

# America - one small step forward on the Climate Change front

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The energy bill in the 111th United States Congress: American Clean Energy and Security Act of 2009 (ACES) was approved by the House of Representatives on June 26<sup>th</sup>, 2009 by a majority of 219-212. It was a battle between the greens and fossil fuel (oil and coal) lobby and the result shows how tense the battle was. Some of the smartest ideas on energy and climate, ones that have been aired by countless hearings in US Capitol over the last two decades, were finally getting their due in this bill. This vote was the first time the house of Congress had approved a bill meant to curb the heat-trapping gases linked to climate change.

The recent report of the global humanitarian forum led by Kofi Annan suggests that 325 million people are already seriously affected by drought, disease, floods, loss of livestock and agricultural yields, and decline in fish stocks; a further 500 million people are at extreme risk; and every year 300,000 people are killed by the effects of climate change. The Annan report estimates that within the next 20 years one in ten of the world's population could be directly and seriously affected by the impacts of climate change.

This US bill seeks to create clean energy jobs, achieve energy independence, reduce global warming pollution and move towards a clean energy economy. This is done by establishing a variation of a cap-and-trade plan for greenhouse gases to address climate change. The bill sets a slightly higher target for reductions in emissions of carbon dioxide, methane, and other greenhouse gases than that proposed by the American President Barack Obama. The bill requires a 17-percent emissions reduction from 2005 levels by 2020; Obama proposed a 14 percent reduction by 2020.

Some 98% of those most gravely affected victims of climate change live in the poorest countries, and yet those countries account for only 8% of global emissions. The USA, which hosts 04% of the global population is responsible for 20-25% of the annual global carbon dioxide emissions. The Kyoto Protocol in 1997 set the target for the USA to reduce their CO<sub>2</sub> emission level by at least 7% from 1990 levels during the commitment period 2008 to 2012. The US have, however, increased their GHG emissions by 16.3% during 1990-2005 period. Hence the target of the United States Congress has no real impact on the climate change issue.

The bill includes a renewable electricity standard requiring each electricity provider who supplies over 4 million MWh to produce 20 percent of its electricity from renewable sources by 2020. Alternative compliance payments are 2.5 cents per KWh in violation of the standard, adjusted for inflation beginning in 2010. Long-term the bill proposed reducing United States' emissions by about 80 percent by 2050. The oil and coal lobby was campaigning vehemently against this bill realizing that there will be no future for fossil fuel industries if this plan is properly implemented. The debate moves on to the Senate where oil and coal lobby will redouble their efforts. There will be more distortions and foot dragging, but the momentum is with greens.