

Why we must address Extraction at the UNFCCC

Why do emissions keep growing despite all efforts? Because we have not reduced fossil fuel extraction! The fossil economy has the potential to grow until we run out of fossil fuel reserves at $>6^{\circ}\text{C}$ warming. And we are currently on track to do so. The growth cycle is self-reinforcing:

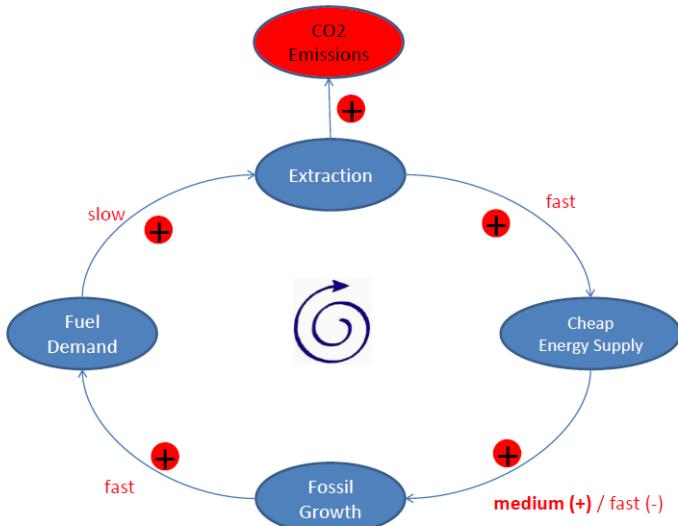


Figure 1. Fossil Economy Growth Cycle

Currently, we are trying to break this cycle by reducing fossil fuel demand, the “Emissions Reductions Approach”.

But energy prices respond quickly to reduced demand, “fertilize” economic growth and in turn lead to increased demand in other countries or sectors. Thus fuel demand rebounds and emissions stay the same. (Fig 2. Cycle 1-2-3-4)

One country alone cannot escape this dynamic. An ambitious global carbon budget could possibly be able to break it, but is years away. On the other hand, even one country that decides to reduce extraction can have a significant impact on global emissions and on the motivation of other countries to decarbonize their economies, spurring innovations and adaptations. Decarbonization follows (anticipated) fuel scarcity and higher fossil fuel prices, it does not drive them.

The UNFCCC focus on “reducing emissions” thus acts at the wrong point in the cycle and should be replaced with a focus on reducing extraction of fossil fuels.

Figure 2 illustrates the problem with the current approach:

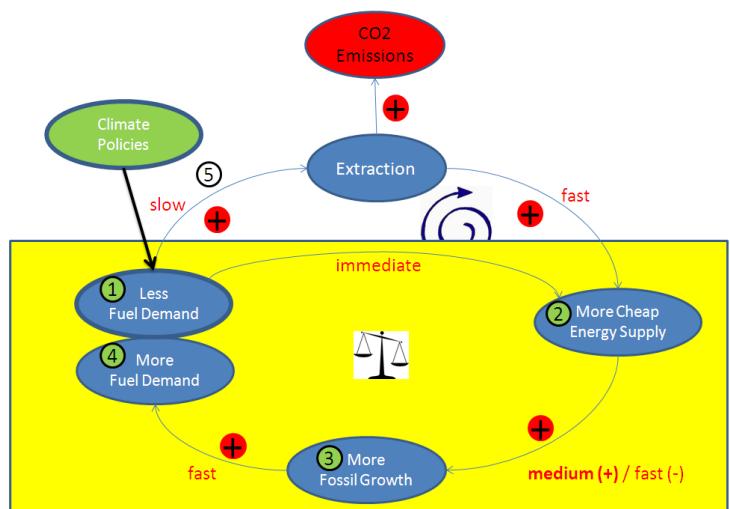


Figure 2. Emissions Reductions Approach

Extraction remains unquestioned, out of the picture, as is currently the case at the UNFCCC. Emissions keep rising, because the balancing cycle (1-2-3-4) cancels out any demand reduction before extraction can respond (5).

A focus on **reducing fossil fuel extraction** will directly reduce emissions.

The self-reinforcing “vicious” cycle from Fig.1 turns into a “virtuous cycle” in Fig. 3 and magnifies the impact of any intervention.

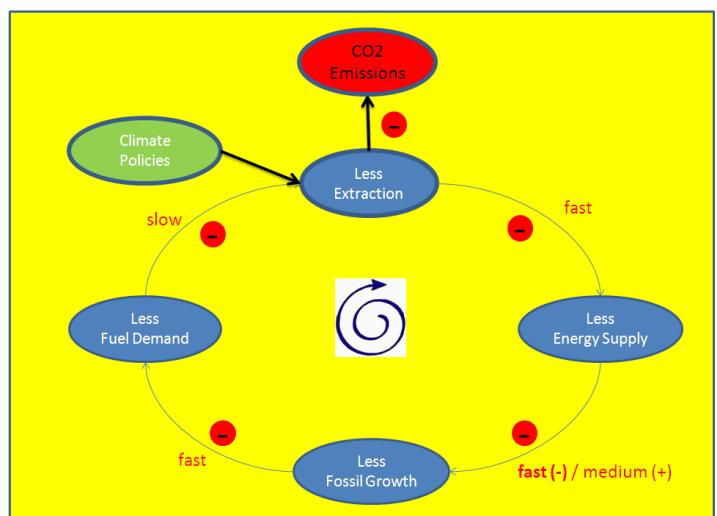


Figure 3. Extraction Reduction Approach

12 countries own ~70% of conventional fossil fuel reserves and must urgently initiate an **Extraction Dialogue** on how to harmonize extraction plans with the global climate goal. If we manage to keep most of them in the ground, we have a chance of overcoming the climate crisis.

We should work towards an **Extraction Protocol** which includes:

- concrete steps and timelines for fossil fuel subsidy reform
- exploration moratorium
- extraction tax to support a just transition
- extraction quotas
- commitments to keep specific fossil reserves in the ground

From there it could be only a small further step to a global climate regime that effectively caps emissions, such as Kyoto2, the Earth Atmospheric Trust, Cap and Share or the Nishimura proposal.

Besides, each nation active in extraction should prepare a long-term **Extraction Phase-out Plan**. Prime candidates to start abandoning extraction plans are: Yasuní and the Amazon in general, the Arctic, disputed reserves, and a **Moratorium on Fossil Fuel Exploration** which has no place in a world of too great fossil reserves.

The Million Climate Jobs Campaigns in several countries,

Benefits for countries

USA: Huge coal reserves can easily be retired, establishing the US as a first mover.

China: A more serious global approach for controlling climate change, health benefits.

Australia: Moving from climate laggard to leader through moratorium on new coal, reorienting economy towards cutting-edge decarbonization technologies.

India: Effectively controlling climate change, reducing threat to sustainable Indian livelihoods, health benefits.

Germany: Global leadership by retiring a substantial part of (low-grade) coal reserves and giving a new impulse to the climate talks.

Ukraine: Becoming a key player for solving the climate crisis, de-toxing its energy system.

South Africa: Health benefits, de-toxing its energy system.

Russia, Iran: Higher gas prices.

Saudi-Arabia, Venezuela: Higher oil prices.

Where is the carbon?

USA coal	470 GtCO2	Germany coal	80 GtCO2
Russia coal	310 GtCO2	Ukraine coal	70 GtCO2
China coal	230 GtCO2	Iran gas	70 GtCO2
Australia coal	150 GtCO2	Kazakhstan coal	70 GtCO2
India coal	120 GtCO2	South Africa coal	60 GtCO2
Venezuela oil	90 GtCO2	Russia gas	60 GtCO2
Saudi Arabia oil	80 GtCO2		

Total: 1860 Gt CO2 out of 2690 Gt CO2 of proven reserves of conventional fossil fuels, 4-7 times greater than a 2°C carbon budget.

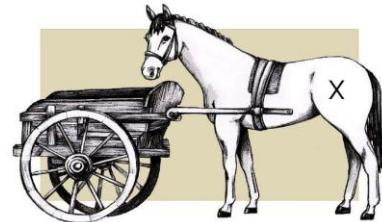
the energy transition in Germany, the work of Beyond Zero Emissions in Australia and dozens of others have shown ways to **phase out fossil fuel addiction**. Countries that currently depend on cheap fossil fuels for the wellbeing of their populations should urgently transition to **sustainable wellbeing**. A bottom-up approach is recommended, transitioning basic needs such as water, food and health care first. This coincidentally also guarantees wellbeing in the face of an oil price shock, which many institutions expect in the next five years.

Addressing extraction is the first point on the new XYZ Climate Agenda: X – **Extraction** Y – Yasunization Z – Zero Carbon Transitions.

Key Recommendations

- **UNFCCC should address fossil fuel extraction**
- **Urgent measures to guarantee sustainable wellbeing**
- **Extraction dialogue between major extracting countries, working towards an extraction protocol**
- **Global exploration moratorium**
- **National extraction phase-out plans**
- **No new fossil infrastructure projects, deepening fossil fuel addiction**

Without reducing extraction, the UNFCCC will fail to meet its purpose. We must **put the horse before the cart** to save the climate.



Leave it in the Ground Initiative (LINGO)
www.leave-it-in-the-ground.org
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