Dr Rajendra Pachauri and the IPCC – No Fossil Fool

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DR RAJENDRA PACHAURI AND THE IPCC – NO FOSSIL FOOL

by Dennis Ambler | April 24, 2010

"Think Locally, Act Globally"[1]

SUMMARY FOR POLICY MAKERS

For the last eight years, the Intergovernmental Panel on Climate Change has been under the chairmanship of Indian businessman and economist, Dr Rajendra Pachauri. He is frequently referred to as a climate scientist. He most emphatically is not, as is shown by his website biography.
The IPCC is supposed to be advisory, not policy prescriptive. That principle has been scattered to the four winds under Dr Pachauri's leadership.
He has misrepresented himself as a scientist and allowed others to also misrepresent his qualifications without correction.
He is not afraid to tell lies about the work of the Panel and the credibility of its processes, as he has demonstrated recently over claims in AR4 of accelerating disasters and shown to be dependent on questionable sources. He is still denying any flaws in the IPCC.
He is not afraid to tell lies about his own business interests, including absolute denial that he has any business interests.
He denies close relationships with the Tata group, a major global energy player, when he and some of his staff share a variety of committee and board-room places with them and work on projects together.
He has a phenomenal portfolio of interests, both academic and financial, but denies any conflict of interest with his role at the IPCC and claims to receive no direct remuneration.
He has links with activist groups such as WWF, WRI, NRDC and others and he has strong links with several long standing UN proponents of global governance such as Maurice Strong and Sir Crispin Tickle.
He is a board member of carbon trading exchanges and as chairman of the IPCC he advocates carbon trading to "save the environment".
Some Teri staff members are also members of other organisations that benefit from the policies he advocates. At least one member is involved in carbon trading. Conflict of interest has been taken to new levels.

He and his staff make up a significant number of the Indian premier's Advisory Committee on Climate Change and have major input into the National Plan. He and his colleague Nitin Desai are both involved with carbon trading companies. This is pure conflict of interest.

Carbon policies in Europe are already damaging fragile economies and placing unfair energy cost burdens on the poor. Fraud is widespread.

Dr Pachauri has persistently advocated energy control policies for the US and told Canada she should not harvest her oil shales, whilst at the same time insisting that India will not give up coal-fired power generation.

He has had extended discussions over time with US policy makers, advocating cap and trade policies for the US.

The whole thrust of climate talks has always been about wealth transfer from the developed world to the developing world. Yet it has long been accepted that if Kyoto had been adopted in full, it would have made an insignificant difference to global temperatures.

The Indian government has an extensive arms program, including nuclear, running into tens of billions of dollars per year, whilst seeking wealth transfer from the West for its poor. This seems basically immoral.

INTRODUCTION

Much has been written over recent months about the enigmatic Chairman of the Intergovernmental Panel on Climate Change, (IPCC), Dr Rajendra K Pachauri. He has been labeled a crook and a fraudster by some, because of his extensive interests in companies that stand to benefit from carbon trading, but those searching for direct and actionable evidence of wrong-doing will be disappointed.

What they will find is someone who has used his position as IPCC Chairman to attract major funding to his own organization, The Energy and Resources Institute[2] (TERI), known previously (and concurrently by some), as the Tata Energy Research Institute. His own country has benefited enormously from the mantra of sustainable development, and major funding from the UN Clean Development Mechanism. Since his appointment to the top IPCC job, TERI has expanded exponentially although he denies that his own wealth has done likewise. But make no mistake, TERI is Pachauri and Pachauri is TERI.

He insists he receives no direct payments for anything he does outside of TERI and claims, ironically, that he is being maligned by "vested interests", a term to which he has given new meaning. His many links and associations, past and present, can be found on his website and translate to over ten pages of print. He is also recorded in several pages of Business Week and yet he denies he has business links. The nature of these links[3] came to the fore at the end of 2009 and demonstrated the scale of the conflict of interest with his public position as head of IPCC. It would seem his message would be "Ask not what you can do for climate change, ask what climate change can do for you".

THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE, (IPCC)

The origins of the IPCC go back to the United Nations Conference on the Human Environment (UNCHE), organised by global governance promoter Maurice Strong and held in Stockholm in 1972. The conference led to the establishment of the United Nations Environment Program, (UNEP), which along with the World Meteorological Organisation, (WMO), produced the IPCC in 1988. The First Assessment Report (FAR) was in 1990, followed in 1992 by the Earth Summit in Rio. The second assessment report, (SAR) was in 1995, the third assessment report, (TAR), in 2001, and the fourth assessment, (AR4), in 2007. AR5 is on the stocks and expected in 2013/14. Dr Pachauri has said it is "his mission" to deliver this further report and refuses to step down in the face of much public controversy about his role at IPCC.

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It seems that he already knows what the next IPCC report, AR5, will contain, as he revealed in this talk to a meeting at the New York offices of the Bahai International Community in September 2009. As expected the situation will be even worse than before, but the numbers of scientists seems to have taken a tumble:

> "When the IPCC's fifth assessment comes out in 2013 or 2014, **there will be a major revival of interest in action that has to be taken,"** said Dr. Pachauri, speaking of the periodic assessments rendered by the group of more than **400 scientists** around the world that he leads. "People are going to say, 'My God, **we are going to have to take action much faster than we had planned. '"**

I assume the number 400, rather than his oft-quoted 4000, is just another typo, otherwise those scientists have disappeared faster than a Himalayan glacier.

The 1992 Earth Summit led to the formation of the UN Framework on Climate Change[4] UNFCC, which started the tortuous Conferences of the Parties, (COP) attended by

thousands of delegates, NGO's and Press, all telling the rest of the world to cut their travelling and their emissions. Cop 1 was in Berlin in 1995, Cop 3 in 1997 produced the Kyoto Protocol, which wasn't ratified until COP 11 in Montreal 2005, after Russia had been bribed to sign up by offering them World Trade Organisation, (WTO), concessions.

It was designed to run until 2012, to be replaced by an extended regime of global targets for greenhouse gas emissions from developed and industrialised countries, which should have been agreed at COP 15 in Copenhagen in December 2009. Whilst there was no apparent agreement, the main aim of continuing carbon trading was achieved,[5] even though many of the participants thought it was a failure.

> "The Accord states that wealthy nations will raise $100-billion a year by 2020 to help poorer nations cope with the effects of climate change, such as droughts and floods. This is contingent on a broader agreement, including some kind of oversight to verify China's emissions of greenhouse gases. Also, short-term funding of roughly $30-billion over three years beginning in 2010 has been agreed upon to help developing countries adapt to climate change and shift to clean energy.

The Copenhagen Accord[6] continues the Kyoto process, but without the legal backing that will be sought in Mexico this year.

> Annex I Parties commit to implement individually or jointly the quantified economy-wide emissions targets for 2020, to be submitted in the format given in Appendix I by Annex I Parties to the secretariat by 31 January 2010 for compilation in an INF document. **Annex I Parties** that are Party to the Kyoto Protocol **will thereby further strengthen the emissions reductions initiated by the Kyoto Protocol.** Delivery of reductions and financing by developed countries will be measured, reported and verified in accordance with existing and any further guidelines adopted by the Conference of the Parties, and will ensure that accounting of such targets and finance is rigorous, robust and transparent.

All the "cut and paste" climate change language from the beginnings of the IPCC is incorporated, such as "the principle of common but differentiated responsibilities and respective capabilities."

Christopher Booker in the UK Daily Telegraph, commented about the supposed "failure" of Copenhagen: Copenhagen accord keeps Big Carbon in business [7]

> "The Copenhagen summit achieved its main aim, to maintain the carbon trading system established by the Kyoto Protocol. This is the new global industry based on buying and selling the right to emit CO2, estimated soon to be worth trillions of dollars a year, through schemes such as the UN's Clean Development Mechanism and the EU's Emissions Trading System."

EARLY PRONOUNCEMENTS AND POLICY STATEMENTS BY DR PACHAURI

In **1992,** in a critique[8] of a World Resources Institute report on greenhouse gas emissions, he was even then pre-empting the Kyoto agenda, to claim funding for developing nations. One of his co-authors was Ms Sujata Gupta, a TERI Research Associate, later involved in organising TERI support for the fledgling UK Tyndall Centre. He claimed that ".measures to control GHG emissions are essential and the current international debate is on how to arrive at optimal GHG limitation strategies."

He was effectively saying that the West should de-industrialise and let developing nations industrialise in the interest of solving poverty. This has also been a long stated aim of his friend and colleague on many boards and institutions, Maurice Strong.

His paper concluded that if only current emissions were considered, there was considerable bias against those countries which were **latecomers,** *(eg India)* **to the process of industrialization.** His argument was that the West had had the benefits of industrialisation for some 250 years and it was unfair to criticise developing nations for their belated production of CO_2 from fossil fuel use.

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Just last year, seventeen years on, but now as IPCC Chairman, he was still maintaining the same theme in a magazine interview.[9]

> China and India are developing countries. They have a large amount of poverty. Remember, **the problem** has been caused not by today's emissions or the last twenty-five years of emissions; it's been **caused by cumulative emissions beginning with industrialization.** The role of the industrial countries is paramount in having contributed to human-induced climate change.

Note that he is conflating poverty here with "human-induced climate change", the elaboration of which pre-determined conclusion was the task given to the IPCC. The idea of cumulative emissions is one that is central to the whole IPCC agenda and depends on contentious claims[10] of CO_2 atmospheric residence times of hundreds of years and a static pre-industrial atmospheric CO_2 content.

In February **2000** at the 25th anniversary of the Tata Energy Research Centre he told a conference on 'Global Sustainable development in the 21st century' that:

> "Environmental problems for both the rich and the poor are different. It is essential to **remove poverty before we start tackling environmental problems**."

There were 400 delegates from 25 countries and from corporates such as Shell, Indian Aluminum Company and Unilever. There were also representatives from the World Bank, UNEP and politicians from Japan, Sweden and Nepal, amongst others. The TERI website currently talks of taking on "a proactive role of bringing out the 'developing country' perspective on climate change."

Strangely, though, poverty doesn't seem to be an issue for India when it comes to buying armaments.[11]

> "India is projected to spend 30 billion dollars on defence equipment and services over the next five years. Some experts estimate that military spending will increase further, totalling as much as 200 billion dollars over the period to 2022. United Nations reports estimate that 50 per cent of the world's undernourished population lives in India, more than in sub-Saharan Africa."

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Contraction and Convergence – The Global Commons

The UN narrative says that developed countries of the Northern Hemisphere must atone for their "climate sins" of generating wealth and comfortable lifestyles using fossil fuels, by scaling back their economies through a process of **"Contraction"** and then transferring much of that wealth to developing nations, to bring them up to the new lowered expectations of the developed nations, described as **"Convergence."**

Thus will there ensue a just and equitable Global Community of Nations, all having equal shares of the so-called Global Commons of the atmosphere and the oceans and living sustainable low-tech life styles in a state of Climate Justice, guaranteed by the UN World Government. It has been aptly described by Professor Fred Singer as "taking money from the poor in rich countries and giving it to the rich in poor countries."

Under this UN vision, consumption of everything will be controlled and rationed, globally, even to the point of individual allowances for energy use and carbon dioxide emissions.

> ***Strangely, though, poverty doesn't seem to be an issue for India when it comes to buying armaments.***

Developing nations have been inculcated with the idea of "climate wrongs" perpetrated by developed nations and have been told that any and every natural climate occurrence is in fact due to anthropogenic global warming, (AGW), now transmuted into the catch-all phrase "climate change". Floods, monsoons, coastal changes, are they are told, the direct result of Western profligate lifestyles, for which they are now entitled to reparation. Non-governmental organizations, (NGO's), have been massively involved in the whole process by deliberate policy of the UN and are responsible for much of the content and presentation of the IPCC story of AGW/Climate Change.

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

The principle of contraction and convergence is enshrined in the United Framework Convention on Climate Change, (UNFCCC), and Dr Pachauri has embraced this and re-iterated it on many occasions, as here with a further comment from the earlier magazine interview.[12]

> "The U.N. Framework Convention on Climate Change …has laid down this principle of common but differentiated responsibility, which essentially says that **in the initial period the developed world will have to make major cuts in emissions, while the developing world will have to be given space to grow and use more energy.**

There is of course an open-ended time-table for this and Dr Pachauri is quick to emphasise there will be nothing in the foreseeable future.

> After that, the developing world, obviously, will also have to start imposing some restrictions. So, **at this point in time**—and particularly since the developed world has not done what was expected of it—to me it sounds **almost immoral to demand action from China, India, Brazil, and South Africa** without doing anything in the developed world itself."

A couple of months later he was reinforcing his position:

> **Pachauri says India can't be forced[13] on climate change** PTI, 22 July 2009
>
> Supporting India's stand that it would not budge under pressure from the western world to accept emission reduction standards, Dr R K Pachauri, Director-General said that India cannot be "pressurized" on the issue and asked the developed world to act first. Dr Pachauri said the statement made by Environment Minister Mr Jairam Ramesh during a joint interaction with US Secretary of State Ms Hillary Clinton that India would not budge under pressure from the western world to accept emission reduction standards was the country's principled stand.

This direct policy-advocacy simply cannot be compatible with the role of a supposedly independent and impartial IPCC chairman overseeing a scientific program. Equally, if carbon dioxide were really the villain it is portrayed and if the world really only had six years before unstoppable global warming was fixed, as Dr Pachauri has said recently then the position would be quite untenable and **all** emissions would have to cease now.

But of course carbon dioxide is not that villain and Dr Pachauri seeks an instant upgrade to developed world status for India, at the expense of downgrading developed-world economies. For the global players concerned, such as the international carbon trading companies, it matters not where their money is made, hence the enormous lobbying for carbon trading and demands for a floor price to keep this virtual commodity alive.

TERI AND TATA HAVE NO CONNECTIONS

When his business interests started to come under the spotlight[14] due to the considerable efforts of Dr Richard North at the excellent EUReferendum blog and his colleague, Christopher Booker, journalist at the Daily Telegraph, he was highly sensitive about suggestions of links between TERI and TATA.

TERI was first established in 1974 as the Tata Energy Research Institute, (TERI), based in New Delhi. Dr Pachauri became Director in 1981 and Director-General in 2001.

In an interview[15] with the Times of India, December 21st 2009, he was quite unequivocal about TERI's links with the Tata group. Pachauri said, "**Our ties ended** when Darbari Seth, who was on our board, died **in 1999**. We haven't received a single penny from Tatas for years and **have no ties with them**." He added that TERI submits its yearly accounts to the government under Section 12 of the income tax law. "We fully comply with all government laws," he said.

Ratan Tata is head of The Tata Group of Companies which have a total market capitalization worldwide of some $77 billion, with major involvement in energy and energy-related industries, including carbon trading.

There is a worrying discrepancy between Dr Pachauri's claim that any ties ended in 1999 and a report in the Indian Express of January 22, 2003 which described the change of name of the Tata Energy Research Institute to The Energy and Resources Institute on January 21st **2003**, still of course, TERI, although communication manager Annapurna Vancheswaran was quick to comment at the time, "We have not severed our past relationship[16] with the Tatas. It's only (the change of name) for convenience." Clearly, TERI was still the Tata Energy Research Institute for four years after Pachauri claims all ties had ended.

This claim is shown to be patently absurd and an outright lie, when their own website quite clearly shows that Tata have two directors[17] on the advisory board of TERI. Dr Pachauri is a

member, with Ratan Tata, of the Indian Prime Minister's Advisory Committee on Climate Change. A recent Tata newsletter carried a fulsome report[18] of TERI from the Indian Times. In many publications in India, TERI is still referred to as the Tata Energy Research Institute, seven years after the change of name. Ratan Tata is head of The Tata Group of Companies which have a total market capitalization worldwide of some $77 billion, with major involvement in energy and energy-related industries, including carbon trading.

Pachauri firmly insists, no doubt quite accurately, that Tata and Teri have no jurisdiction over each other's affairs, however the close relationships they share must inevitably lead to mutual influence and cross-fertilization.

Ratan Tata is also a member of an Advisory Group on Energy and Climate set up by UN Secretary General, Ban Ki Moon in June last year to try and formulate UN policy for Copenhagen. Also a member of this UN group is **Dr Leena Srivastava,** Executive Director at TERI. She is also senior vice-president of TERI-North America, (TERI-NA) and a Director of Reliance Infrastructure Ltd, India's largest utility company. She is additionally a member of the Meridian board[19] whose chairman is former EPA chief William D Ruckelshaus. Also on the Meridian Board is Frances G Beinecke, President of the National Resources Defense Council. Srivastava was a Co-ordinating Lead Author for WG III in the IPCC TAR and was involved with Sustainable Development for AR4.

This is only dipping a toe in the water of the vast sea of influence which Pachauri navigates on a daily basis.

DR RAJENDRA K PACHAURI AND THE IPCC

Although it was in April 2002 that he became Chairman of the IPCC, Dr Pachauri is no Johnny-come-lately and has been involved in energy policy and development funding for many years.

Dr Pachauri had associations with both the World Bank and the United Nations Development Programme (UNDP) in 1990, but his involvement with the IPCC began in 1991 when he was a lead author for the second assessment report, which laid much of the foundation for the Kyoto Protocol of 1997. He has been influential in IPCC ever since and by the time of the third report he was one of the vice chairmen of the panel. He was first elected as Chairman in April 2002 and in 2008 he was re-elected unopposed for a further five year term.

DR PACHAURI "THE SCIENTIST"

As a result of the major inward investment Pachauri has helped to bring to India, in his own country he is officially a hero, albeit his image has become a little tarnished of late with the attention now being levelled at the credibility of the IPCC report AR4, for which he is ultimately responsible. He and the IPCC have not been helped by the revelations from the so-called "climategate" e-mails released from the Climate Research Unit (CRU), of the University of East Anglia, in November 2009. Whilst the climate establishment has tried hard

to neutralise the apparent data manipulation and perversion of the peer review process, the event has led to the processes of the IPCC coming under the microscope. However, continued denial of wrong-doing by anyone and everyone connected with IPCC has, by and large, kept the popular press on-side.

However, continued denial of wrong-doing by anyone and everyone connected with IPCC has, by and large, kept the popular press on-side.

This was how he was described in an Indian publication[20] last year:

An economist and **environmental scientist of immense repute,** Dr. Pachauri is presently the Chairman of Intergovernmental Panel on Climate Change (IPCC). He is also the Director-General of TERI **(Tata Energy Research Institute) –** an institute dedicated to sustainable development. *(Their words, not mine).*

He is described glowingly in the article as "this learned man", which is likely true, but not in the field of climate science. The description above is not unusual in describing him as a scientist, when he has no scientific qualifications at all. His own website[21] describes his early career as a railway engineer, subsequently acquiring PhD's in **Industrial Engineering** and in **Economics.** He has been described on many occasions as the UN's **"top climate scientist"** by such eminent and varied outlets as the BBC, the New York Times, even the European Parliament, the US EPA and the UN News Service. He does nothing to disimbue journalists of their mistaken impressions of his academic background and as can be seen, governments and government agencies happily bolster the false public perception. However, even before he became IPCC Chairman, he was quite blatantly posing as a "scientist", at the 9th Session of the Commission on Sustainable Development, held in April, **2001** in New York. In **2005** he is described as Scientific Adviser[22] to the International Climate Change Taskforce, an initiative of former UK Prime Minister, Tony Blair and co-chaired by UK former Labour MP Stephen Byers and US Republican Senator Olympia Snowe.

In the wake of the Himalayan glaciers controversy, and the personal attention directed at him as Chairman of the IPCC, Dr Pachauri has recently "apologized" for his policy campaigning and has promised a more neutral stance in future. At least that was the public message in this Timesonline[23] interview on March 27, 2010:

> The outspoken chairman of the UN's climate change body is to **adopt a neutral advisory role** and has agreed to **stop making statements demanding new taxes and other radical policies on cutting emissions."**

> "He admitted it had been **a mistake to give the impression,** in many interviews, that **he was advocating specific actions to cut emissions.** Last year, he called for higher taxes on aviation and motoring, said people should eat less meat, and proposed that hotel rooms should have electricity meters to charge people extra for using air conditioning."
>
> "Speaking in London yesterday, **he said he would focus in future on presenting the science on climate change rather than advocating policies."**

However, when Dr Pachauri is feigning humility, he is also going for the main chance and took the opportunity to seek more money for the IPCC "to fight the sceptics".

> "Dr Pachauri said he wanted **more power over the IPCC secretariat and an extra $1million a year to fund its work,** on top of the $5million it already receives. The IPCC is planning to **recruit more spin-doctors** to help it promote its work and defend itself against attacks by climate sceptics.

Dr Pachauri said that at present the organisation is "terribly ill-equipped" to communicate with the world's media."

That does not apply to himself and he is fully aware of the need to influence public perception to convince the public that something with considerable uncertainty, namely AGW, is actually a reality, as exemplified in this Guardian article from Monday 30 June 2008.

> "First, the world has reached an unprecedented level of awareness of the science behind climate change, with **the contents of the IPCC's fourth assessment disseminated extensively by the media worldwide.**
>
> "A growing number of people - and not just typical environmentalists - now believe that climate change is not a concern for the distant future but **something we are witnessing here and now."**
>
> "The cyclone that caused massive devastation in Burma and the extensive floods in Iowa, for instance, are **linked in the public perception to climate change."**
>
> "Public concerns in several parts of the world have been heightened to such an extent that **extreme weather events are invariably attributed to climate change.** Never before has human society been gripped by such **a strong realisation of the need to reduce our dependence on fossil fuels -** and even change our lifestyles - in order to reduce emissions of CO_2 and other greenhouse gases."

He and the UN even engaged the advertising industry, prior to Copenhagen, to try and sell their message. He was a speaker at an International Advertiser's Association seminar in New York, on May 29, 2009. With typical advertising spiel, the talk was reported like this:

"What the Grateful Dead and Dr. Rajendra Pachauri Have in Common"[24] - A rapt audience", by Kelly Stephenson, New York

> …when Dr. Pachauri told members of the International Advertising Association during a special seminar last week in New York that "Advertisement can be a powerful agent of change if focused on information about low carbon products – which will be the products of tomorrow," you can imagine how the OgilvyEarth attendees scooted to the edge of their seats.
>
> Pachauri spoke to an intimate group of advertising folk on the challenges and opportunities facing business and the world. He limned the merits of global technological collaboration, discussed the need for the developed world to help the developing world progress sustainably, called for change in patterns of consumption and sketched the outline of an institutional framework for carbon mitigation and economic adaptation.

Whilst on this occasion he was introduced as Head of IPCC, he was again dispensing policy.

> And to light a little fire under our seats, Pachauri told us that we have just a six-year window to stabilize climate change. But he also gave us ample cause for hope. Like OgilvyEarth, he believes there is a viable economic solution to climate change, and that the first step will be the UNFCC's Copenhagen Conference on Climate Change in December.
>
> And, like Pachauri, we make our living by walking the talk. **We're currently working with the UN and the IAA to develop a campaign – or rather a movement – that will help drive a positive outcome at the conference.**

OgilvyEarth is part of the massive global advertising group, Ogilvy and Mather and the Copenhagen campaign was named "Hopenhagen". It actually became "Dopenhagen", but the push for global carbon trading continues behind the scenes, as the participants work to cobble a deal before COP 16 in Mexico later this year.

We have been told for over twenty years that the science is unequivocal. Why then, does it need spin doctors to sell it? The increasing public disbelief shows the paucity of their claims when such a massive campaign by the advertising industry fails to convince.

We have been told for over twenty years that the science is unequivocal. Why then, does it need spin doctors to sell it?

The depth of Pachauri's sincerity in abandoning policy promotion was shown just 12 days after his Timesonline declarations, in this TERI announcement on 7 April 2010.

> TERI with GCN[25] launches two reports to support global cooperation for promoting low-carbon and renewable energy technologies to combat climate change via a network that links Technology-Finance-Jobs.
>
> **TERI** (The Energy and Resources Institute) is a founding member of this network. These reports are based on the case studies carried out by network members and these studies build a strong case in support of **global cooperation for boldly promoting low-carbon and renewable energy technologies.**
>
> Dr Pachauri (DG-TERI) and Lord Chris Patten of Barnes (former European Commissioner for External Affairs) are the Network's first patrons.

This is "adopting a neutral advisory role"? This is "not promoting policy"? He will say of course, that he was acting as Head of TERI and not as Head of IPCC and therefore everything is fine. Whilst he speaks for TERI, everyone can forget that he is the IPCC chairman and vice-versa. This, though, is **the** fundamental issue. How can he be neutral when his livelihood depends on pushing carbon controls, specifically onto the West. His whole organisation and the well-being of his work force depend on carbon trading and the UN Clean Development Mechanism (CDM). The work that he does internationally via TERI has a major effect on the economy of India.

CLEAN DEVELOPMENT MECHANISM, (CDM)

The Clean Development Mechanism[26] (CDM) is an arrangement under the Kyoto Protocol allowing industrialised countries with a greenhouse gas reduction commitment (called Annex 1 countries) to invest in ventures that reduce emissions in developing countries as an alternative to more expensive emission reductions in their own countries.

It is not intended that projects should receive retrospective funding, or to fund projects would happen anyway, regardless of perceived emission reductions. This concept is known as "additionality". The procedure is that a project is assessed for its emission reduction potential by a carbon consultancy. A further consultancy validates the project and Certificates of Emissions Reduction (CER) are then issued, which can be sold to the highest bidder on a carbon exchange. It can take from two to three years from start to finish with some pretty handsome fees involved along the way.

It is effectively carbon reduction by proxy, or perceived reduction, because this is all computer generated and different agencies may come up with different figures for the same project.

The whole bureaucratic operation is supervised by the CDM Executive Board (CDM EB) of the Conference of the Parties (COP/MOP) of the (UNFCCC).

India is the second-largest supplier of carbon credits under the CDM. The country has 31% of the total projects registered with the UNFCCC. Revenues are expected to be significant,

with some estimating that India has the capacity to earn **US$100b** through Certified Emission Reductions (CERs).

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Approximately 930 carbon credit projects are underway in the country, while 160 to 180 such projects are likely to be added every year. Renewable projects (as of late 2008) represented over half of all projects, including 241 wind projects and 106 hydro projects.

This is why Dr Pachauri and his senior colleagues are so heavily involved with energy policy in India. In his 2008 annual report as Director-General of Teri, he talked of the influence of his TERI organisation:

"The global presence and reach attained by TERI, are not only substantiated by its presence in different parts of the world, but also in terms of the wide geographical relevance of its activities. Symbolic of this fact is the annual Delhi Sustainable Development Summit (DSDS), a major event focusing on sustainable development, the pursuit of the Millennium Development Goals (MDGs) and assessment of worldwide progress in these critical areas."

> "Several other very prominent initiatives were also undertaken by TERI during the year. For instance, **largely perhaps as a result of the findings of the IPCC,** the Prime Minister of India established an **Advisory Council on Climate Change** to come up with **India's National Action Plan** in this area."

He is rightly proud of how much influence he and his organisation have, for it is considerable, as he describes here:

> "Four persons working in TERI are members of the Advisory Council, namely, Dr Prodipto Ghosh, Ambassador Chandrasekhar Dasgupta, Mr Nitin Desai, and myself. In addition, Dr Ajay Mathur, who is a former colleague from TERI and the current Director General of the Bureau of Energy Efficiency, is also a member of the Advisory Council. The MoEF (Ministry of Environment and Forests) entrusted TERI with a project to carry out quantitative analysis and assessment of options by which the Action Plan could be considered in light of various activities and initiatives, which could be included in it."

It sounds very much that the Indian National Plan is the TERI National Plan.

> A large number of **TERI staff,** therefore, **beyond the membership of the Advisory Council,** provided valuable inputs in the formulation of the National Action Plan, which was released by the Prime Minister, after finalization, on 30 June 2008.

He fails to mention that also on the Advisory Council is his good friend, Mr Ratan Tata, head of TATA Sons, the TATA holding company and chairman of the Indian Investment Commission.

One of his companies, the Tata Power Trading Company[27] is engaged in providing a full range of CDM services. They handle the whole package of CDM funding from initial proposal, validation of projects, to bringing in the money. They also offer carbon trading services via the carbon exchanges.

Pachauri also fails to mention that **Mr Nitin Desai,** "Distinguished Fellow" at TERI is an advisor with a carbon ratings company, IdeaCarbon, along with Lord Nicholas Stern, who gave his name to the influential Stern Review, commissioned by the UK government in 2006.

Pachauri also fails to mention that Mr Nitin Desai, "Distinguished Fellow" at TERI is an advisor with a carbon ratings company, IdeaCarbon, along with Lord Nicholas Stern, who gave his name to the influential Stern Review, commissioned by the UK government in 2006.

Nitin Desai has a strong UN history, first as Senior Adviser and principal draftsman for "Our Common Future", the Report of the Brundtland Commission on Environment and Development and then as Deputy Secretary-General for the Rio Earth Summit, (1992) the manager of the Commission on Sustainable Development for its first decade and as the Secretary General for the Johannesburg Summit on Sustainable Development in 2002. He is currently Chairman of the UN Advisory Group on Internet Governance[28] and Special Advisor to Ban Ki Moon on that subject.

He is an Honorary Fellow of the London School of Economics and Political Science, (LSE), UK, where Lord Stern is Chairman of the LSE Grantham Research Institute on Climate Change and the Environment. This is how IdeaCarbon describe their work:

> "IDEAcarbon is an independent provider of ratings, research and strategic advice on carbon finance. Its services are designed to **provide** leading financial institutions, corporations, governments, traders and developers with **intelligence and analysis of the factors that affect the pricing of carbon market assets."**

IdeaCarbon will be involved in carbon trading[29] on the Indian Multi-Commodities Exchange, (MCX), which estimates that by 2020 the market for project based carbon offsets is estimated to grow to at least €200bn.

They have set up a subsidiary to handle these activities, known as the Carbon Ratings Agency. They openly boast of their highly influential[30] management team and ratings committee:

> "which includes **ratings experts, financial market professionals, UN climate change negotiators and former senior managers from development agencies such as the World Bank,** a combination which ensures that the full range of risks facing carbon projects are taken into account by the ratings process."

How much greater conflict of interest could there be, that members of government policy committees are involved in supplying intelligence to carbon traders? That means they are not only advising governments on policy, but are transmitting that future policy for reward, obtained from a privileged position. This is no more nor less than insider trading.

Welcoming the launch of the service, Lord Stern, Vice Chairman of IDEAglobal Group, said: "The carbon markets are showing their potential to reduce global emissions and should form a key plank for any future global climate agreement.

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However, Dr Pachauri's friend and colleague from TERI is only involved in order to save the planet:

Desai said: "I have joined the IDEAcarbon Advisory Board because I believe that a global carbon market is the key that will open many opportunities for preventing catastrophic climate change. I am particularly interested in the work on rating of potential carbon credits as that will help in price discovery and deepen the market."

In the UK, Lord Stern joined Idea Global,[31] the IdeaCarbon parent company, in 2007, as Vice Chairman and is an expert adviser for Idea Carbon.[32]

Dr Samuel Fankhauser, an IPCC member for the second, third and fourth reports is also an IdeaCarbon adviser. He has also been an economist at the World Bank and the Global Environment Facility. In addition, he is a Fellow at the LSE Grantham Research Institute on

Climate Change and the Environment, headed by Lord Stern and is also a member of the UK Committee on Climate Change, (UKCCC) and of its sub-committee on mitigation.

The LSE has close links with India via the India Observatory33, whose Director is Lord Nicholas Stern. They offer Sir Ratan Tata Fellowships for candidates from South East Asia:

> The Sir Ratan Tata Foundation[34] at the London School of Economics & Political Science (LSE) invites applications for the Sir Ratan Tata Fellowship[35] now in its fourteenth year. Applicants should be established scholars in the social sciences with experience of research on South Asia. Applicants should hold a PhD or comparable qualifications and experience.

There is also a center for global governance[36] at LSE, part of the Global Governance network,[37] along with, amongst others, the Potsdam Institute for Climate Impact Research, (PIK). The founding Director of PIK, John Schellnhuber, is a member of the Deutsche Bank Climate Advisory Board along with Rajendra Pachauri of IPCC and Lord Oxburgh, of Climate Change Capital,[38] head of the Committee which has just exonerated the UK Climate Research Unit from any wrong-doing.

TERI SUPPORT FOR THE ESTABLISHMENT OF THE UK TYNDALL CENTRE

Following from the 1988 "Global Warming is Here, says Hansen", there was great hurrying and scurrying for grant money. New climate institutions proliferated world wide. In the UK, the University of East Anglia, (UEA) was ahead of the field in the bid for an additional prestige climate institute, with what was to become the Tyndall Centre for Climate Change Research.[39] Their work is very much concerned with social engineering[40] of the acceptance of human induced climate change.

Professor Mike Hulme, described then as a Reader in Climatology, but soon to become founding Director of the new Centre, explained the details in an e-mail requesting support[41] from the **Tata Energy Research Institute** in 1999. He wrote to Dr Pachauri's associate, Dr Sujata Gupta.

> **28th Sept 1999**
> From Mike Hulme
> To Sujata Gupta, Ph.D. Policy Analysis Division, TERI
>
> This may well not be news to you, but the UK government has recently requested bids from UK universities to house a new 'National Climate Change Centre'. The Centre would receive funds of 2 million pounds sterling, *(~$3.2M)* per year for (at least initially) five years. The role of the Centre would be to compliment *(sic)* existing work on climate modelling and data analysis (IPCC WGI areas) by focusing on 'solutions' (mitigation and adaptation options and their implementation), specifically for the UK government and business community, but within a global context.

> UEA is making a bid for this Centre.
>
> If UEA were to succeed in its bid for the Centre, then it would seek to develop strong links with other institutions abroad in order to strengthen its own intellectual base and, through such links, to contribute to the development and implementation of the science. We would see TERI as one of these Supporting International Organisations.

A positive response was received from Dr Gupta and Hulme wrote again[42] on the 5th January 2000. The contest was now down to two bidders for the new Institute with a choice between UEA and Imperial College. TERI, via Dr Gupta, was initially offering sole support to the UEA bid, but then a problem arose. In one of his global moves and just six days after Dr Gupta's e-mail, Dr Pachauri officially launched a UK branch of TERI, known as TERI-Europe January 25th 2000. This put Dr Gupta in a quandary, as the new TERI- Europe was then approached by the Imperial consortium to support **them** as the new UK Climate Centre.

In fact, whilst **January 25th 2000** was the official launch, TERI-Europe[43] had actually been incorporated[44] in **June 1999.** It appears Teri-Europe was so hush hush Pachauri didn't even tell his close colleague Dr Gupta. There is much more information about the workings of the company on the EUReferendum[45] site.

The conversation between Gupta and Hulme continued in February 2000, with him seeking preferential TERI support, because of UEA's early approach to TERI, quite some time before Imperial or TERI-Europe appeared on the scene.

By this time, it seems Pachauri had intervened and decided to cover his options. The outcome was that TERI wished to be "part of the project", (the new UK Climate Centre) whoever was successful and therefore supported both on a "non-exclusive" basis. As it turned out, UEA were the eventual bid winners, with some support from TERI and the Tyndall Centre was formed with Mike Hulme at its head. The centre had been in operation for less than two years when the question of electing a new IPCC chairman arose in April 2002. The successful candidate was Dr Pachauri.

CONTROVERSY OVER THE APPOINTMENT OF DR PACHAURI AS IPCC CHAIRMAN

The "Climategate " team were clearly quite exercised by the appointment of Dr Pachauri and both Phil Jones and Tom Wigley were circulating details of what was claimed to be a Bush-inspired appointment, with requests to colleagues[46] to write letters of disquiet to local and national newspapers.

> "Today - April 19, 2002, the Intergovernmental Panel on Climate Change (IPCC) plenary voted for Dr. Rajendra Pachauri as the sole chair of the IPCC. Dr. Pachauri, an economist and engineer, will replace Dr. Robert Watson, an atmospheric chemist, as chair of the IPCC. This outcome was actively sought by the Bush Administration at the behest of the most conservative elements of the fossil fuel industry."

A grateful Dr Mike Hulme, now happily ensconced as Director of his Tyndall Centre, was quite supportive of the new appointee.

> "Phil,
>
> I can't quite see what all the fuss is about Watson - why should he be re-nominated anyway? Why should not an Indian scientist chair IPCC.
>
> Watson has perhaps thrown his weight about too much in the past. The science is well covered by Susan Solomon in WGI, so why not get an engineer/economist **since many of the issues now raised by CC are more to do with energy and money, than natural science."**

There was even a minor spat between Al Gore and Dr Pachauri in the letters column of the New York Times. Bob Watson, the defeated incumbent, was a favourite of Gore, having previously been a scientific adviser to the Clinton-Gore White House.

Any differences were long ago settled and such is the closed-circuit nature of the climate industry, that in 2007, Watson became Director of Strategy at the very same Tyndall Centre that was founded by his 2002 critic, Mike Hulme, now sidelined because he was going off-message from the mainstream claims of dire catastrophe.

There were suggestions at the time that President Bush had favoured Dr Pachauri because of his support for a project in India by the Texas-based Enron Corporation. The idea was strengthened by comments from Dr Pachauri about Enron investment in the Indian energy market.

ENRON - INDIAN ODYSSEY 2001

Enron's $10-billion proposal[47] to tackle India's future power needs raises more doubts than hope:

> "ENRON' S latest $10-billion proposal to generate 10,000 MW of liquefied natural gas (L N G)-based power in different Indian states by 2001 is sure to open another Pandora's box. But says **Rajendra K. Pachauri, director, Tata Energy Research Institute:** "It's a serious proposal that India should consider without prejudice. Being a big international player, the $13-billion Enron is capable of mobilising finances for power plants they are planning in the western, northern and southern regions of the country."

It is not suggested that Dr Pachauri had any involvement with the venture, other than being in favour of it at the start. When Enron went bankrupt, he resigned from a committee set up to investigate the failings of the project.

A member of the National Working Group on Power commented at the time:

> "It does not make sense to allow a large outflow of foreign exchange (and disturb our balance of payments) to pay for LNG when India has coal supplies. With regard to Dabhol, even the World Bank had questioned the economics of using LNG when India had coal."

The $3billion Dabhol power plant disaster commenced in 1997, designed to use liquefied natural gas supplied by Enron. The cost to the state per unit of energy was greater than the cost they charged for that energy and they suspended payment to Enron, who then pulled out and launched litigation.

For those with an afternoon to spare there is a large archive[48] on the Indian Rediff site. The saga still continues to this day:

India's Woes Reflected in Bid to Restart Old Enron Plant[49] March 22, 2010

> "The Enron-built plant reopened as Ratnagiri Gas and Power in 2006, but work has been slow. "This project" is the power plant that Enron built. A decade after Enron withdrew from the project, the Indian government and two Indian companies are promising to bring the plant to full capacity."

PROSPECTING FOR INVISIBLE GOLD

Even whilst the Copenhagen conference was running, the gold rush was underway, as reported in the **Business Standard, India, 11 December 2009**

> Carbon credits offer us a Rs 280 billion opportunity ($6 billion)[50]
> The Indian government has approved more than 1400 projects as part of the Clean Development Mechanism (CDM) that could attract around $6 billion (Rs 280 billion) into the country by 2012 through sale of Certified Emission Reduction (CER) certificates, according to the Minster for Environment and Forests Mr Jairam Ramesh. NCDMA (The National CDM Authority) in India has accorded Host Country Approval to 1455 projects. These projects have seen an investment of more than $33.7 billion. If all these projects get registered at the CDM executive board, it will earn developers over 600 million CERs by 2012. At a conservative price of $10 per CER, the figure works out to a little over $6 billion.

Dr Pachauri's interest in carbon trading is shown by his membership of the Advisory[51] board of the Chicago Climate Exchange[52] and his involvement in setting up an Indian offshoot[53] of which he is Honorary Chairman. He is joined by **Jonathan Lash** who has led the World Resources Institute, (WRI), as its President since 1993. The WRI is also a member of the Chicago Climate Exchange and is a former board member of TERI, pre-2003, when it was the Tata Energy and Resources Institute.

Maurice Strong, architect of the UNEP and hence the IPCC, is a Director of the Chicago Climate Exchange. Al Gore's Generation Investment Management Company (GIM) owns 10% of CCX. Tata Power Company Limited, Tata Motors Limited and Tata Steel Limited, are all members of the CCX.

> Founded by former University of California, Berkeley, economics professor Richard Sandor, the Chicago Climate Exchange began operations in 2003[54]. Its nearly 300 members, which include some 11 percent of the nation's Fortune 100 companies and 20 percent of the largest C02-emitting utilities, commit to reducing greenhouse gas output below a prescribed baseline.
>
> In 2007, they purchased carbon offsets[55] on behalf of the U.S. House of Representatives at its request, to offset the impact of 30,000 tons of carbon emitted by the U.S. Capitol's coal-burning power plant each year.

Maurice Strong, architect of the UNEP and hence the IPCC, is a Director of the Chicago Climate Exchange. Al Gore's Generation Investment Management Company (GIM) owns 10% of CCX. Tata Power Company Limited, Tata Motors Limited and Tata Steel Limited, are all members of the CCX.

Sandor gave a Keynote Address[56] at the Delhi Sustainable Development Summit in 2007, entitled **Evolution of Environmental Markets: A Practitioner's View of the past, Present and Path Forward.**

> Dr Pachauri was also speaking at the same summit and was talking of "management of the atmosphere":

He was plainly stating that such "management" was to be via carbon markets.

> "Policy formulation with regard to climate change must follow the principles of equity and sustainable development, said **Dr R K Pachauri,** Director-General, TERI. Efforts should be directed towards enhancing social and natural capital. In addition, there is a need to manage natural resources carefully. For instance, in the case of climate change, **the atmosphere is to be managed efficiently.**
>
> "The (Kyoto) Protocol has resulted in **the initiation of a carbon market that shall expand in future.** Several countries are worried about the costs of meeting the Protocol targets. However, IPCC analysis shows that the benefits outweigh the costs."

This shows again IPCC the promotion of carbon policy and in fact they rely on the heavily criticised Stern Review to further their aims, but of course Dr Pachauri was again speaking as head of TERI and not the IPCC.

INDIAN DEVELOPMENT

In 2002 Indian GDP was $507 Billion, having taken some 15 years to double from 1987 to 2002. It took just six years to double again to $1.22 trillion in 2008, with an annual growth rate of 7%, projected to be 8% in 2011, according to S&P India. In the year 2006-2007, India's GDP grew at an impressive 9.2 per cent. The World Bank[57] has an excellent hockey stick graph showing these increases. The Prime Minister, Dr Manmohan Singh, has said the country needs to aim at sustained economic growth of 9-10 per cent in the coming years, (Hindu Business Line, 31 October 2009).

Compare this with 1.7% growth rate for the US and 0.7% for the UK and the process of wealth transfer would seem to be working.

Compare this with 1.7% growth rate for the US and 0.7% for the UK and the process of wealth transfer would seem to be working. Global financiers and Banks have seen the massive potential and are earning significant consultancy fees and dividends from the many hundreds of projects with which they are involved. Lawmakers and government action committees in several countries are proposing emissions controls that will directly benefit companies for which they are directors or advisors.

However, it seems that the Earth can wait a little longer to be saved until Indian development catches up with the West.

SUSTAINABLE DEVELOPMENT EQUALS NEW COAL-FIRED POWER PLANTS

> India Opening Power Sector to Private Investment[58] Coal Still the Fuel of Choice, Energy Tribune Oct. 30, 2009
>
> "When it comes to electricity, India lags far behind much of the rest of the world and it aims to change that fact. That message was made clear by none other than **Rajendra Pachauri,** an Indian academic who chairs the UN's Intergovernmental Panel on Climate Change. In July, Pachauri asked reporters "Can you imagine 400 million people who do not have a light bulb in their homes?"
>
> "And he went on to explain where India was going to be getting its future power: "You cannot, in a democracy, ignore some of these realities and as it happens **with the resources of coal that India has, we really don't have any choice but to use coal."**

Wouldn't that apply to the US and Europe also? Yet we are expected to shut down our coal plants so that India and China can expand theirs.

> The Indian government is pinning much of its coal-fired hopes on **"ultramega power plants"** (UMPPs). **It is planning 13 UMPPs, each of which will have 4,000 MW of capacity.** Industrialized provinces such as Gujarat, Tamil Nadu, Karnataka, Andhra Pradesh and Maharashtra are expected to benefit from the construction and operation of the giant new projects. And the World Bank has helped provide some of the funding. In April, it provided a $450 million loan for a UMPP being built by **Tata Power.** The Gujarat power utility is a direct subsidiary of Tata Power.

So where is the money coming from to finance all this? From the selling of carbon credits, via the Clean Development Mechanism, (CDM). The UN has agreed that newer and relatively efficient coal plants can generate carbon credits because they're "relatively clean". No doubt the Indian carbon exchange will be heavily involved as will Rajendra Pachauri and his colleague Nitin Desai.

Christopher Booker highlighted this[59] in a UK Daily Telegraph article in December last year:

> "Just how surreal the business of "carbon trading" has become is illustrated by another project, which has no direct connection with Dr Pachauri but which involves the plan by a Tata subsidiary to build one of the world's largest coal-fired power stations in the state of Gujarat. Nearly $1 billion needed to build the 4 gigawatt Mundra plant is being supplied in cheap "green loans" by the World Bank and the Asia Development Bank **(to both of which Dr Pachauri acts as an adviser),** because the plant will emit CO_2 at a "lower intensity" than older power stations in India. For the same reason, the plant will also qualify for a **potential $560 million in "carbon credits"** under the UN's **CDM scheme,** which can then be sold on the world market."
>
> "If our own (UK) Government allows E.on to build a similar but much smaller coal-fired power station at Kingsnorth in Kent, however, we shall have to pay out millions of pounds through our electricity bills to buy those same "credits" which in India the UN hands out free – to help Tata build a plant which will be responsible for emitting 26 million tonnes a year of CO_2, well over twice as much as Kingsnorth."

Nearly $1 billion needed to build the 4 gigawatt Mundra plant is being supplied in cheap "green loans" by the World Bank and the Asia Development Bank (to both of which Dr Pachauri acts as an adviser).

Sustainable development exports Western jobs: This is a further comment from the Telegraph article:

Similarly it is Tata which next month is to close down its Corus steel works at Redcar, to make a potential £600 million in "credits" from the carbon emissions this will save, while in India it will earn a similar amount in UN CDM "credits" by building a plant of similar capacity in Orissa. It will thus make a potential gain of £1.2 billion, at the expense of 1,700 jobs on Teesside, for no overall reduction in the amount of CO_2 emitted to the atmosphere.

CDM FRAUD

Many environmental groups are themselves unhappy with the operation of the CDM mechanism. A report from a rivers conservation group highlights hydro projects which have received CDM funding inappropriately,[60] having been started before Kyoto or CDM were even on paper in some cases. In Europe there has been massive VAT fraud relating to emissions trading, (ETS), leading to the zero rating of all supplies of emissions allowances within the UK. Difficulties remain with cross-border carbon transactions and brokerage and related charges

MORE COAL

Mozambique[61] South East coast of Africa – The **Moatize basin** in the country's remote Tete province may be the last untapped great coal reserve[62] in the world. Moatize holds an estimated 2.5 billion tonnes of coal. Coal is already the world's biggest source of energy for electricity production. And it will be the second fastest growing source of energy after natural gas between now and 2030.

China is building new coal-fired power plants at a rate of about one per week and India plans on adding more than 400,000 Megawatts of new capacity by 2030, the bulk which will be powered by coal.

China is building new coal-fired power plants at a rate of about one per week and India plans on adding more than 400,000 Megawatts of new capacity by 2030, the bulk which will be powered by coal.

Coal is also vital for steel production and Brazilian steel giant, Vale do Rio Doce, is building a massive coal mine at Moatize at a cost of $1.4 billion, opening in 2011.

The mine is expected to produce 8.5 million tonnes of coking coal and 2.5 million tonnes of thermal coal a year. So it serves both the steel and energy industries. That could eventually rise to as much as 40 million tonnes per year.

Tata Steel who bought Anglo-Dutch steel company Corus in 2006, (see Christopher Booker reference above) has teamed-up with Australia's Riversdale Mining and is carrying out a feasibility study to produce coal from land on which it holds rights in Mozambique.

Back home in India, **Tata Power** is investing nearly $4.5 billion on some 5,500 MW of capacity that is expected to be online by 2012. Most of that will come from an Ultra Mega Power Plant (UMPP) that it is building in Gujarat state. Tata expects to be generating about 12,000 MW by 2014. Its **coal supplies** are to be **sourced from Indonesia.**

Indian energy company, Essar Power is investing about $4 billion on 6,000 MW of new capacity, all of which is expected to be online by 2012. **Coal** is the preferred fuel and will be sourced from **Australia, Mozambique and Indonesia.**

INDUSTRIAL AND COMMERCIAL LINKS – RESPONSES BY DR PACHAURI

Dr Pachauri is convinced that people are telling lies about him in order to upset the credibility of the IPCC. No-one needs to tell lies about him to do that.

One thing Pachauri does not have is humility.

He gave an interview[63] to the Financial Times in February this year, in which he almost hysterically denies he has any business interests. When questioned whether there was an organised campaign against him, he replied that there was such a campaign.

> "These things are certainly not happening at random. The one unfortunate thing that has happened is **the mistake that the IPCC made on the glaciers.** We have acknowledged that; we have put that on our web site."
>
> But there is absolutely nothing [else] but I would say [there are] nefarious designs behind **people trying to attack me with lies, falsehoods [alleging] that I have business interests.** I have clarified that in very precise terms. Once I did that, they shifted their focus on [to] my institute, which, may I say - with **all humility** but some degree of pride - is an institution that the world now looks up to and admires.

One thing Pachauri does not have is humility.

What else would these be, but business interests, as shown in his business profile[64] on Business Week for GloriOil, or this one for Pegasus Capital Advisors?[65] Is this "Oilzapper"[66] not a business venture?

Business Wire India; **16 June 2009**

> TERI with the support from Department of Biotechnology (DBT), Government of India, has developed a bacterial product[67] known as 'Oilzapper' to clean up oil spills

and treats hazardous oily sludge generated unavoidably by Oil Industry. Oil India has taken a lead to clean up the oil spills in Assam and has signed a Memorandum of Understanding (MoU) with ONGC TERI Biotech Limited (OTBL), a joint venture company between ONGC and TERI.

The MoU was signed in the presence of **Dr. R.K. Pachauri,** Director- General TERI, Mr. N.M. Borah, CMD, Oil India Limited along with board members of OTBL, TERI, Oil India Ltd and ONGC.

How can this man who claims to be of the highest integrity, stand there and look the world in the face and lie so blatantly. He is beyond belief and yet he has enormous influence on all our lives. The interview continued:

How can this man who claims to be of the highest integrity, stand there and look the world in the face and lie so blatantly. He is beyond belief and yet he has enormous influence on all our lives.

FT. In the past, you have talked about big business interests that you believe are trying to create confusion over the issue of climate change.

RP: It's only a surmise. I have no evidence. But there is enough documentary evidence to show that, for instance, in Washington DC, the number of lobbyists **(trying to influence US climate change policy)** has increased many fold and from what I read from the Centre for Public Integrity**,** 770 companies are supporting some of these lobbyists.

DR PACHAURI AND US CLIMATE CHANGE POLICY

It is highly ironic that Dr Pachauri accuses lobbyists of trying to influence US Climate Change Policy, when he more than most, has been working diligently for many years, both publicly and privately to do exactly that. The Chicago Climate Exchange, of which he is an adviser, paid lobbyists[68] last year to advance their cause. According to the New York Times, "The Chicago Climate Exchange has hired its first Washington, D.C., lobbyists in an apparent effort to influence climate legislation."

He established TERI-North America in 1990 and has used it as a base to lobby the US legislature ever since.

TERI-NA

TERI-NA[69] (The Energy and Resources Institute, North America) was set up as a 501(c)(3) company in Washington DC in **1990.** In these years, TERI-NA has focused on a set of activities that have helped establish its credentials, resilience, and financial sustainability. Its activities have centred around conducting research and organizing

workshops/conferences to **sensitize the decision-makers** in North America to developing countries' concern about energy and environment.

Dr Pachauri is, as you would expect, the President of TERI-NA and he has a new message[70] on the web-site:

It is highly ironic that Dr Pachauri accuses lobbyists of trying to influence US Climate Change Policy, when he more than most, has been working diligently for many years, both publicly and privately to do exactly that.

"TERI-NA has functioned as an intellectual bridge between the two countries, but it is now **poised to take on a larger role** and fulfill its mission through **a step up in its activities.** Given the fact that India has been growing consistently in the past few years at a rate of around 9% per annum and the US has a major place in determining the global response to the problem of climate change and growing concerns about energy security, the need for an intellectual bridge between the two societies becomes much stronger."

It is with this in view that the website of TERI-NA has been revamped and given a new personality that fits its current role and potential. **It is expected that TERI and its activities would attain a higher level in defining solutions in the field of energy, environment and sustainable development linking North America and India** and, therefore, also make a major impact on global efforts in these areas."

In January, 2008 he appeared before Congress:[71]

> "Chairman Edward J. Markey (D-Mass.) and the Select Committee on Energy Independence and Global Warming will host Dr. Rajendra Pachauri, Chairman of the Nobel Peace Prize winning Intergovernmental Panel on Climate Change, in his first appearance before Congress. Last year, under Dr. Pachauri's leadership, the IPCC produced the seminal review of the science of global warming, its current and potential future impacts and the **positive strategies available** to help address this looming threat.
>
> Dr. Pachauri will share his views on the urgency of addressing global warming and **the issues Congress and other political leaders must consider when crafting climate legislation this year."**

He has even held discussions with US legislators in India, when Senator Pelosi took a delegation to meet him there in 2008.

US House Speaker Pelosi meets Dr. R.K. Pachauri[72]

US House of Representatives Speaker Nancy Pelosi met Dr. RK Pachauri, Director General, The Energy and Resources Institute (TERI) and Chairman IPCC, to discuss major issues related to climate change in India and the various options that can engage both side of the world to tackle its impact and the potential human costs of climate change.

A brain storming session for the Speaker and the **US delegation accompanying Pelosi, which consisted of 32 members,** comprising of Congressmen, senior Army staff and congressional staff, was held at the Resource Efficient Retreat for Environmental Awareness and Training or the TERI - RETREAT**,** here last evening.

The areas of interest, which were **discussed between the US delegation and the staff of TERI,** were:

- where does the world need to go from COP 13 onwards on the future climate change regime?
- stakeholder's impressions and recommendations on existing and future US position;
- what role developing countries and industrialised countries need to play for an **effective climate change regime?**
- feasibility of various options on architecture of future climate change regime to be based on 'pledge and review approach' compared to 'cap and trade' approach.

The reporter added that "Speaker Pelosi is a strong supporter of action on climate change. " His UN schedule shows that he met carbon trader Al Gore that same week and also had talks with ex UK premier Tony Blair, a major promoter of emissions trading.

So we had representatives of a future administration discussing US domestic policy with a foreign energy research institution. These meetings can be viewed as nothing less than pure advocacy for carbon control, from which Pachauri and his organization TERI stand to benefit, and yet he is the chairman of a so-called scientific committee, which states it is not involved in prescribing policy.

In 2009 he was addressing the Senate:

Testimony[73] **before the US Senate Committee on Environment and Public Works,** Dr. R K Pachauri Chairman, Intergovernmental Panel on Climate Change (IPCC)

The IPCC Fourth Assessment Report (AR4), completed in November, 2007, represents the most comprehensive, updated assessment of the science related to climate change in all its dimensions. One of the findings of this report states "Warming of the climate system is unequivocal". The objective and transparent manner in which the IPCC functions, mobilizing the best talent available across the world, **should convey conviction** on the strength of its findings **to all rational persons,** and provide the knowledge base for early action to meet this challenge.

Quite obviously those who challenge the IPCC are just irrational, but as we know, "rationality" certainly didn't give them the full result they wanted at Copenhagen.

After the failure of the Copenhagen talks to deliver a binding agreement on emissions, Pachauri was trying to pick up the pieces in his role as an **advisor to Credit Suisse**:

Rajendra Pachauri - About the World Post-Copenhagen[74] 23rd December 2009

> After the UN Copenhagen Climate Change Conference, the world needs quick action to mitigate the effects of climate change. That was the main message from Rajendra Pachauri, expressed at a conference call organized by Credit Suisse. As Chairman of the Intergovernmental Panel on Climate Change and of the UN Global Warming Panel, Rajendra Pachauri is **one of the most renowned climate experts.** Mr. Pachauri, who earned the Nobel Peace Prize in 2007 **for his work on climate change,** is a member of the **Advisory Board of the Credit Suisse Research Institute.**

The Process Has to Speed Up.

> The only way to get clarity on these policies is for **governments to decide whether they want to have carbon trading, or taxes on carbon, or other regulatory measures.** So there is the need for speed in coming up with an agreement. And the sooner we move, the better it would be. One of the suggestions put forward is that the Mexico conference of the parties should be advanced by about five or six months, so that we can arrive at an agreement by the middle of 2020. (sic)

This is either another typo or a touch of realism!

ULTIMATE IPCC LIES PEDDLED BY DR PACHAURI

Since the first revelations about the glacier misrepresentation in AR4, many people have actually started to read the full report. Previously it is only the Synthesis Report, co-edited by Pachauri and the Summary for Policymakers that have received attention. One of the claims they have always made is that all the scientific papers are peer-reviewed. Because some were found to be merely propaganda pieces from WWF, this inspired Canadian blogger, Donna Laframboise, to examine the whole list[75] of references from AR4.

> A team of 43 volunteers from 12 countries examined the list of references at the end of each chapter. We sorted these references into two groups - articles published in peer-reviewed academic journals and other references. Not every reference is adequately documented, and classifying some as peer-reviewed or gray literature involves a measure of discretion.
>
> The IPCC report contains 44 chapters and is nearly 3,000 pages long. Written by people organized into three teams - Working Group 1, 2 and 3- it consists of three smaller reports bundled into one.

PEER-REVIEWED LITERATURE CLAIM

The chairman of the IPCC has declared repeatedly[76] that the report is based solely on peer-reviewed literature. (This means research papers that have been submitted to an academic journal, scrutinized by anonymous referees, and frequently altered in order to qualify for publication. Although the peer-review process does not guarantee accuracy, the fact that research findings have undergone this process promotes a feeling of confidence.)

This Citizen Audit[77] focused its attention on the peer-reviewed literature claim. A team of 43 volunteers from 12 countries examined the list of references at the end of each chapter. We sorted these references into two groups - articles published in peer-reviewed academic journals and other references. (Non-peer-reviewed material is often called "grey literature".) Then we calculated the percentage of references that do, indeed, appear to be peer-reviewed. In elementary schools in the United States, students are assigned grades ranging from an A to an F, based on the mark they've achieved out of 100. Most parents would be alarmed if their child brought home a report card similar to the one received by the IPCC.

21 out of 44 chapters contain so few peer-reviewed references that the IPCC received an F. The IPCC relied on peer-reviewed literature less than 60 percent of the time in these chapters.

5,587 references in the IPCC report were not peer-reviewed. Among these documents are press releases, newspaper and magazine articles, discussion papers, MA and PhD theses, working papers, and advocacy literature published by environmental groups.

Yet again Dr Pachauri is shown to be out of his depth on science, which he of course is not really concerned about, except insofar that he can use pseudo-science to bolster his demands for more money to TERI and to India, but of course I would not dream of implying that he personally benefits from any of it.

CONFLICT OF INTEREST?

To answer his critics that he was personally profiting from his business relationships he recently asked KPMG to produce a report exonerating him from personal financial gain as a result of these associations. He claims his salary from The Energy Research Institute, of which he is the Director-General, is $45,000 dollars, but there is no mention of income in kind and such an income would seem to be just pocket money with all else found. The UK Times-online[78] carried what was presumably a TERI press release.

> "A KPMG report into his financial relationship with The Energy and Resources Institute concluded: "No evidence was found that indicated personal fiduciary benefits accruing to Dr Pachauri from his various advisory roles that would have led to a conflict of interest."

The Financial Times also carried the story:

> "The review found these were all paid to Mr Pachauri's non-profit organisation TERI (The Energy and Resources Institute), which commissioned KPMG."

Whilst there is a tremendous disparity between the very poor and the very rich in India, a top CEO such as Pachauri could be expected to be in the $500,000 to $1M bracket, a point he has made himself in several defensive newspaper interviews recently, as in this interview for the UK Independent (Saturday, 27 March 2010), where is he is described as an Indian scientist.

> "My salary is something that you would find laughable," he said (later revealing it was $45,000 dollars per annum). "I have never bothered about money. I come from a family of academics.
>
> "I could be earning a lot, I could be earning a million dollars a year if I wanted, but whatever little I get, which is nowhere near a million dollars, goes to my institute which is a charitable institution not owned by anybody. Any minor surpluses we generate, we use for doing work in rural areas, making sure the poorest of the poor get lighting by using solar lanterns."
>
> Dr Pachauri said a **"forensic audit"** of the money he made from advising organisations on climate change, carried out by the **auditors KPMG,** had shown that it all went into his Indian energy institute, TERI.

HAS HE ENCOURAGED KPMG TO BREAK INDIAN ACCOUNTING LAWS?[79]

It seems that under Indian accounting law, foreign firms are not allowed to carry out auditing:

> NEW DELHI: A committee of accounting and auditing regulator ICAI has said that the global Big Four auditing firms are circumventing laws while providing auditing services in the country.

It would seem strange therefore, that the Director-General of such an organization would be paid even less than, say, a computer analyst.

Whilst the average Indian income went up 12.2 per cent to Rs 37,490 per annum during 2008-09, (about $845), the disparity between poor and rich is probably greater in India than most other countries and professional salaries are more in line with the US. The Indian corporation, Infosys, as an example, publishes the salaries of its employees and shows that the bottom of the range is around $55,000, with Senior executives approaching the $600,000 mark. Teri is now a large global organization with direct employee numbers of around 900, and it would be logical for them to pay market salaries, even if they are categorized as a charity.

It would seem strange therefore, that the Director-General of such an organization would be paid even less than, say, a computer analyst. The various newspaper reports are presumably from a Teri press release, the actual KPMG review does not seem to be available.

The review is of course, an attempt to divert attention from his multifarious associations and re-focus on his IPCC role.

It is that role where the conflict of interest argument becomes paramount.

CONCLUSION

If Dr Rajendra K Pachauri were merely a businessman with other business interests, there would be no eyebrows raised at his extensive activities in a wide range of energy fields. It is common practice for an executive to be on the boards of other companies, especially when it involves, as in his case, related industries such as power companies and carbon trading companies seeking to access government development funds. His associations, directorships and advisory roles are all beneficial to TERI, as is shown by its rapid growth since the elevation within IPCC of its Director It is presumably on this question that KPMG were quite able to report as they did.

If there were any doubts that the IPCC is anything but a political advocacy arm of the UN, then travelling salesman Rajendra K Pachauri should surely have dispelled them.

There is therefore no conflict of interest with his role at TERI, but there is a prima facie case of conflict of interest with his role as Chairman of IPCC. He is not qualified to discuss science and is frequently shown to be lacking when questioned, falling back on denial, bluff and bluster.

If there were any doubts that the IPCC is anything but a political advocacy arm of the UN, then travelling salesman Rajendra K Pachauri should surely have dispelled them.

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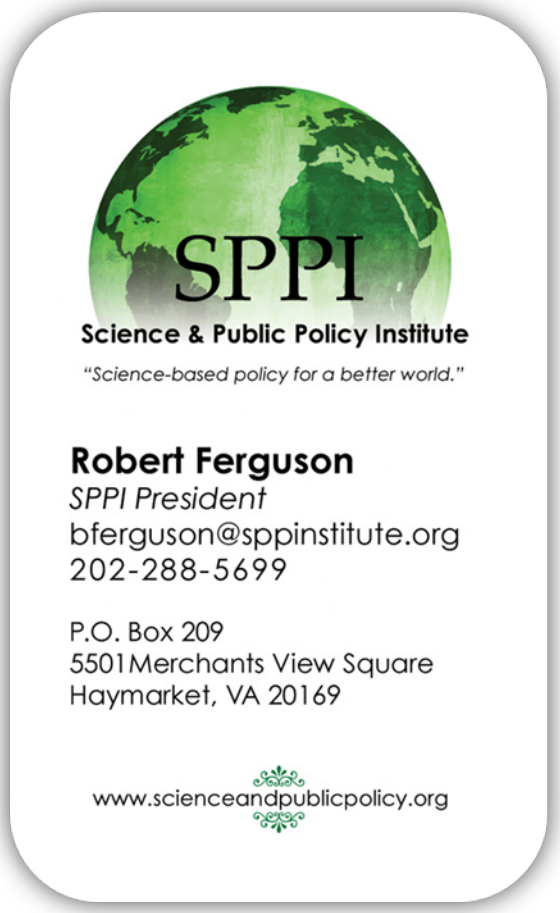
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