*, accessed from <http://www.rtcc.org/policy/bangkok-2012-ngos-warn-of-climate-finance-complacency/> on 21 October 2012.

<sup>22</sup> M. Crocker (2012c): *AOSIS Press Loss and Damage in Bangkok*, accessed from <http://aosis.org/aosis-presses-loss-and-damage-in-bangkok/> on 21 October 2012.

<sup>23</sup> M Crocker (2012d): *Loss & Damage*, accessed from <http://aosis.org/loss-damage/> on 21 October 2012.

<sup>24</sup> M. Crocker (2012c).

funds available if action on climate change is ultimately unsuccessful serves as a crucial buffer for developing countries, but may be difficult to achieve.

AOSIS, the LDCs and the Africa Group have a clear set of strong goals that they are still advocating for in climate change negotiations. The Bali Action Plan, which outlined a need for measurable commitments from developed countries, as well as recognition of the urgency to curb global warming<sup>25</sup>, is not only core to the interests of the poorest developing nations<sup>26</sup>, but is the first in a series of measures that are bringing all nations together on climate change. After COP 17 in Durban, where an agreement was reached to develop a new, legally binding protocol that would cover all parties to the UNFCCC<sup>27</sup>, AOSIS, the LDCs and the Africa Group have the opportunity to see many of their goals realised. To avoid repeating the failures of previous COPs, ambitious and honest input will be required from all parties, to ensure the Durban Platform is a success.

## OPEC: a history of obstructionism

The Organisation of the Petroleum Exporting Countries is an international trade bloc that started independently of the G77, but whose members are all currently part of the G77. Around 81% of the world's oil reserves are controlled by the members of OPEC<sup>28</sup>. OPEC has historically sought to stifle progress towards preventing climate change, as their interests in protecting oil-export revenue in the long-term have been seemingly opposed to cuts in global carbon emissions<sup>29</sup>. At the first Conference of Parties in 1995, discussions on a proposal put forward by AOSIS to the wider G77, were disrupted by the members of OPEC<sup>30</sup>. OPEC influence has also been felt in the writing of the UNFCCC, for example in Article 4.8, which provides for special consideration for those nations vulnerable to measures taken to combat climate change; in practice, this serves to compensate OPEC nations for lost oil revenues, and could be seen as a diversion of crucial funding away from the world's poorest nations<sup>31</sup>, which as previously mentioned is a key concern for AOSIS, the LDCs and the Africa Group. The secretary general of OPEC, Abdullah al-Badri, has even attempted to diminish the link between oil and climate change<sup>32</sup>. OPEC has used the consensus decision making system of UNFCCC discussions to question the uncertainty and validity of climate science, to tie claims for compensation with unrelated issues to the detriment of other members of the G77, and at times has simply refused to agree to items that have been tabled at negotiations<sup>33</sup>.

Despite these historical examples, it is important to note that OPEC has a diverse membership, and obstructionism from the organisation may in fact be primarily pushed from one or two actors. Whilst oil revenues are important for all OPEC members, countries like Indonesia, Iran and Nigeria also derive significant profits from the agricultural sector, suggesting that they would

---

<sup>25</sup> United Nations (2008): *Report of the Conference of the Parties on its thirteenth session, held in Bali from 3 to 15 December 2007*

<sup>26</sup> P. O. Jarju (2012a)

<sup>27</sup> United Nations (2012): *Report of the Conference of the Parties on its seventeenth session, held in Durban from 28 November to 11 December 2011*

<sup>28</sup> *OPEC Share of the World Crude Oil Reserves 2011*, accessed from [http://www.opec.org/opec\\_web/en/data\\_graphs/330.htm](http://www.opec.org/opec_web/en/data_graphs/330.htm) on 21 October 2012.

<sup>29</sup> J. Barnett (2008): *The Worst of Friends: OPEC and G-77 in the Climate Regime*, Global Environmental Politics, 8:4

<sup>30</sup> S. Kasa, A. T. Gullberg & G. Heggelund (2008).

<sup>31</sup> S. Kasa, A. T. Gullberg & G. Heggelund (2008).

<sup>32</sup> Reuters (2009): *OPEC says oil not to blame for climate change*, accessed from <http://www.reuters.com/article/2009/04/02/opec-environment-idUSL225721020090402> on 21 October, 2012.

<sup>33</sup> J. Barnett (2008).

actually benefit from action on climate change<sup>34</sup>. Other OPEC members like the United Arab Emirates and Kuwait have significant stock and bond investments in other nations, and these investments will become increasingly risky when global economies are rocked by climate change<sup>35</sup>. To account for this heterogeneity, it has been suggested that there exists a 'major OPEC' and 'minor OPEC'<sup>36</sup>; that is, that member states of OPEC can be grouped into two smaller, more comparable, subgroups.

Whilst each member state of OPEC has a desire to keep oil profits strong for the sake of their economy, it has primarily been Saudi Arabia that has led the obstructionist movement against climate change. Authors such as Joanna Depledge<sup>37</sup> have gone into extensive detail over Saudi Arabia's obstructionism, for example during COP 13 talks in Bali, or even earlier in trying to block the 1995 Berlin Mandate that foreshadowed the Kyoto Protocol. She also points to the consistency of these negative tactics, highlighting that the Climate Action Network's award for countries that perform badly in the negotiations, known as the 'Fossil of the Day', has regularly been given to Saudi Arabia since the comedic yet insightful award was started in 1999<sup>38</sup>. In a series of anonymous interviews of G77 delegates in 2004, Suraje Dessai<sup>39</sup> found that within the G77, Saudi Arabia was seen as an obstructionist body, and its actions were often viewed as a disservice to other members of OPEC. Mohammad Al-Sabban, a senior economic adviser to the Minister of Petroleum and Saudi Arabia's previous lead climate change negotiator, was reported to be challenging science behind human involvement in climate change in 2009<sup>40</sup>. Al-Sabban and other Saudi negotiators have also previously been heavily involved with oil companies and lobbies that were supporting obstructionist actions within UNFCCC negotiations<sup>41</sup>. Problematically, one of the main reasons why other OPEC members and the G77 more broadly have supported Saudi obstructionism for so long seems to be the negotiating power and financing Saudi Arabia bring to a host of international forums, including the UNFCCC, that developing countries themselves could not provide<sup>42</sup>, in essence trapping the poorest countries into either supporting positions they do not fully agree with, or having no realistic way to engage in negotiations at all. This has translated to Saudi Arabia consistently taking positions of power within the G77, or externally on behalf of the G77, and often has not fairly represented the views of the group in negotiations, but instead advocated its own goals<sup>43</sup>.

In summary, whilst OPEC as a group has significant internal diversity, in the past it has primarily been focused on slowing down progress towards action on climate change. This has been spearheaded by Saudi Arabia, who has used its relative wealth within the G77 and OPEC to promote an obstructionist agenda whenever possible. But there has been a shift in the stance of OPEC members in the last three years on a number of key climate issues, which presents a unique opportunity to push OPEC towards cooperative action.

<sup>34</sup> J. Barnett, S. Dessai & M. Webber (2004): *Will OPEC lose from the Kyoto Protocol?*, Energy Policy, 32, 2077-2088.

<sup>35</sup> *Ibid*

<sup>36</sup> S. Dessai (2004): *An Analysis of the Role of OPEC as a G77 Member at the UNFCCC*, prepared for the WWF.

<sup>37</sup> J. Depledge (2008): *Striving for No: Saudi Arabia in the Climate Change Regime*, Global Environmental Politics, 8:4, 9-35.

<sup>38</sup> *Ibid*

<sup>39</sup> Dessai (2004)

<sup>40</sup> R. Black (2009): *Climate e-mail hack 'will impact on Copenhagen summit'*, accessed from <http://news.bbc.co.uk/2/hi/8392611.stm> on 3<sup>rd</sup> November 2012

<sup>41</sup> Depledge (2008)

<sup>42</sup> Dessai (2004)

<sup>43</sup> Dessai (2004)



## A Greener OPEC?

Since around 2009, a number of OPEC member states have implemented environmentally-friendly technologies and systems that seem to suggest they are now taking the threat of climate change seriously. The vulnerability of OPEC nations to climate change is well known; aside from the importance of agriculture in many OPEC states economies as previously discussed, changing weather events such as more frequent dust storms, floods and rising sea levels, and hotter, drier conditions yearly pose a significant risk for the OPEC nations in the Middle East<sup>44</sup>. The Arab Forum for Environment and Development has also suggested that, due to climate change, severe water scarcity could be felt throughout the Middle East by 2015<sup>45</sup>. It seems as if the gravity of these threats has finally set in for the members of OPEC, and the cost-benefit analysis has shifted towards addressing climate change. In January of 2012, the Saudi Minister for Petroleum and Mineral Resources, Ali Al-Naimi, said that 'greenhouse gases and global warming are among humanity's most pressing concerns'<sup>46</sup>. This is a stark turn around for Al-Naimi, and Saudi Arabia generally, for the Minister had previously described renewable energy as a 'nightmare'<sup>47</sup>. Not only did that speech signal a potential about-face from Saudi Arabia, but it came as Mohammad Al-Sabban was announced to be replaced after years as a climate negotiator by Khalid Abuleif, a well-respected and more moderate negotiator<sup>48</sup>. Other examples of this shift include an OPEC bulletin of 2012 which highlighted that oil extraction and production could no longer be the sole focus of the organisation – the need to deal with climate change, and to conserve the environment, could not be ignored<sup>49</sup>. Even oil companies have shifted to a relatively environmentally friendly stance; in 2009, a meeting of international oil company executives in Washington stressed the need to limit carbon emissions, develop renewable energy sources and increase energy efficiency<sup>50</sup>. A report published in October 2012 by the Fridtjof Nansen Institute detailed how an increasing need for diversification of their economies, and demand for energy and clean water, appear to be driving OPEC members towards low-carbon projects<sup>51</sup>.

There are a few key examples of OPEC member states taking positive steps towards low-carbon economies. Saudi Arabia has an ambitious plan to source 41,000 megawatts of solar energy in the next twenty years, which would result in solar power contributing one third of domestic electricity production by 2032<sup>52</sup>. Saudi Arabia's monarch, King Abdullah bin Abdulaziz, ordered the establishment of a renewably energy 'city' called the King Abdullah City for Atomic and Renewable

---

<sup>44</sup> A. Lyon (2010a): *Arab world among most vulnerable to climate change*, accessed from <http://www.reuters.com/article/2010/11/14/us-climate-mideast-idUSTRE6AD1BK20101114> on 4th November 2012.

<sup>45</sup> A. Lyon (2010b): *Arab world faces worsening water crisis: report*, accessed from <http://www.reuters.com/article/2010/11/04/us-arabs-water-idUSTRE6A33IK20101104> on 4<sup>th</sup> November 2012.

<sup>46</sup> Ali I. Al-Naimi (2012): *Investing for the Future in Turbulent Times*, delivered at the Middle East and North Africa Energy 2012 conference.

<sup>47</sup> S. Lacey (2012a): *Saudi Oil Minister Calls Global Warming "Humanity's Most Pressing Concern"*, accessed from <http://thinkprogress.org/climate/2012/01/31/415196/saudi-oil-minister-global-warming-humanity-most-pressing-concern/> on 4<sup>th</sup> November 2012.

<sup>48</sup> Huffington Post (2012): *Saudi Arabia's Surprising About-Face on Climate Change*, accessed from [http://www.huffingtonpost.com/kelly-rigg/saudi-arabia-climate-change\\_b\\_1272365.html](http://www.huffingtonpost.com/kelly-rigg/saudi-arabia-climate-change_b_1272365.html)

<sup>49</sup> OPEC (2012): *OPEC Bulletin 8-9/12*, Vienna, Austria.

<sup>50</sup> M. Stravato (2009): *Oil Industry Ready to Work on Global Warming*, accessed from [http://www.nytimes.com/2009/02/12/science/earth/12oil.html?ref=business&\\_r=0](http://www.nytimes.com/2009/02/12/science/earth/12oil.html?ref=business&_r=0) on 4<sup>th</sup> November 2012.

<sup>51</sup> A. Michaelowa & M. Luomi (2012): *From Climate Antagonists to Low-Carbon Protagonists?*, Fridtjof Nansen Institute Climate Policy Perspectives, 6, 1-7.

<sup>52</sup> S. Lacey (2012b): *Saudi Arabia Unveils \$100 Billion Plan To Make Solar 'A Driver For Domestic Energy For Years To Come'*, accessed from <http://thinkprogress.org/climate/2012/05/11/482660/saudi-arabia-unveils-100-billion-plan-to-make-solar-a-driver-for-domestic-energy-for-years-to-come/?mobile=nc> on 4<sup>th</sup> November 2012.



Energy (KACARE), to be based in Riyadh<sup>53</sup>. In other projects, Kuwait, Qatar, and the United Arab Emirates have dedicated \$150 million, whilst Saudi Arabia has invested \$300 million, to create a fund aimed at investing in environmentally friendly technology<sup>54</sup>. The United Arab Emirates has announced plans to establish the Gulf Nuclear Energy Infrastructure Institute, which will develop civilian nuclear technology and train professionals to operate nuclear facilities<sup>55</sup>. Qatar, through the Qatar Foundation and the Qatar National Food Security Program, is investing in renewables such as solar to power the economy broadly, and to specifically assist with desalination<sup>56</sup>. In 2010, 50 years after its inception, OPEC released a long-term strategy which included an emphasis on improving the environmental performance of oil, and a focus on carbon capture and storage, as well as establishing projects that would fall under the Kyoto Protocol's Clean Development Mechanism<sup>57</sup>.

This sudden shift in the stance on climate change from OPEC members should not be accepted without a healthy amount of scepticism. A number of commentators have suggested that expanding renewable energy production is simply a method of reducing domestic consumption of oil to increase the amount that can be exported, and to diversify the economies of OPEC nations<sup>58 59</sup>. The suggestion of economic diversification as the primary driver for the expansion of renewables is compelling, given the recent International Energy Agency report predicting that the United States will become the world's biggest exporter of oil by 2020<sup>60</sup>; thus, a push for renewable energy sources can be seen to be aimed at ensuring the stability of revenue streams into the future, as opposed to reducing their carbon footprint. NGOs such as the Climate Action Network have also been sceptical, suggesting that the need to conserve oil for future export, and future reductions in the need for oil are likely factors for the investment in renewable energy sources<sup>61</sup>.

It is the opinion of this author that a combination of changing economic incentives, and the threat of climate change, has pushed many OPEC members towards investment in environmentally-friendly technologies. It is important to consider both of these factors when developing policy options for reducing global carbon emissions; emphasis needs to be given to both short-term sources of funding for adaptation, as well as ambition enough to mitigate the long-term effects of climate change.

Qatar's National Vision 2030, released in 2008, outlined a need to play a "proactive and significant international role in assessing the impact of climate change and mitigating its negative

<sup>53</sup> W. Sawahel (2010): *Saudi Arabia creates city for nuclear and renewable energy*, accessed from [http://www.scidev.net/en/climate-change-and-energy/saudi-arabia-creates-city-for-nuclear-and-renewable-energy.html?utm\\_source=link&utm\\_medium=rss&utm\\_campaign=en\\_climatechangeandenergy](http://www.scidev.net/en/climate-change-and-energy/saudi-arabia-creates-city-for-nuclear-and-renewable-energy.html?utm_source=link&utm_medium=rss&utm_campaign=en_climatechangeandenergy) on 4<sup>th</sup> November 2012.

<sup>54</sup> OPEC (2007): *OPEC Statement to the United Nations Climate Change Conference (COP13) - Bali, December 2007*, accessed from [http://www.opec.org/opec\\_web/en/press\\_room/379.htm](http://www.opec.org/opec_web/en/press_room/379.htm) on 4th November 2012.

<sup>55</sup> Sawahel (2010)

<sup>56</sup> Michaelowa & Luomi (2012).

<sup>57</sup> OPEC Secretariat (2010): *OPEC Long-term strategy*, Vienna, Austria.

<sup>58</sup> L. Friedman (2011): *Middle East's Push Toward Renewable Energy Spurred by Rising Oil Prices*, accessed from <http://www.nytimes.com/cwire/2011/06/21/21climawire-middle-east-push-toward-renewable-energy-sp-60886.html?pagewanted=all> on 18 November 2012.

<sup>59</sup> B. Faucon (2012): *OPEC Looks to the Sun for Strength*, accessed from [http://online.wsj.com/article/SB10000872396390443659204577573263263346498.html?mod=WSJ\\_InvestingInEnergy912WhatsNews\\_3\\_3\\_RightTop](http://online.wsj.com/article/SB10000872396390443659204577573263263346498.html?mod=WSJ_InvestingInEnergy912WhatsNews_3_3_RightTop) on 18 November 2012.

<sup>60</sup> Al Jazeera (2012): *US to become biggest oil producer by 2020*, accessed from

<http://www.aljazeera.com/news/americas/2012/11/20121113134836285404.html> on 18 November 2012.

<sup>61</sup> M. Burgess (2012): *Oil King turns Solar Pioneer?*, accessed from <http://www.climatenetwork.org/blog/oil-king-turns-solar-pioneer> on 18 November 2012.

impacts, especially on countries of the Gulf”<sup>62</sup>, and the upcoming Conference of Parties is a unique opportunity for Qatar to ensure that OPEC countries continue their progress towards addressing climate change. While oil will always be crucial to the economies of the OPEC member states, new investments into renewable technologies appear to signal that the interests of OPEC are now more closely aligned to those of AOSIS, the LDCs and the Africa Group than ever before. The important question that follows is: how can this progress be maintained?

## The future of the G77

There exists an opportunity for the Alliance of Small Island States, the Least-Developed Countries, and the Africa Group to work within the G77 to facilitate a cooperative stance by OPEC in climate change negotiations. Whilst the stance and tone coming from OPEC is currently in favour of action on climate change, the extent of this commitment has yet to be tested, and thus it is important that OPEC member states are not pushed too hard towards an agreement that they are not comfortable with, as an air of antagonism could risk OPEC reverting to its previous stance. A number of actions in the lead up to the 2012 Conference of Parties suggest the G77 will remain a useful body for AOSIS, the LDCs, and the Africa Group. At the 2012 Bangkok Climate Change Conference, Algeria gave a statement on behalf of the G77 and China emphasising the importance of the ad hoc working groups on Long-Term Cooperative Action (AWG-LCA) and the Kyoto Protocol (AWG-KP)<sup>63</sup>. At the same conference, a representative of the G77 emphasised that the current levels of funding for adaptation and mitigation programs in developing nations need to be increased significantly at COP 18 in order to ensure progress in climate negotiations<sup>64</sup>. These positions are in line with those of AOSIS, the LDCs and the Africa Group, and the emphasis on curbing carbon emissions suggests that OPEC obstructionism within the G77 is fading.

There are several important actions that should be taken at COP18 and beyond to increase the effectiveness of the G77 as a body, and to progress on the converging interests of the poorest developing nations and OPEC on climate change. Firstly, the symbolism of having the Conference of Parties hosted by a founding member of OPEC for the first time should be capitalised upon, to engender an atmosphere of cooperation and progress for all parties to the UNFCCC. Qatar should use the power that comes with being the chair of the conference to establish honest and open discussions between the world’s major polluters and the poorest developing countries, in the hopes of achieving real progress on the Durban Platform and on a second commitment period of the Kyoto Protocol. It is hoped that by following these recommendations, the G77 can serve as the best forum for both OPEC and the poorest developing nations to achieve goals relevant to their interests.

---

<sup>62</sup> General Secretariat for Development Planning (2008): *Qatar National Vision 2030*, page 17, accessed from [http://www.qu.edu.qa/pharmacy/components/upcoming\\_events\\_material/Qatar\\_National\\_Vision\\_2030.pdf](http://www.qu.edu.qa/pharmacy/components/upcoming_events_material/Qatar_National_Vision_2030.pdf) on 18 November 2012.

<sup>63</sup> L. Djacta (2012): *Statement on behalf of the Group of 77 and China*, accessed from <http://www.g77.org/statement/getstatement.php?id=120905> on 21 October 2012.

<sup>64</sup> H. Kimouche (2012): *Statement on behalf of the Group of 77 and China*, accessed from <http://www.g77.org/statement/getstatement.php?id=120905c> on 21 October 2012.

## Recommendations

1. AOSIS, the LDCs and the Africa Group should use the symbolism of the 18<sup>th</sup> COP being held in an OPEC member state to extract further cooperation from the organisation on combating climate change;
2. If, as it appears, the stance of OPEC has truly changed, OPEC member states should use the G77 to advocate for climate change action to best extract concessions from developed countries such as the United States, to ensure their investment is not wasted, and to diffuse accusations of reneging on previous stances;
3. Qatar should use the opportunity of hosting the 18<sup>th</sup> COP to establish a tone of reasonableness and compromise during the discussions, to facilitate honest and fair progress, and to highlight OPEC's shift from antagonistic to cooperative in climate change negotiations.

## Conclusion

In 2012, the United Nations Secretary-General, Ban Ki Moon, commended the commitment to multilateralism and support of the G77 in climate negotiations, including during COP 17<sup>65</sup>. The G77, will only be completely effective as a voting bloc when it is unified in pursuing a specific set of aims. While oil will always be a key part of the economies of OPEC nations, the threats of climate change appear to be changing the calculus of these nations away from obstruction, and towards progress. The G77 stands to increase its influence in negotiations through a more unified stance shared between OPEC, AOSIS, LDCs and the Africa Group. It is the hope of this author that the symbolism and timing of the 18<sup>th</sup> Conference of Parties will not be squandered.

---

<sup>65</sup> B. Ki-Moon (2012): *Remarks to G-77 Chairmanship Handover Ceremony*, accessed from [http://www.un.org/apps/news/infocus/sgspeeches/search\\_full.asp?statID=1424](http://www.un.org/apps/news/infocus/sgspeeches/search_full.asp?statID=1424) on 21 October 2012.

## Bibliography

- Al Jazeera (2012): *US to become biggest oil producer by 2020*, accessed from <http://www.aljazeera.com/news/americas/2012/11/20121113134836285404.html> on 18 November 2012.
- J. Barnett, S. Dessai & M. Webber (2004): *Will OPEC lose from the Kyoto Protocol?*, *Energy Policy*, 32, 2077-2088.
- J. Barnett (2008): *The Worst of Friends: OPEC and G-77 in the Climate Regime*, *Global Environmental Politics*, 8:4.
- R. Black (2009): *Climate e-mail hack 'will impact on Copenhagen summit'*, accessed from <http://news.bbc.co.uk/2/hi/8392611.stm> on 3rd November 2012
- M. Burgess (2012): *Oil King turns Solar Pioneer?*, accessed from <http://www.climatenetwork.org/blog/oil-king-turns-solar-pioneer> on 18 November 2012.
- M. Crocker (2012a): *AOSIS Makes Strong Call For Short-Term Ambition*, accessed from <http://aosis.org/aosis-makes-strong-call-for-short-term-ambition/> on 20 October 2012.
- M. Crocker (2012b): *AOSIS and LDCs Deliver Joint Statement on KP*, accessed from <http://aosis.org/aosis-and-ldcs-deliver-joint-statement-on-kp/> on 21 October 2012.
- M. Crocker (2012c): *AOSIS Press Loss and Damage in Bangkok*, accessed from <http://aosis.org/aosis-presses-loss-and-damage-in-bangkok/> on 21 October 2012.
- M Crocker (2012d): *Loss & Damage*, accessed from <http://aosis.org/loss-damage/> on 21 October 2012.
- J. Depledge (2008): *Striving for No: Saudi Arabia in the Climate Change Regime*, *Global Environmental Politics*, 8:4, 9-35.
- S. Dessai (2004): *An Analysis of the Role of OPEC as a G77 Member at the UNFCCC*, prepared for the WWF.
- L. Djacta (2012): *Statement on behalf of the Group of 77 and China*, accessed from <http://www.g77.org/statement/getstatement.php?id=120905> on 21 October 2012.
- The Economist (2009): *A bad climate for development*, accessed from <http://www.economist.com/node/14447171/> on 3/11/12
- B. Faucon (2012): *OPEC Looks to the Sun for Strength*, accessed from [http://online.wsj.com/article/SB10000872396390443659204577573263263346498.html?mod=WSJ\\_InvestingInEnergy912\\_WhatsNews\\_3\\_3\\_RightTop](http://online.wsj.com/article/SB10000872396390443659204577573263263346498.html?mod=WSJ_InvestingInEnergy912_WhatsNews_3_3_RightTop) on 18 November 2012

L. Friedman (2011): *Middle East's Push Toward Renewable Energy Spurred by Rising Oil Prices*, accessed from <http://www.nytimes.com/cwire/2011/06/21/21climatewire-middle-easts-push-toward-renewable-energy-sp-60886.html?pagewanted=all> on 18 November 2012.

General Secretariat for Development Planning (2008): *Qatar National Vision 2030*, page 17, accessed from [http://www.qu.edu.qa/pharmacy/components/upcoming\\_events\\_material/Qatar\\_National\\_Vision\\_2030.pdf](http://www.qu.edu.qa/pharmacy/components/upcoming_events_material/Qatar_National_Vision_2030.pdf) on 18 November 2012.

B. Hare, M. Schaeffer, M. Perrette, & M. Mengel (2011): *Future Sea Level Rise and its Implications for SIDS and LDCs*, presented at COP17 in Durban.

Huffington Post (2012): *Saudi Arabia's Surprising About-Face on Climate Change*, accessed from [http://www.huffingtonpost.com/kelly-rigg/saudi-arabia-climate-change\\_b\\_1272365.html](http://www.huffingtonpost.com/kelly-rigg/saudi-arabia-climate-change_b_1272365.html)

P. O. Jarju (2012a): *Press release: Progress on finance and adaptation should not be lost in round of compromise, warn the world's Least Developed Countries at UNFCCC*, accessed from <http://ldclimate.wordpress.com/2012/08/30/press-release-progress-on-finance-and-adaptation-should-not-be-lost-in-round-of-compromise-warn-the-worlds-least-developed-countries-at-unfccc/> on 20 October 2012.

P. O. Jarju (2012b): *Statement by LDC chair at 12th LDCF/SCCF council meeting – 7 June 2012*, accessed from <http://ldclimate.wordpress.com/2012/06/08/statement-by-ldc-chair-at-12th-ldcfscf-council-meeting-7-june-2012/> on 21 October 2012.

S. Kasa, A. T. Gullberg & G. Heggelund (2008): *The Group of 77 in the international climate negotiations: recent developments and future directions*, *International Environmental Agreements*, 8, 113-127

B. Ki-Moon (2012): *Remarks to G-77 Chairmanship Handover Ceremony*, accessed from [http://www.un.org/apps/news/infocus/sgspeeches/search\\_full.asp?statID=1424](http://www.un.org/apps/news/infocus/sgspeeches/search_full.asp?statID=1424) on 21 October 2012.

H. Kimouche (2012): *Statement on behalf of the Group of 77 and China*, accessed from <http://www.g77.org/statement/getstatement.php?id=120905c> on 21 October 2012.

S. Lacey (2012a): *Saudi Oil Minister Calls Global Warming "Humanity's Most Pressing Concern"*, accessed from <http://thinkprogress.org/climate/2012/01/31/415196/saudi-oil-minister-global-warming-humanity-most-pressing-concern/> on 4th November 2012.

S. Lacey (2012b): *Saudi Arabia Unveils \$100 Billion Plan To Make Solar 'A Driver For Domestic Energy For Years To Come'*, accessed from <http://thinkprogress.org/climate/2012/05/11/482660/saudi-arabia-unveils-100-billion-plan-to-make-solar-a-driver-for-domestic-energy-for-years-to-come/?mobile=nc> on 4th November 2012.

F. Ludwig, C. T. van Scheltinga, Jan Verhagen, B. Kruijt, E. van Ierland, R. Dellink, K. de Bruin, K. de Bruin & P. Kabat (2007): *Climate change impacts on Developing Countries - EU Accountability*, Policy Department Economic and Scientific Policy, European Parliament.

A. Lyon (2010a): *Arab world among most vulnerable to climate change*, accessed from <http://www.reuters.com/article/2010/11/14/us-climate-mideast-idUSTRE6AD1BK20101114> on 4th November 2012

A. Lyon (2010b): *Arab world faces worsening water crisis: report*, accessed from <http://www.reuters.com/article/2010/11/04/us-arabs-water-idUSTRE6A33IK20101104> on 4th November 2012.

M. Macan-Markar (2012): *Kyoto Protocol May End With the Year*, accessed from <http://www.ipsnews.net/2012/09/kyoto-protocol-may-end-with-the-year/> on 21 October 2012.

A. Michaelowa & M. Luomi (2012): *From Climate Antagonists to Low-Carbon Protagonists?*, Fridtjof Nansen Institute Climate Policy Perspectives, 6, 1-7.

Ali I. Al-Naimi (2012): *Investing for the Future in Turbulent Times*, delivered at the Middle East and North Africa Energy 2012 conference

R. Nuwer (2011): *Climate Change and the Developing World*, accessed from <http://economix.blogs.nytimes.com/2011/11/02/climate-change-and-the-developing-world/> on 20 October 2012.

Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLS) (2009): *The impact of climate change on the development prospects of the Least Developed Countries and Small Island Developing States*.

OPEC (2012): *OPEC Bulletin 8-9/12*, Vienna, Austria.

OPEC (2007): *OPEC Statement to the United Nations Climate Change Conference (COP13) - Bali, December 2007*, accessed from [http://www.opec.org/opec\\_web/en/press\\_room/379.htm](http://www.opec.org/opec_web/en/press_room/379.htm) on 4th November 2012.

OPEC Secretariat (2010): *OPEC Long-term strategy*, Vienna, Austria.

J. Parnell (2012): *Bangkok 2012 – NGOs warn of climate finance complacency*, accessed from <http://www.rtcc.org/policy/bangkok-2012-ngos-warn-of-climate-finance-complacency/> on 21 October 2012.

T. C. Peterson, P. A. Stott, & S. Herring (2012): *Explaining extreme events of 2011 from a climate perspective*, Bulletin of the American Meteorological Society, 93, 1041-1067.

Reuters (2009): *OPEC says oil not to blame for climate change*, accessed from



<http://www.reuters.com/article/2009/04/02/opec-environment-idUSL225721020090402> on 21 October, 2012.

W. Sawahel (2010): *Saudi Arabia creates city for nuclear and renewable energy*, accessed from [http://www.scidev.net/en/climate-change-and-energy/saudi-arabia-creates-city-for-nuclear-and-renewable-energy.html?utm\\_source=link&utm\\_medium=rss&utm\\_campaign=en\\_climatechangeandenergy](http://www.scidev.net/en/climate-change-and-energy/saudi-arabia-creates-city-for-nuclear-and-renewable-energy.html?utm_source=link&utm_medium=rss&utm_campaign=en_climatechangeandenergy) on 4th November 2012.

M. Stravato (2009): *Oil Industry Ready to Work on Global Warming*, accessed from [http://www.nytimes.com/2009/02/12/science/earth/12oil.html?ref=business&\\_r=0](http://www.nytimes.com/2009/02/12/science/earth/12oil.html?ref=business&_r=0) on 4th November 2012.

United Nations (2008): *Report of the Conference of the Parties on its thirteenth session, held in Bali from 3 to 15 December 2007*.

United Nations (2012): *Report of the Conference of the Parties on its seventeenth session, held in Durban from 28 November to 11 December 2011*

A. Vihma, Y. Mulugetta & S. Karlsson-Vinkhuyzen (2011): *Negotiating solidarity? The G77 through the prism of climate change negotiations*, *Global Change, Peace & Security: formerly Pacifica Review: Peace, Security & Global Change*, 23:3, 315-334.



globalvoices