COP 18 in Qatar: Between »Fossil of the Day« and »Best Green Practice«

What the Gulf States can contribute to the success of the Climate Change Conference in Qatar

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- Qatar’s obstructionist stance to climate policy in recent decades does not do justice to the foreign policy ambitions of the Gulf emirates. The flexibility, which international observers are hoping for from the Qatari leadership in the negotiations, would send a signal that Qatar is willing to gradually abandon its role as brakeman in international climate negotiations.

- Qatar has to actively confront the reality of dwindling oil reserves. At the same time, it is important to limit rising domestic consumption, which reduces the volume of exports and thus has a direct impact on the profit margin from oil exports. This increases the pressure on the negotiations to establish long-term, alternative energy supplies.

- Nevertheless, caution should be exercised in the expectations for the climate summit, because one of the largest problems in the Gulf region remains low energy efficiency and escalating subsidy policy. It is not to be expected that the ruling powers will massively curb their subsidy policy in times of continued political unrest in the Arab world.
The 18th Conference of the Parties to the United Nations Convention on Climate Change (UNFCCC) will be held from 26 November to 7 December 2012 in the Gulf Emirate of Qatar. With the Qatar location, the Asian group within the UNFCCC made a controversial choice at the end of November 2011. Besides its blatant disregard for workers’ rights, Qatar – representative of the Gulf monarchies – traditionally typifies an economy and lifestyle that fundamentally contradict the goals of the UNFCCC. What is to be expected from the host Qatar, which in recent decades not only brought attention to itself with a less than progressive stance in international climate negotiations, but also to this day perpetuates its own fossil energy production with its massive subsidy policy?

The Gulf States in International Climate Policy

In the past, Qatar’s climate policy has corresponded as much as possible with the policy of the Organisation of Petroleum Exporting Countries (OPEC) and the regional Organisation of Arab Petroleum Exporting Countries (OAPEC). The negotiating position of the OAPEC countries was consistently valid beyond the borders of the oil-producing Gulf monarchies and for the rest of the Arab region, where due to a lack of personnel and financial resources, as well as a strong concentration on other external and internal political challenges, hardly any separate position on climate policy was formulated. Also as a result of the weak role of the Arab League as a lobby in climate policy, OAPEC has acted for many years as the de facto voice of the Arab world on climate issues – with the result that in climate negotiations, the oil monarchies advanced their interests at the cost of the needs of resource-weak Arab countries.

Above all, the interests of the ruling elites of the Gulf monarchies are centred on the retention of their own power, which is primarily ensured through extensive transfer payments to their citizens. This tactic has recently proved successful in Saudi Arabia, where King Abdullah – in the face of mounting protests of his citizens during the Arab Spring in February 2011 – issued salary increases, employment measures, and interest waivers in the amount of 10.7 billion US dollars and thus secured the loyalty of his subjects.

To sustain the balance of financial appeasement of the population excluded from the political process for the benefit of their own sovereign legitimacy, sustained high economic gains are indispensable for the Gulf monarchies. The economic performance of Saudi Arabia, Kuwait, Qatar, the United Arab Emirates (UAE), Bahrain, and Oman is to a large degree dependent on profits from oil production; more than 90 per cent of their exports and over half of their gross domestic product comes from the oil industry. Therefore, a reduction in worldwide energy consumption and oil production to reduce the effects of greenhouse gases is directly related to the ability of the Gulf states to post profits unabatedly, which ensure the preservation of their systems. Climate protection and extensive CO₂ reductions, which would result in a cut in oil production, are thus neither in the economic nor conservative, power-political interests of the Gulf monarchies.

This constellation of interests meant that the members of OAPEC, under the leadership of Saudi Arabia since the early 1990s, pursued a long-term policy of obstruction at international climate conferences – with the aim of slowing down the climate protection and reduction target negotiations, and thus protect the status of petroleum in the global energy industry. During the Bonn climate negotiations in 2011, Qatar demanded, that it had to be compensated financially for taxes collected in industrialised countries for petroleum. The NGO Climate Action Network took this occasion to award Qatar, along with Saudi Arabia, with the »Fossil of the Day« award.

Fossil Energy Use Patterns

But not only have the OAPEC countries made negative headlines with their negotiating tactics in recent years. In parallel to their international obstructionist policy, there are energy use patterns to be found in many of the OAPEC countries, which hardly aim for the prevention of emissions. The residents of the Gulf produce about ten times as much CO₂ as the average global citizen. According to the International Energy Agency (IEA), the combined countries in the Gulf Cooperation Council (GCC) annually emit 26.3 tonnes of CO₂ per capita, and thus

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1. The OPEC member countries are Algeria, Angola, Ecuador, Iraq, Iran, Qatar, Kuwait, Libya, Nigeria, Saudi Arabia, the United Arab Emirates (UAE), and Venezuela. Egypt, Algeria, Bahrain, Iraq, Qatar, Kuwait, Libya, Saudi Arabia, Syria, Tunisia, and the UAE have joined together for OPAEC. The OPEC member countries are a part of the developing countries’ group, G77+China.
s six times as much as the global average. For years, Qatar itself has had the highest CO\textsubscript{2} balance worldwide with 55.43 tonnes per capita – ten times higher than the average. The emirate’s poor emissions balance is partly explained by its position as the world’s largest producer of liquefied natural gas, a technology with high CO\textsubscript{2} emissions. In total, 67 per cent of Qatar’s CO\textsubscript{2} emissions are attributable to the oil and gas sector.

Additionally, however, the energy-intensive lifestyle of the residents of the Gulf emirates contributes to the high figures. The subsidised, and as a result, cost-free access to electricity offers no incentives for greater energy efficiency. The operation of air conditioning alone, for example, accounts for nearly 67 per cent of the energy consumption of private households.

Also in the Top 10 of the world’s largest producers of CO\textsubscript{2} are Kuwait, the UAE, and Bahrain. In Saudi Arabia, the already high emissions from CO\textsubscript{2} could rise even more: Currently up to 3 million barrels are burned per day to produce electricity – crude oil equivalent to 300 million US dollars on the international markets. In view of the annual increase of 8 per cent in demand for domestic electricity, oil consumption in Saudi Arabia could climb to 250 per cent of the current amount by 2028 – despite an average increase of the GDP of only 3.4 per cent since the 1990s. The point could be reached in 2043, in which Saudi Arabia consumes more oil than it can produce today. The loss of state revenue through high-energy consumption of crude oil is supported by state-subsidised oil prices, which Saudi Arabia – in addition to the United Arab Emirates, Kuwait, Bahrain, Oman, and Qatar – pushes through on the domestic markets.

In this context, international community apprehensively observes the efforts of Qatar and Saudi Arabia to meet the growing energy demands of their population with investments in nuclear energy, rather than in sustainable energy policy.

»Best Green Practice«?

Beyond the criticism, however, the conference in Qatar could also be a chance for the OAPEC countries, to occupy a positive, creative role in the post-Kyoto phase. Qatar and other oil economies, such as Saudi Arabia and Kuwait, have to actively confront the reality of dwindling oil reserves – and much earlier than Europeans, who can rely more strongly on bridging technologies, such as coal and gas. At the same time, it is necessary to constrain rising domestic consumption, which reduces the volume of exports and thus has a direct impact on the profit margin from oil exports – this also increases pressure in the Gulf states to establish a long-term alternative energy supply.

In this context, many landmark projects have been implemented in Qatar in recent years, which rely on low-resource consumption and emissions. Symbolic of this, the COP 18 takes place in the newly built Qatar National Convention Centre, which was awarded a LEED Gold Certification\textsuperscript{2} at the opening at the end of 2011 and whose 4,000-square-metre solar roof should produce 12.5 per cent of the conference building’s total energy consumption.

Already in 2011, Qatar had appointed a commission that developed standardised building codes for the country’s mosques, which aimed to reduce energy and water consumption. Qatar also caused a stir with the announcement that, with help from investments in the amount of 20 billion Euros, they will host the first CO\textsubscript{2}-neutral football World Cup. The construction of nine new stadia is planned, as well as the renovation of three already existing stadia, which will be able to be cooled to 20° C for players and fans in Qatar, where temperatures typically reach up to 50° C.

In the neighbouring UAE, the ambitious Masdar urban development project has attracted international attention. At the beginning of construction in 2008, Masdar was celebrated as a revolutionary future project – fed by renewable energy, emission-free, energy efficient, and waste-free. But the planned completion of the city by 2012 has been delayed by up to ten years; primarily because the production of solar power proves to be problematic in the face of desert winds, sand storms, and salt encrustation.

West of Qatar, Saudi Arabia is investing heavily in solar energy. In 2009, the Minister of Oil, Ali Al-Naimi, announced that in the future Saudi Arabia would export as much solar energy as it currently exports in oil. In 2010,

\textsuperscript{2} The Leadership in Energy and Environmental Design (LEED) Certificate was developed by the U. S. Green Building Council and is awarded to buildings where the construction standards for environmentally friendly, resource-saving, and sustainable construction are taken into consideration.
the foundation for a solar desalination plant was laid near Jedda in western Saudi Arabia and shortly afterward, King Abdullah, launched the King Abdullah City for Atomic and Renewable Energy (K.A.CARE). Furthermore, solar plants with a capacity of 60 GW should be operational by 2030 (whereby half will rely on photovoltaic systems and half on solar thermal systems) and thus provide for 23 per cent of Saudi Arabia’s energy mix.

Despite these ambitious plans, the balance for renewable energies in the Middle East is negative. The total investments in the Middle East and North Africa, according to the United Nations Environment Programme (UNEP), have fallen by 18 per cent to 5.5 billion US dollars. The reason for the decline of investments was above all the political uncertainty as a result of the Arab Spring, which has led to the delay in the realisation of many projects and a failure for international direct investment to materialise. Meanwhile, the landmark projects in Qatar and Saudi Arabia are not to be found in the UNEP statistics: the largest investors of the region were Morocco (USD 1.1 billion), the UAE (USD 837 million), and Turkey (USD 422 million).

Prospects for COP 18

In this context, what role could Qatar and the rest of the OAPEC countries play at the UN Climate Change Conference? The negotiation of a post-Kyoto Protocol will be on the agenda, which the international community has to agree on by 2015 and implement beginning in 2020. Moreover, as in the preparatory Petersberg Dialogue in Berlin in July 2012, the gaps will be addressed, which exist between the previously agreed climate targets and the target of limiting global warming to 2°C. Simultaneously, the transformation to a low-carbon economy as a modernisation and growth strategy will be discussed.

Hence, the conference is to be characterised by emission reductions – a sensitive topic for the key Arab stakeholders of the COP 18. Besides the host country Qatar and Saudi Arabia, which holds the chair of the Ad Hoc Working Group for Long-term Cooperative Action (AWG-LCA), this also applies to Algeria, which took over the chair of the G77 in January 2012. A credible commitment to reducing the emissions of these three negotiation leaders is confronted by their own highly problematic emissions.

Qatari Negotiating Skills

The central role of Qatar, Saudi Arabia, and Algeria in the negotiation process increases the pressure of expectations on the entire Arab world. If the Climate Change Conference in Doha is deemed a success internationally, all three would have proved their negotiation and foreign policy skills and also emphasised their role as central stakeholders beyond the Middle East. At the same time, there is no doubt that the obstructionist politics in recent years cannot fulfil these ambitions. The flexibility, however, that international observers anticipate from the Qatari handling of the negotiations would send a signal that Qatar is willing to gradually give up its role as brakeman in international climate negotiations.

Apart from the desire to be perceived as a global player on the international diplomatic stage, it is possible that real political change could also be initiated by the Climate Change Conference. There are also signs in the Gulf that the era of fossil fuels is slowly coming to an end and large oil producers run the risk of being cut off from the development towards resource-saving energy production and a low-carbon economy. Should this change in perception prevail among the OAPEC countries under Qatar’s leadership, an important step for a credible global consensus on the reduction of climate change would be made – with all of the positive implications that this would have for an ambitious post-Kyoto Protocol.

Regional Attention

The choice of Doha as the conference location also means that on the Arab Peninsula, at least for the period of the conference preparations and the conference itself, the topic of climate change will be allocated a central role and regional attention for climate policy issues will be increased. In practice, this will mean that policymakers, the ruling families, as well as the few civil society organisations and other stakeholders are involved on a higher level. Alone the high-level perception of the conference in the Arab region carries hope for a progressive regional position in the negotiations.

Accordingly, the Qatari leader of the negotiations and designated COP President, Abdullah Bin Hamad Al-Attiyah comes from the second management level in
the country and received international recognition for his role as Chair of the 15th session of the UN Commission on Sustainable Development in 2007. Al-Attiyah speaks of the important role of climate protection at the local, regional, and international levels and has obtained voluntary environmental regulations in Qatar in the industry sector. On the occasion of the 67th Session of the General Assembly of the UN in September of this year, the Qatari head of state, Hamad bin Khalifa Al-Thani, spoke of the destructive consequences climate change for all countries, for which a solution must be found together.

And also in Saudi Arabia new staff positioning is indicated: The decades-long leader of negotiations, Mohammed Al Sabban – who in 2009 still doubted a connection between climate change and human economic activities – is being replaced by the internationally experienced Khalid Mohammed Abuleif. As an advisor to the state oil company Saudi Aramco, though, Abuleif is far from being an environmental activist. But as responsible consultant for environmental questions in the petroleum industry, he is clearly committed to sustainable energy. With his appointment, the kingdom may have wanted to signal that it is ready for a new, moderate stance in international climate negotiations.

However, the personnel replacements in the negotiation circles of the Gulf States also indicate how important the inclusion of the Middle East can be in global processes. Far too often, the region is shut out of global processes, which are not seen as relevant for the area. If internationally attractive incentives – such as the awarding of the conference to Qatar – are provided, it seems that they can also set the change-shy Middle East into motion.

Cautious Optimism

Thus far, the host Qatar has undoubtedly carried out a prudent policy, which has brought international attention to the small country. This applies not only to the COP 18, but also to the awarding of the contract to host the World Cup 2022 and the establishment of the Qatari news channel Al-Jazeera as mouthpiece of the Arab World.

Despite all of the positive signs ahead of the conference, caution should be exercised in the expectations of the climate summit. A mid- and long-term international trend towards low-carbon economies alone may not spoil the prospects of a post-Kyoto Protocol. Because even declining international oil consumption can still remain profitable for oil producers through price regulations for a long time. But one of the biggest, short-term problems in the Gulf region remains low-energy efficiency, partly due to a sprawling policy of subsidies. That those in power would curb their subsidy policy in times of continued political unrest in the Arab World is hardly conceivable. Hence, COP 18 in Qatar will certainly not mark a turning point in national energy policy. However, the conference offers the occasion for cautious optimism that Qatar and the OAPEC will at least in part reconsider their strict obstructionist stance.
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