





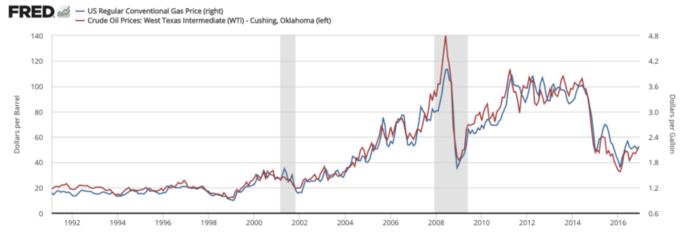
Committee: Special Conference on Climate Crises (SPC2)

Issue: Implementing a Global Green New Deal in the wake of COVID-19

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I. Introduction

The early 2000s were dark years for industries around the world. With multiple crises ongoing simultaneously, prices and inflation were at great highs, one of these prices belonging to oil itself. It served as a stern reminder that humanity had not built its energy sources and supply chains in both a sustainable and well-diversified manner. Countries had become too reliant on fossil fuels, with energy production through these fuels offering a high marginal utility alongside their low marginal cost.



"Picture 1: Gas Prices in the United States mapped according to year, peaking in 2008 during the financial crisis ("Oil prices to gas prices graph")"

The United Nations Environment Programme (UNEP) drafted the Global New Deal (GGND) in response to the multiple crises which peaked in 2008, setting out goals for countries, both for MECDs and LEDCs. Please note that the GGND is not solely focused on environmental objectives but also goes more in depth into economic issues as well, but the SPC will be focusing on the environmental issues surrounding the GGND.

A few months ago, an UN-appointed panel published new findings that show the grim trajectory humanity is set on. Threats of irreversible climate damage now loom over our heads, and its effects are argued to be showing at the current time, asserted to be displaying its effects on global climates. As UN chiefs (i.e. high ranking UN personnel) state, immediate action is necessitated by the scale of the threat, often described as an existential threat by politicians with green agendas.





As we exit the pandemic and climate conferences are set to resume in the near future, differing policies and targets of countries is warrant for diligent political efforts. In line with the conference focus, the report and committee will be focusing, although not exclusively, on the Americas and its major economies in particular.

II. Involved Countries and Organizations

The United States of America

The Green New Deal has had a bumpy ride in the United States. With the idea becoming more mainstream during the Trump Administration among the opposition, the Democrat Party members, the plan received pushback from the government, most often criticized by the economic toll such a deal would take on the U.S. economy. During these years, the administration left the Paris Agreement, an important document on climate change mitigation.

With the Biden Administration's inauguration, the government quickly rejoined the Paris Agreement and has further plans for utilizing carbon capture technology. Prominent figures in Congress also reintroduced the Green Deal Resolution after the new administration.

Brazil

The election of Jair Bolsonaro has marked a turning point for the Brazilian economy. Previously protected areas of the Amazon Rainforest were opened for industrial consumption, which while boosting the Brazilian economy massively, caused a great detriment of the rainforest and the environment.

The Amazon is reaching record levels of deforestation, and funding cuts for environmental spendings are a reality. Bolsonaro, heavily supported by industries of Brazil, has overseen the deregulation of anti-environmental practices, which has served its mining and timber-producing industries well.

Canada

The Canadian Prime Minister Justin Trudeau had stated previously in 2017 that "[Canada needs] to manage the transition off of [its] dependence on fossil fuels. That is going to take time. And in the meantime, we have to manage that transition" (Tasker). In its transition, the nation intends to not only fulfill the Green New Deal, at least in part, but also aims to reduce its foreign dependence, especially on OPEC countries which have a track record of using oil as a political device. Regardless still, petroleum accounts for a large volume of imports in the Canadian economy, proving there is a long, uphill climb ahead of them.





Organization of Petroleum Exporting Countries (OPEC)

OPEC, an organization largely made up of countries of the Arabian Peninsula, is where global oil supply and therefore prices in the market. OPEC has convened recently to rediscuss whether to increase the global supply to make oil price even more competitive.

Critics of OPEC point to the organization being an economic cartel - that is to mean an economic cartel, a group which meets to manipulate the market for their own benefit- that jeopardizes the world's supply.

The leading exporter within OPEC, the Kingdom of Saudi Arabia recently set its own goal for net carbon zero emissions for 2060, although a target far later than its western counterparts.

III. Focused Overview of the Issue

1. Current Outlook

Currently, the world is dependent on fossil fuels. Nations utilize gas, oil and coal sources to power not only their energy production, but also their means of transportation and heating. This footprint accounts for about 85% of all sources, renewables accounting for a meager less than 10 per cent, nuclear power making up the rest. With likely price rises on the horizon as the world's supply of such fuels are depleted and extracting operations' increased costs drive up prices, our current allocation is unsustainable.

The current problem is more problematic than simply being likely to become more expensive however, as emissions from fuel supply chains release dangerous gasses to the atmosphere, some being severely noxious.

If we are to look purely at energy production and exclude transportation and heating applications, the low-carbon emitting resources increase to 1/3rd of the world's supply. Even if this may be a shift in the right direction from an environmentalist point of view, it still must be noted that for the footprints of transportation (which are likely to turn electric, but will still be traceable to 2/3rds fossil fuel derived electricity with the current trend) and heating applications being excluded from any analysis would be imprudent.

2. Goals of the GGND

The GGND takes into account economic disparities between developed OECD and G20 countries and that of developing countries. The important number, being the 1% of the countries' respective GDPs, are targeted to be used for different causes dependent on economic development. Countries with higher levels of economic developments (i.e. OECD member countries) are asked to utilize these resources to curtail their carbon dependencies, while developing economies are to target sanitation services, especially for that of



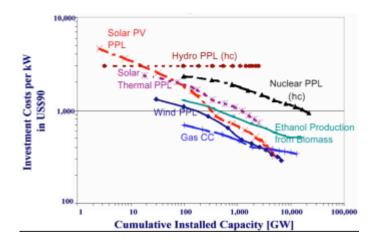


water, and work towards creating a sustainable development economically. Furthermore, the targets for LEDCs include educational and healthcare related improvements, in line with the Sustainable Development Goals (SDGs) of the United Nations Development Programme (UNDP).

3. Benefits of Investment into the GGND

As common sense would also suggest, there exists an economic phenomenon where if a good is produced in larger quantities, the production of that good becomes more efficient, ergo cheaper to produce. The same phenomenon can be applied to energy production methods, producing an argument for mass investment into diversifying energy production methods that so heavily depend on fossil fuels at this current time. The most impactful this phenomenon is where , called a "learning curve", it is utilised in the solar power field. With its cost per kW (unit of power) starting at the highest at the lowest installment capacity transitioning to be the lowest in cost as installed capacity increases demonstrates this trend the best.

Of course, the same learning curve is valid for fuel sources most ubiquitous. Gas, petroleum and coal are all subject to a learning curve, also decreasing in cost as utilization of that one particular power production increases. There however, are two important asterisks to this: With utilization of fossil fuels at its peak, the current position of the world represented on the graph has already likely shifted to the very right, meaning the learning curve has been all but passed, and greater levels of efficiency become harder to achieve; and that the payoffs for renewables are much more rewarding, as represented by steeper curves, and are at lower cumulative installment capacities, making the rewards for further deployment much more attractive.



Picture 2: Investment costs of various energy production types with respect to their installment volumes ("A Global Green New Deal", 8)

4. The 4-Point Plan

The Global Green New Deal identifies a four-point action plan that is projected to transition the globe if implemented to the fullest. The first being a major investment push, attempting to provide the foundation for





achieving learning curves for sustainables. This step also includes a global fund to assist developing nations, highly demanding asks especially for developed economies, requesting that not only do they take the major burden of renovating large industries of their own, but also to offer both financial and technical help to other developing nations.

The "scaling up" step, or in other words, the step in which affordability increases in conjunction with widespread deployment. This step claims to be the point at which government backings and subsidies start to become irrelevant and renewables become attractive investments in their own rights. Investment starts to ramp up as renewables become attractive investments, and developing nations attain further incentives to complete the transition pursuing their sole economic benefits. The third step, a continuation of the second, is the point in which subsidies can be fully let off, and the snowball can start rolling on its own. At this point, economies start to shape around these energy production methods, and costs continue to fall. The final step is where renewable energy is made affordable and attainable to all, and emissions start to fall drastically, lessening the effect that energy production has on the environment and global warming.

5. Why Post-COVID is a Favorable Environment

As government spendings and focus inevitably shifted to supplying transfer payments and attempts to keep their own economies afloat during the pandemic, realising these goals have been rendered secondary. As economic growth has now taken place and given markets are at all time highs, it appears the conditions are met for an environment where the GGND can be implemented.

With the COP26 set to pilot new rounds of climate talks, international investment in reducing carbon footprints and creating sustainable production pathways seems to be rebuilding, placing added importance on why this issue is being tackled now.

IV. Key Vocabulary

Learning Curve: An economic phenomenon that implies, in layman's terms, the more something is produced/utilised, the cheaper it becomes to run. This is the same phenomenon that implies there are investment barriers to justifiably transition to another means of production, as research and development costs reflect far more heavily on the initial batch(es) of said alternative.

Organization for Economic Cooperation and Development (OECD): At many points in this report and the lettering of the original UNEP drafts, "OECD Member Countries" is a used phrase. Composed of 38 countries, OECD Members boast powerful economies, and in some sense, are the elite 38 of the world's economies.





Sustainable Development Goals (SDGs): The Sustainable Development Goals are 17 goals that the United Nations Development Programme has laid out. Goal number 13, titled "Take urgent action to combat climate change and its impacts" aims to mitigate climate change and increase preparedness for climate related hazards. Goal number 7 also wishes to address "Ensure access to affordable, reliable, sustainable and modern energy for all".

Carbon Capture: Carbon Capture is the means of preventing emissions by disallowing the release of carbon dioxide by products, especially in factories. The process usually includes some filtration and storage processes, cleaning the released waste from the factories. Another form of carbon capture is achieved through particulate filters added to automobiles, which limit the amount of unwelcome gasses to be released.

V. Important Events & Chronology

Date (Day/Month/Year)	Event
11 December 1997	The Kyoto Protocol is passed.
August 2007	The 2008 "housing crisis", a global market crash, starts
	showing early signs. Fuel prices began to skyrocket,
	displaying vulnerabilities in relying on fuel based energy
	production systems. As a result, the UNEP's draft of GGND
	began, however countries such as the United States began
	investing heavily into domestic oil production instead of
	diversifying.
15 December 2009	The UNEP published the report known as "A Global Green
	New Deal for Climate, Energy, and Development A big push
	strategy to Drive down the cost of renewable energy Ramp
	up deployment in developing countries End energy poverty
	Contribute to economic recovery and growth Generate
	employment in all countries and Help avoid dangerous
	climate change", the document outlining the GGND.
4 November 2016	The Paris Agreement goes into effect, achieving a milestone
	in passing a legally binding resolution on climate change.
1 January 2019	Jair Bolsonaro is elected into office in Brazil, pushing policies
	proving detrimental to the Amazon Rainforest.





4 November 2020	On the 4th anniversary of the Paris Agreement going into
	effect, the United States of America withdraws from the Paris
	Agreement.`
9 August 2021	The Intergovernmental Panel on Climate Change (IPCC)
	publishes a "code red" report, raising alarms (McGrath).
31 October 2021	The UN Conference on Climate Change (COP26) is set to
	meet in Glasgow.

VI. Past Resolutions and Treaties

The <u>Paris Agreement</u>, in effect since 2016 is a constant, 5 year cycle of 200+ countries (more than the Member States of the UN) setting goals in reducing their greenhouse emissions. Among its aims are to limit the global warming temperature to two degrees celsius, and to achieve cooperation between nations, being both technical and financial, by placing developed nations at the forefront of the pact, tasked with assisting other nations.

With nations seemingly enjoying the luxury of leaving the pact at will, the adherence to the pact can be thrown into question. If shifting political opinions are sufficient for a withdrawal with minimal, if any, consequences, as goals become more ambitious in the cycles, the effect that potential backlash may produce could prove severe.

Although the Paris Agreement is a monumental step in achieving a true GGND, ambitions of nations outlined in the document still do not reflect reality. One statistic reflecting that would be the Green Climate Fund, a fund aiming to provide monetary assistance for the purpose of scaling up renewables. The original goal of 100 billion dollars has not been met and rests at 79 billion dollars as of 2019.

The <u>Kyoto Pact</u> is yet another binding document that unites nations under the cause of reducing emissions. With the Doha Agreement, an extension to the Pact, the pact was renewed and parties of the Pact agreed to commit to a reduction of 18% in global emissions in greenhouse gasses.

With the Doha Agreement, the composition of the member parties to the pact showed some shifts. Failing to include all nations under the umbrella, the Kyoto pact, although offering goals that prove decisive if met, is not globally inclusive by part due to its ambition.





VII. Failed Solution Attempts

The introduction of Green Deal Bills on parliaments, most notably in the Americas, the U.S. Congress, attracts widespread pushback from critics basing their arguments on economic slowdown threats. There is a very real tradeoff between investing into renewables and the money going elsewhere to produce profits, and these arguments are not without merit.

The other philosophy in countering a Green New Deal, or pro-environment policies in general, is the disincentive presented to developing economies. Observing leading economies and their histories of exploiting environmentally unfriendly resources begs the question as to why developing economies are not entitled to the same luxuries as their more developed counterparts. Even with the existence of international treaties, without local support affirmed by governments, the implementation of Green Deals have a narrow chance.

VIII. Possible Solutions

An important consideration in achieving a greener world would be to consider and remedy different areas that are needed to be addressed uniquely. Renewable energy production, already "known" to be advantageous when utilised at volume currently has investment barriers that are needed to be overcome. Stronger economies which can foot the marginally higher costs, eventually translating to more affordable options for less developed economies. Addressing the issues of transportation can be achieved, once again through the use of state funding, the handing out of subsidies and the investment into cleaner means of production, such as electric trains and cars, as welcomably, it is being done in certain nations.

One key advantage of addressing this issue now, instead of the times when previous attempts had been put forward and failed, is the sense of urgency (and with merit) around the issue. The climate issue gets more and more prevalent every day, and more decisive actions follow. Keeping this in mind, more ambitious pushes that would have been unthinkable before look more plausible at this time.

A useful avenue to explore may be through carbon capture, a technology that has fallen in favor with the current U.S. government. Although again, a high investment barrier rests ahead, major economies pioneering new technologies could be the catalyst the world hopes for.

One of the pillars of the likes of the Paris Agreement is regional legislation to achieve global transformation. Appeals to and providing adequate funding to international subsidiary organizations such as





the Green Climate Fund may also create a desired acceleration in shifting the scales in favor of renewable pathways.

IX. Useful Links

UN SDG Goal 13, the UNDP offers very friendly to read infographics and breakdowns of its SDGs, the most prevalent being goal 13 and 7. Delegates will also benefit from looking at goals 1,2, 6, 11, 12.

<u>The Intergovernmental Panel on Climate Change</u>, offers reports meant for state officials, and reading these documents will be beneficial.

GGND

Kurzgesagt's Infographic Based Video on Climate Change

COP 26 Goals





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