Clean Air Report

                            December 27, 2007

 **BALI DEAL LEAVES ROOM FOR FUTURE U.S. EMISSION-REDUCTION COMMITMENTS**

SECTION: Vol. 10 No. 2

LENGTH: 1437 words

BALI, Indonesia -- The agreement here on negotiating a post-2012 climate change
treaty allows the Bush administration to argue it has not committed to mandatory
emission targets, while leaving the door open for the next U.S. president to
accept emission mandates before a final deal must be reached by 2009, according
to observers here.

"The White House can't bring themselves to get on the train, but they have
allowed the train to start to roll," David Doniger of the Natural Resources
Defense Council (NRDC) said in an interview.

The Bush administration also accepted some concessions in the final text that
were agreed to by the U.N. Framework Convention on Climate Change after hours of
delay, including agreeing not to conduct subsequent talks in a "negotiating
committee" that observers say could have significantly slowed the process toward
a final treaty.

The agreement reached on Dec. 15 for a "road map" on negotiating a successor
agreement to the Kyoto Protocol, which expires in 2012, creates an outline for
intense negotiations over the next two years that will include both developed
and developing nations.

However, approval came only after last-minute drama when a plenary session
convened to approve the road map stalled, with a highly public battle over
"mitigation actions" by developing countries that left the U.S. isolated. In
what sources here say is a mix of substance and symbolism, India and other
nations succeeded in altering language calling for measurable, reportable and
verifiable actions from developing nations.

One longtime observer of climate negotiations says it appeared India was trying
to create at least a symbolic distinction between the emission-reduction efforts
of developed and developing nations. The United States opposed calls to change
the underlying language, but then retreated, allowing formal adoption to
proceed.

Other elements of the agreement create some breathing room for the United
States--the only developed nation not to have adopted the Kyoto Protocol. For
example, the portion of the text governing developed countries allows the United
States to say it has not agreed to binding targets, according to one source here
who analyzed the final document. The source notes the language calls for
enhanced activities, but references both "commitments" and "actions" to address
global warming, allowing for some wiggle room on what steps are counted under
the agreement.

The central U.S. objection to including language calling for 25 to 40 percent
emission cuts from developed countries by 2020 was resolved by indirectly
referencing the target in a footnote in the decision document. The decision text
also deletes earlier references to achieving a 50 percent emissions cut by 2050,
and instead says "deep cuts in global emissions will be required to achieve the
ultimate objective of the Convention."

But the final language also represents a U.S. concession by referring to the
scientific underpinnings of the U.N. Intergovernmental Panel on Climate Change
that essentially calls for the same emissions target.

Earlier in the week, the European Union (EU) had threatened to boycott President
Bush's upcoming major economies meetings on climate change in Hawaii next month
unless a meaningful road map here was forged that included emission targets.

The decision document also states that the subsidiary body formed to negotiate
the post-2012 treaty for U.N. adoption in 2009 will be called an ad hoc working
group rather than a negotiating committee, as the United States had sought. The
distinction is key because a negotiating committee initiates formal processes
under the Kyoto treaty that allow for procedural moves to be initiated that can
block progress. An ad hoc working group does not allow for procedural
maneuvering.

The working group language also invites countries to submit their views on the
work program by February 2008.

Additionally, the agreement states that the process going forward will be on two
tracks: a continuation of talks between countries that are a party to the Kyoto
Protocol and a second track for negotiating a new treaty. The EU did not want to
open the Kyoto track to non-Kyoto parties, while the United States had pushed
for a new agreement to replace the Kyoto process.

In a possible concession to the United States, the decision text reinstates an
earlier reference to the word "national" in calling for quantified emission
limits. A Dec. 14 compromise floated by the president of the Conference of the
Parties deleted the reference with the support of the EU, which expressed
concerns that the word would allow the United States to avoid committing to
binding international actions.

"This is not the strongest agreement that could have come out of these talks,
but it does set the stage for a reasonable, worldwide emissions goal in a new
treaty," said Philip Clapp of the Pew Environment Group.

NRDC's Doniger concurred, noting that the deal satisfied objectives while also
acknowledging room for improvement. "It allowed but does not require the outcome
of a cap for the U.S. to be comparable to other countries," Doniger said.

A U.S. industry source attending the Bali talks told Carbon Control News, "It is
important they are coming out with a road map because it launches the next
phase, not just post-Kyoto but involving all countries and including the
building blocks. . . . It is an important signal to the world that everybody is
moving forward together." The source notes that a deal means the U.N. is on
track to "end up with something in 2009 that will involve commitments."

The agreement came after the United States won 11th-hour praise from delegates
and others who cited new-found flexibility by the U.S. delegation that had faced
harsh criticism through the two-week meeting that it was working behind the
scenes to block every proposal.

German Environment Minister Sigmar Gabriel noted at a Dec. 14 press conference,
"Of course, we as Europeans feel that this is a good situation that the United
States changed their attitude . . . and fulfilled the promise of Bush during the
G8 when he said he wants to bring American initiatives under the umbrella of the
United Nations negotiations here in Bali. . . . We see that the Americans want
to fulfill this promise."

Additionally, U.N. Framework Convention on Climate Change Executive Secretary
Yvo de Boer, in response to a question about whether the United States was
wrecking the talks, said late Dec. 14, "My impression is that the U.S. is
showing a great deal of flexibility."

The decision document includes significant deals going forward on forestry,
adaptation and technology. For example, environmental groups say the climate
talks produced historic language paving the way for new negotiations on ways to
reduce deforestation and forest degradation--a priority of many developing
nations including Indonesia, the host country for the talks. The language allows
"positive incentives" to stop such deforestation. The agreement is not explicit
on the question of whether such incentives should include crediting of such
environmental activities in carbon markets. The Union of Concerned Scientist's
Peter Frumhoff said at a Dec. 14 press conference that the issue was left for
future discussions.

On the subject of technology transfers--a longtime priority of developing
nations--one knowledgeable source says negotiators took steps that include an
agreement to politically elevate an existing "expert group," with instructions
to examine issues such as intellectual property rights related to technology
transfers and mechanisms for overcoming the incremental costs of installing
cleaner energy alternatives. The language also calls for the group to focus on
performance indicators for measuring progress on the issue.

On the issue of adapting to climate change, negotiators are calling for
"enhanced action" on efforts, including consideration of risk management and
disaster reduction strategies, and integration of adaptation action into
sectoral and national planning. One source tracking the issue, however, says
that while the language sets up a framework for action, "There is an immense
amount of work to be done to make it meaningful."

Officials earlier in the talks agreed on the structure for an existing
adaptation fund, financed by a tax on the Clean Development Mechanism of the
Kyoto Protocol, a move that officials here have indicated could pave the way for
the first release of funds in 2008. However, environmentalists say the fund is
only a fraction of what is needed to develop low-emission projects in developing
countries. -- Dawn Reeves & Doug Obey

Clean Air Report

                              December 27, 2007

**DEAL ON ADAPTATION FUNDS HAILED AS KEY 'BREAKTHROUGH' OF BALI TALKS**
SECTION: Vol. 10 No. 26
LENGTH: 474 words

BALI, Indonesia -- Delegates and observers here touted an agreement on the
structure of a climate change adaptation fund as one of the first concrete
successes of the negotiations on developing a "road map" for a post-2012
agreement on climate change that includes both industrialized and developing
nations.

At a Dec. 11 press briefing, European Environment Commissioner Stavos Dimas
called the agreement a key "breakthrough" of the Bali talks.

While the climate change adaptation fund was established prior to the Bali
negotiations, the agreement reached late Dec. 10 allows it to become operational
next year, according to United Nations Framework Convention on Climate Change
Executive Secretary Yvo de Boer.

DeBoer outlined the agreement on the structure and governance of the fund. Under
the plan, the fund will be administered by the Global Environment Facility,
which provides grants to developing nations, with the World Bank serving as its
trustee. The deal also creates a 16-member board that will meet twice a year to
oversee the process. According to de Boer, the plan also retains the fund's
reliance on a 2 percent levy on transactions under the Clean Development
Mechanism (CDM). The CDM was created under the Kyoto Protocol to allow
industrialized countries to achieve their emission targets in part by funding
emission-reduction projects in developing nations.

One environmentalist says the announcement on adaptation was a welcome indicator
of progress on the issue. But some groups says the announcement represented only
a fraction of what would be needed to come to a long-term consensus on how to
address the problem of adaptation -- widely viewed as a prerequisite to more
aggressive emissions policies by developing nations.

During a press conference by the Climate Action Network -- an umbrella
organization of environmental groups -- Alden Meyer of the Union of Concerned
Scientists said the fund as currently structured and financed falls far short of
what is ultimately needed to address the problem of adapting to climate change
effects, which can include flooding and drought.

"Right now we have tens or hundreds of millions of dollars on the table. We need
tens or hundreds of billions of dollars" to address the issue, he said.

Meyer also argued that the fund's current reliance on the CDM is inequitable.
Instead, he said there ought to be a tax on mechanisms used by developed
countries to reduce emissions, such as carbon trading systems. "This is a
responsibility of the [northern hemisphere] as countries that have largely
caused this problem to date," Meyer said.

In a press statement reacting to calls here for greater participation by
industrialized nations on the issue of adaptation, the anti-regulatory group
Civil Society blasted the notion of any "taxpayer funded aid" going to
developing nations. -- Doug Obey

The Toronto Star

                          December 27, 2007 Thursday

**Government still searching for heir to Kyoto deal;
Abandoned deal on climate shaped environmental debate**
BYLINE: Jennifer Ditchburn, THE CANADIAN PRESS
SECTION: NEWS; Pg. A34
LENGTH: 600 words
DATELINE: OTTAWA

The ghosts of Kyoto treaties past and future haunted the beginning and end of
2007.

From the start of the year to Parliament's return in the fall, Canada's failure
to live up to its obligations under the climate-change deal shaped much of the
environmental debate in Canada.

But as the nights grew cooler, the focus shifted to the next phase of
anti-global warming negotiation.

How was Canada going to pull its weight once Kyoto expired in 2012? United
Nations talks in Bali, Indonesia, ended mid-December with Canada signing on to
an agreement that would see it take on even deeper greenhouse emissions cuts in
the future along with other industrialized countries.

The Conservative government started the shift from Kyoto detractor to
self-described player in the global climate-change debate almost as soon as the
calendar flipped to 2007.

The party had been taking a beating for its proposed Clean Air Act, ridiculed
for long-term target dates for action, such as 2050.

Rona Ambrose, then environment minister, was ridiculed for her performance at a
UN meeting in Kenya, where she complained about the Liberals for most of an
important speech.

Prime Minister Stephen Harper shuffled Ambrose out of the portfolio on Jan. 4.

"We recognize that, particularly when it comes to clean air and climate change,
Canadians expect a lot more," he said.

In Ambrose's place came the media-savvy John Baird, who set about to trash the
idea that Canada could ever live up to its initial set of reduction targets
under Kyoto.

He released a study backed by well-known economists that suggested Canada would
be headed toward financial disaster if it attempted to meet Kyoto obligations.

Next, the Tories all but abandoned their original Clean Air Act and drafted a
plan with short-term reduction targets, with the promise of a 20 per cent cut in
greenhouse gases by 2020 below 2006 levels.

Some of the economists who said Canada would be unwise to try to meet Kyoto
Protocol's targets expressed doubt that the new plan would accomplish all it
promised.

Mark Jaccard, one of the country's leading environmental economists, is
concerned about carbon offsets - a measure in which industries could buy
emission reduction credits rather than cut back their own emissions.

"We have 20 years of politicians telling us about the tough stuff they're going
to do the next year. To me, the default is don't believe them, they don't have
any credibility," said Jaccard, a professor at Simon Fraser University, who said
he worked behind the scenes with Ambrose on cuts for 2007 that never
materialized.

The Conservatives insist that their plan will go into action in 2008, when
regulations for big industries will be published.

By all accounts, the environment was one of the top political stories of 2007,
and may be just as big a force in 2008.

Will it become the ballot box issue in the next election?

Bruce Anderson, president of market research firm Harris-Decima, says it depends
on how smart the parties are when it comes to understanding what the public is
waiting to hear.

A poll of 5,000 people in August indicated Canadians are deeply concerned about
their role in the environment, and want to feel optimistic about the planet's
future.

Baby boomers in particular are thinking hard about their legacy on the planet.

The party that can tap into the desire to take action will reap huge rewards.

Focusing on big picture policy issues - or worse, harping on what can't be done
- will lose their interest.

"People are not holding the government to account, they're holding themselves to
account, so you're looking to give voice to their instincts."

The Washington Post

                          December 27, 2007 Thursday
                                Met 2 Edition

 **Small-Scale Businesses Forestall a Green India;
Many Can't Afford Or Grasp Need for Energy Efficiency**

BYLINE: Rama Lakshmi; Washington Post Foreign Servi
SECTION: A-SECTION; Pg. A0
LENGTH: 1078 words

FARIDABAD, India -- Ashok Gupta's modest plastic-packaging factory is the oldest
in town, and its age shows. The root of all his problems is electricity.

Gupta is stuck with a 32-year-old machine that consumes huge amounts of power,
while the new machines available in the nearby market produce twice as much
plastic packaging and use 25 percent less electricity. But his business is too
small for him to be able to afford the $18,000 energy-efficient model. Gupta's
problems are compounded by frequent cuts in the electrical supply here in the
power-starved northern Indian state of Haryana.

The machine at Ashoka Plastics Industries "needs to be heated for 1 1/2 hours
before it can work," said Gupta, 53, whose factory does about $12,000 worth of
business a year. "We face power cuts every other hour, cooling down the machine,
and it has to heat all over again. This uses a lot of electricity."

Analysts say cash-strapped small industrial operations such as Gupta's pose one
of the biggest challenges to achieving energy efficiency and curbing carbon
emissions in this country.

With one of the world's fastest-growing economies, India is expected in the
coming years to produce ever more of the greenhouse gases that contribute to
global warming. But many business owners in small industries either fail to
understand the relevance of climate change or are unable to afford the changes
necessary to become more energy-efficient. According to a World Bank study,
India's 4.5 million small and medium enterprises, with their obsolete
technology, produce 70 percent of India's industrial pollution.

"Appropriate climate-friendly technology is not available for industrial units
of smaller size," said Ajay Mathur, who heads the Indian government's Bureau of
Energy Efficiency. "Their financial constraints and scale of operations limit
their access to newer technological innovations. A majority of them, in
textiles, light engineering, glass and foundries, are in smaller towns and less
aware of climate change issues. Individually, they cannot even afford an
engineer for an energy audit."

In recent years, India's commercial energy consumption has grown by less than 4
percent annually, a rate it needs to increase to sustain its economic growth
rate of 9 percent. But India has a huge population of 1.1 billion, and half of
its energy needs are met by coal. The country is ranked fifth in the world in
terms of the amount of carbon it emits; according to a recent report by the
Paris-based International Energy Agency, India will leap to third on that list
around 2015.

India is also one of the few countries where electricity rates for industrial
users are almost 50 percent higher than for residential users. Policymakers cite
this imbalance as a strong incentive for industries to shape up.

At the international climate change conference in Bali, Indonesia, this month,
delegates from New Delhi resisted efforts by industrialized nations to set
mandatory targets for reductions in carbon emissions, arguing that India's
per-capita emissions are far lower than those of wealthier, developed countries.
Countries with emerging economies have also argued that climate change goals
should not be imposed at the cost of growth.

India's severe power shortages are already forcing some business owners to look
for energy-efficient solutions -- both to cut costs and to remain globally
competitive. In the past two years, the government has introduced
energy-efficiency labels for some consumer goods and trained architects how to
meet new, environmentally friendly building codes. The government has also
mandated energy audits for large factories this year and is proposing tougher
fuel economy standards.

"We have been engaging in energy-efficiency activities on our own because of our
energy security concerns and the need to be competitive. It is not just a
response to climate change," said Pradipto Ghosh, a member of the Indian Prime
Minister's Council on Climate Change and a participant in the Bali summit. "Why
is India being targeted when even without targets we are doing better than many
rich nations?"

When it comes to curbing pollution in small-scale industries, some officials say
that the solution lies in what are known as clusters -- groups of factories that
come together to jointly hire energy auditors, buy new machines in bulk and
apply for collective loans.

But business owners see barriers to that solution as well.

"They say, 'We are competing against each other. Why should we come together?' "
said Harinder Singh of the Confederation of Indian Industry. "We tell them:
'Your real competition is global. It is China.' We sell it as a money-saving
drive. We would lose them if we start telling them about global warming."

Two years ago, an exorbitant electricity bill landed on the desk of Rajiv
Chawla, an automobile component manufacturer here. It was almost 50 percent more
than his usual monthly bill, and it hurt, badly.

After a grueling two-day energy audit of his factory by Singh's team, his $2.5
million business was declared "energy inefficient." He has now replaced his old
energy-guzzling power motors, installed new timers and meters and changed all
the light bulbs in his office, factory and home.

"Energy efficiency is now a lifestyle choice for me, like being a vegetarian,"
Chawla said. "My electricity bills dropped, and I recovered my investment in six
months."

Mathur, of the Bureau of Energy Efficiency, said that many of India's large
industries, such as cement, steel and aluminum producers, are already among the
world's most energy-efficient. As a developing country, he said, India has the
advantage of being able to incorporate new, cleaner technologies into its
infrastructure as it grows, while wealthier countries have to supplant existing
infrastructures.

Meanwhile, there are signs that any change in energy habits, whether among
ordinary Indians or among businesses, could come slowly. Last year, Mathur's
bureau introduced power-saving labels for refrigerators and air conditioners.
The consumer response has been tepid.

In an upscale household appliance store in southern Delhi, salesman Praveen Jain
was trying to peddle all manner of products on a recent day, including
refrigerators with red and yellow tags indicating energy-saving models.

"Customers don't seem to be even aware of the labels," Jain said. "It is still
too early to make an impact."

Staff researcher Robert E. Thomason in Washington contributed to this report.

The Washington Post

                         The Globe and Mail (Canada)

                          December 27, 2007 Thursday

**Europe's biofuel bet yields little payoff;
Industry's future in question due to soaring costs, oversupply and waning public
support**

BYLINE: JOHN W. MILLE
SECTION: REPORT ON BUSINESS: THE WALL STREET JOURNAL; ENERGY; Pg. B9
LENGTH: 1018 word
DATELINE: BORKEN, GERMANY

The European Union's dream of using vegetable-based diesel fuel in cars to cut
oil imports and the pollution that causes global warming is turning sour.

The bloc made a big bet on "biodiesel" fuels in 2003, agreeing that its
governments would phase in tax breaks and rules to encourage their production
and use.

The bet seemed to make sense. Most Europeans drive diesel cars, making ethanol -
the U.S. clean fuel of choice for gasoline-powered cars - impractical.

Biodiesel can be mixed with regular diesel fuel and, when blended, doesn't need
any special pumps or engine design changes.

Mirroring the U.S. experience with ethanol, European companies rushed to make
biodiesel out of everything from rapeseed crops to used McDonald's frying oil.
Low raw-material costs and generous tax breaks meant margins were wide. By last
year, Europe's yearly capacity to make the fuel had climbed to 10 million tonnes
from two million tonnes in 2003.

As with ethanol in the U.S., though, Europe now has a glut of biodiesel. The
world consumed only nine million tonnes of biodiesel last year. Europe's
producers found buyers for just five million tonnes.

The industry is in trouble, under pressure from soaring costs, disappearing tax
breaks, less-costly imports and waning public support.

The trend is at odds with conventional wisdom that rising oil prices make green
energy more attractive. It also means the EU risks missing the goal it set in
2003 of replacing 10 per cent of transportation fuel with non-fossil fuels by
2020.

The 27-nation bloc, which claims to lead the world in cutting the carbon-dioxide
emissions believed to cause global warming, currently uses non-fossil fuels for
less than 2 per cent of transportation fuel consumed.

Since January, prices for the crops that make most biodiesel have doubled,
driving the cost of a tonne of biodiesel up 50 per cent, to around $1,440 per
tonne, or about $4.80 (U.S.) a gallon. Prices for regular crude oil-based diesel
prices have risen sharply, too, but only to $840 per tonne, or $2.80 a gallon.
Biodiesel has become more expensive for oil companies to buy than fossil fuel,
and they're cutting back.

Green lobbies are also turning against biodiesel. They now say that growing
crops for biodiesel puts too much pressure on land and food prices.

In Europe, 80 per cent of biodiesel is made from rapeseed, a distinctive
yellow-flowered crop. Environmental groups also oppose imported palm oil-based
biodiesel from countries such as Malaysia and Indonesia, saying the rush to grow
more oil palm trees is causing deforestation.

The combination of problems has hit producers hard. Petrotec AG, based in
Germany, makes biodiesel out of used cooking oil from McDonald's, Burger King
and other restaurants. After going public last year, its market capitalization
quickly climbed to (EURO)200-million ($288-million). But when the German
government cancelled a biodiesel tax credit in August, 2006, Petrotec's share
price halved, and the company shed workers.

"How are we meant to invent and develop new technology if we can't make money?"
asked Petrotec chief executive officer Roger Boeing, who started the firm in
1998. He helped pioneer a technology for converting recycled oil into biodiesel,
but it still isn't efficient enough to make biodiesel less expensive than normal
diesel.

A prominent U.K. company, Biofuels Corp., avoided a bankruptcy situation this
year after Barclays Bank agreed to swap some of its debt outstanding for 94 per
cent of the equity in the company. The company blamed high commodity prices and
biodiesel imports from the U.S. for its problems.

U.S. biodiesel producers enjoy a big tax credit from the U.S. government. This
month, Congress voted to extend the tax credit until the end of 2010. EU
producers recently asked the EU to impose punitive tariffs on biodiesel imports
from the U.S., citing the subsidies as unfair competition. U.S. producers
dispute the claim.

"We're still working on a big technological breakthrough to bring costs down,"
said Bruno Reyntjens, a manager at Proviron, a Belgian company that makes
biodiesel out of rapeseed and soybeans.

Scientists say it's likely to be at least 2010 before any breakthrough is made
on costs, or on producing a biodiesel than can run in regular diesel engines
effectively at a much higher blend than the current standard of 5 per cent per
gallon of diesel sold at the pump.

Europe's governments are finding it difficult to adjust policy to a new and
volatile market.

In 2006, when commodity prices were low and margins were fat, Germany decided to
trim the tax breaks it offers to biodiesel producers. Earlier this year, France
raised taxes on biodiesel. Now that producers are in trouble, governments aren't
giving the tax breaks back.

"It's public finances versus agriculture, and governments need money," said
Kevin McGeeney, chief executive of Switzerland's Starsupply Renewables SA, a
biofuels broker. Ten EU countries, including the U.K., so far have delayed
measures to force oil companies to blend biodiesel with regular fuel.

The International Energy Agency, based in Paris, has urged EU governments to cut
back further on incentives to develop biofuels, saying they are too expensive.

Peter Mandelson, the EU's top trade negotiator, said the problem isn't the use
of biodiesel, but producing it in crowded, high-cost Europe. "Europe should be
open to accepting that we will import a large part of our biofuel resources,"
Mr. Mandelson said in a speech this summer.

U.S. ethanol producers are facing some similar problems. Buoyed by $7-billion a
year in subsidies and a tariff on foreign imports, U.S. farmers planted a
quarter more corn this year, most of it going toward making ethanol. But supply
of ethanol is outstripping demand, mainly because of the difficulty and cost of
transporting ethanol, which needs special pipelines. Some U.S. ethanol producers
are idling production and a debate has begun over whether the pressure that
ethanol production puts on agricultural land is worth the modest cuts in carbon
-dioxide emissions it yields.

 The Globe and Mail (Canada)

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**Europe's biofuel bet yields little payoff;
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on costs, or on producing a biodiesel than can run in regular diesel engines
effectively at a much higher blend than the current standard of 5 per cent per
gallon of diesel sold at the pump.

Europe's governments are finding it difficult to adjust policy to a new and
volatile market.

In 2006, when commodity prices were low and margins were fat, Germany decided to
trim the tax breaks it offers to biodiesel producers. Earlier this year, France
raised taxes on biodiesel. Now that producers are in trouble, governments aren't
giving the tax breaks back.

"It's public finances versus agriculture, and governments need money," said
Kevin McGeeney, chief executive of Switzerland's Starsupply Renewables SA, a
biofuels broker. Ten EU countries, including the U.K., so far have delayed
measures to force oil companies to blend biodiesel with regular fuel.

The International Energy Agency, based in Paris, has urged EU governments to cut
back further on incentives to develop biofuels, saying they are too expensive.

Peter Mandelson, the EU's top trade negotiator, said the problem isn't the use
of biodiesel, but producing it in crowded, high-cost Europe. "Europe should be
open to accepting that we will import a large part of our biofuel resources,"
Mr. Mandelson said in a speech this summer.

U.S. ethanol producers are facing some similar problems. Buoyed by $7-billion a
year in subsidies and a tariff on foreign imports, U.S. farmers planted a
quarter more corn this year, most of it going toward making ethanol. But supply
of ethanol is outstripping demand, mainly because of the difficulty and cost of
transporting ethanol, which needs special pipelines. Some U.S. ethanol producers
are idling production and a debate has begun over whether the pressure that
ethanol production puts on agricultural land is worth the modest cuts in carbon
-dioxide emissions it yields.

  Calgary Sun (Alberta)

                          December 27, 2007 Thursday
                                FINAL EDITION

**BS alert! BS alert!;
Notion of carbon offset credits among ideas that will never fly**

BYLINE: BY LORRIE GOLDSTEIN, TORONTO SUN

SECTION: EDITORIAL/OPINION; Pg. 15

LENGTH: 548 words

So much BS was emitted by the 15,000 people attending the recent United Nations
conference on global warming in Bali, Indonesia, that I was unable to describe
it all in a recent column.

Hence, today's update: The BS in Bali, Part II.

First, whoever chose this luxury island resort to host this conference is a
total BS artist.

Bali's primary industry is tourism. The way you get to it is by flying.

That means its economy would collapse, as would that of many developing nations
that have based their economies largely on tourism (and cheap air travel), if
people ever get serious about fighting global warming.

I'll explain why in a moment, but first some media BS -- all that video you saw
of conference delegates looking hot and sweaty while being interviewed outdoors
on their way to and from their air-conditioned hotels and meetings, thus
visually emphasizing the urgency of fighting "global warming."

More BS! First, "weather" isn't the same thing as "climate." That a normally hot
place is ... uh ... hot, tells us nothing about global warming. Second, if the
theory of global warming is correct, some places will actually get colder.

Third, flying (in addition to building energy-hungry luxury hotels in Third
World countries) is one of the worst things you can do to the planet.

Flying injects greenhouse gases (GHG) into the atmosphere at high altitude,
meaning the effect is up to three times greater than at ground level.

As for buying the so-called "carbon offsets" that movie and rock stars and
"environmental" celebrities are forever telling us they do, thus claiming to
reduce their "carbon footprint" to "zero" when they fly, that's more BS.

Some GHG emissions remain in the atmosphere for thousands of years. The most
common one, carbon dioxide, (from burning oil, coal and natural gas) lasts 50 to
200 years.

Thus, paying someone to plant a few trees to "offset" your GHG emissions caused
by flying today 40 to 50 years from now, assuming the trees don't die from
disease or fire, thus releasing their stored carbon dioxide back into the
atmosphere, is total BS.

Even so-called "gold standard" projects to offset GHG emissions are BS.

The best thing to do is not to fly, period. Hold a teleconference instead.

Besides, if what Al Gore is preaching is true, we have two or three decades to
dramatically cut GHG emissions or risk global catastrophe. Removing GHG going
into the atmosphere today 50 years from now will be too late.

(For a hilarious satirical website mocking carbon offsetting, visit
"[cheatneutral.com](http://cheatneutral.com)" the brainchild of two Brits, Alex Randall and Christian Hunt.
It offers people who cheat on their spouses a way to "offset" their cheating by
paying someone else not to cheat, thus making their own cheating "neutral."
Randall and Hunt, who are not BSers and are serious about fighting global
warming, came up with their inspired idea in a pub.)

EXEMPT UNDER KYOTO

Finally, if idiot celebrities jetting around the world claiming they are "carbon
neutral" because they buy carbon offsets understood the Kyoto Accord, they
wouldn't bother, considering what hypocrites they already are.

That's because Kyoto doesn't count GHG emissions caused by flying, although it's
one of the world's fastest-growing sources of GHG.

Which concludes today's report on The BS in Bali, Part II.

 The Dominion Post (Wellington, New Zealand)

                          December 27, 2007 Thursday

**Climate intentions must translate**
SECTION: FEATURES; EDITORIAL; Pg. 4

LENGTH: 539 words

THE hot air has evaporated from the United Nations Bali climate change
conference and the good, the great and the gurus have jetted away in a cloud of
carbon emissions. According to a Bloomberg report, delegates and activists
flying to Bali generated as much greenhouse gas as 20,000 cars in a year, with
each delegate producing an average of 4.07 tonnes of carbon dioxide.

Indonesia promised to plant 79 million trees to offset all the emissions, and
some of those attending were promising to buy carbon credits on top of that. New
Zealand Climate Change Minister David Parker offset his emissions through the
Landcare carbon credit scheme. Whether the carbon dioxide emitted ends up being
worth it will not be clear till the intentions are followed with concrete
actions.

The optimists will say that the glass is half full, that a road map for moving
beyond the Kyoto Protocol has been agreed on, and that the journey to save the
world from the perils of global warming can now begin in earnest. There are now
pledges to consider "policy approaches and positive incentives" to cut
deforestation, estimated to be responsible for around 20 per cent of carbon
dioxide emissions.

The pessimists will say there is a complete lack of agreement on how to carry
out that journey. There was a failure in Bali to get important parts of the
developed industrial world -- including the United States, Japan and Canada --
to sign up to firm cuts in greenhouse gases. Nor did it prove possible to get
the big emitters of the developing world -- China, India, Brazil and South Korea
-- to fully accept that they will have to contribute through measurable cuts as
well. There is no sign either of how deforestation -- which makes Indonesia the
world's third-largest contributor to greenhouse gases -- would be slowed. Like
much else to emerge from Bali, the policy approaches and positive incentives
promised remain theoretical.

What is clear is that the debate about whether climate change is occurring is
over. The evidence is too strong. For example, the amount of ice in the arctic
cap has shrunk from 7.8 million square kilometres in 1980 to 4.2 million square
kilometres now. Climate change has occurred before, with evidence suggesting
average temperatures have ranged from 7 degrees to 27 degrees across history
(the average now is 16 degrees). How much of the change that is now under way is
natural, and how much is the product of man's activities can be quibbled over,
but the fact is that since 1850 humans have increased atmospheric concentrations
of carbon dioxide, which traps heat in the atmosphere, by about a third.

New Zealand has set itself an ambitious programme for reductions, principally
the gradual introduction of a carbon emissions trading scheme covering all
sectors of the economy, and restrictions on new fossil fuelled electricity
generation. However, New Zealand is also well behind on meeting its Kyoto target
of reducing emissions to 1990 levels. According to the latest UN figures, New
Zealand has exceeded that target by 23 per cent since the framework convention
on climate change was established. The reality is that like the rest of the
world, New Zealand must now match its climate change intentions with
achievement.