eco

4 December
Ministerial Issue

*ECO has been published by Non-Governmental Environmental Groups at major international conferences since the Stockholm Environment Conference in 1972. ECO is produced co-operatively by the Climate Action Network at the UNFCCC meetings in Doha, November-December 2012.*

*ECO email: administration@climatenetwork.org - ECO website: http://climatenetwork.org/eco-newsletters - Editorial/Production: Fred Heutte*

# LCA Gaps: From Text to Tonnes

In Durban, Parties agreed to conclude the LCA here in Doha. A successful closure necessitates that the critical issues are resolved or find homes in which further work can be done. In the LCA text tabled Monday, there were some gaping gaps, from text to tonnes.

ECO was shocked that text on 2013-2015 financial support turned up missing. There needs to be at least a doubling of fast-start financing, and a mandate for a political process to scale up financing to reach the 2020 $100 billion per annum target.

Adding insult to injury these two issues are also missing from the financing text advancing under the COP. No wonder there are strong calls for the MRV of finance if this is the state of play!

The 2-year Doha Capacity Action Plan and decisions on enabling environments including IPR and on the interlinkages between the different bodies under the Convention, including the CTCN and TEC, also seem to be missing in the the text.

Where there is text, ECO is concerned that it lacks ambition and environmental integrity. The work programmes under the SBs for clarifying commitments and actions inspire little confidence that such processes will lead to the increase in mitigation ambition so sorely needed up to 2020 and beyond.

Moreover, ECO is getting tired of seeing the same “rigorous, robust and transparent” text on common accounting. Instead, it is high time Parties actually agree some rules to give those words substantive meaning. A clear deadline to agree common accounting rules would help build confidence.

In addition, there are even some issues like base year and GWPs that can be agreed in Doha. Finally, only italics on the global goal and peak year – really? ECO wonders whether the climate is responsive to typographic emphasis rather than actual commitments.

The core questions, of supreme relevance to the ADP, are also unresolved – namely, equitable access to sustainable development and the review of the long-term temperature goal. Here a one year process for equity and a narrowly defined review of the long-term temperature goal under a robust body would go a long way in ensuring the ADP is well informed.

So how did we get here? Well . . . we all know that the U.S. is not willing to negotiate certain issues. Other ship-jumpers, like Canada, Russia, Japan and New Zealand, aren’t helping things progress either, despite noise and sound bites in the capitals.

So please pay attention: successful closure of the LCA is vital in order to allow the ADP to get on with its own work to raise ambition in the near-term and to conclude a new, comprehensive global deal no later than 2015. Therefore ECO asks Parties to engage with the text in constructive manner and work towards a successful outcome and closure of the LCA. Come on negotiators and ministers . . . we know you can do it!

**How much climate finance has been committed to date under the UNFCCC for the period 2013-15?**

# $0

**ECO is waiting eagerly for good news this week. Vague assurances that "finance will continue" is not enough. Climate finance after 2012 must go up not down!**

# Closing the Loose Ends for Adaptation

As COP 18 welcomes Ministers from around the world, ECO would like to focus their attention on significant matters related to adaptation. May we have your attention, Ministers: adaptation needs are closing in fast!

**National Adaptation Plans.** These are intended to address medium and long term adaptation needs. Let's keep this short and sweet:

First, guidance to the Global Environment Facility is needed now. LDCs are committed, the technical guidelines are out, and there is clear willingness among other developing country Parties. So really, there's no excuse for delays.

Second, use those funding bodies. The LDCF and SCCF are ready, willing and able to be capitalized. There's no denying that more funding is needed and this must be additional to that of NAPAs. Otherwise, all the good and benevolent intentions of NAPs are completely without effect.

**Loss and Damage.** Political opportunity cannot be lost here:

As negotiators are running out of steam from all their work on the L&D text, ECO will pitch in to make sure that this reaches success. These points should steer you in the right direction:

• Loss and damage needs to be given the political space that it deserves; negotiators must keep the political will to keep loss and damage high on the agenda.

• The work programme on loss and damage must be approved and continued, with assurance that discussions on an international mechanism will be a focal point.

• The text cannot shy away from rehabilitation and compensation – these are key to the loss and damage debate and so outcomes should provide guidance on how to address these aspects further.

Ministers need to admit that loss and damage is the unfortunate consequence of the failure to mitigate and the limited international support for adaptation. Now, instead of dwelling on the cause, we must act on the solutions and not let this text fall through the cracks.

Some parting words to Ministers on adaptation in the ADP and LCA:

***ADP:*** Don't forget the Cancun Adaptation Framework! ECO wants you to make sure that it's regularly reviewed in the ADP in light of mitigation ambition and the needs of -- and support to -- developing countries.

***LCA:*** Finance is key – this goes without saying. Instead of re-emphasizing the importance of finance for adaptation, ECO expects Ministers to guarantee its delivery without any further delay. There's ample evidence to prove the existence of sufficient funds so make the commitment!

And so the strenuous effort to address loss and damage has a well defined path to success. Let us not fail to achieve it!

## *Note to Self: This Week, Agree a Strong CP2*

*Today's Thought for the Unwilling: why a strong CP2 is better for you...*

ECO would like to remind Parties that hold large amounts of Kyoto surplus units: Insisting on lenient use rules and refusing to agree to cancellation at the end of 2020 may get you the opposite of what you want.

Why would developing countries agree to a CP2 with no ambition, no provisional application, no 5 year period, no finance . . . Why should these countries agree to such a miserable CP2 deal?

If the KP negotiations fail in Doha, it would mean your AAU surplus will vanish overnight, because it is only under a working KP that your AAUs have any meaning or value. So simply blocking progress on this issue may well turn against what you are hoping to achieve. ECO believes that there much more constructive ways out of this mess. Please take notes!

**Ukraine** -- it is time to end your timid silence! How about joining the Kyoto family with an ambitious target and not selling any of your surplus? Such bold action may even be your ticket into the EU-ETS.

**Belarus and Kazakhstan** -- don't get off to a bad start by supporting carryover of hot air owned by others! Be bold! Be original!

**Poland, Bulgaria and Romania** -- why not work constructively with your fellow EU countries on an intra-European solution?

How about advocating for a proposal that 20% of the EU budget would be used for low carbon development and building climate resilience in the EU?

Or include a trading mechanism under the Effort Sharing Decision that includes a large Green Investment Scheme (GIS). Swap your worthless AAUs at a discount for EU trading units that are actually worth money. In return the GIS will allow you and others to decarbonize your economies. Seriously, this can work! And you know that it will . . .

**Russia** -- why do you think you can sell your surplus without signing up to CP2, and to whom exactly? The KP is pretty clear, as you know: no QELRO no assigned amount, no carryover.

And to all Parties, never forget: Nature cannot be fooled by accounting tricks!

## FOSSIL OF THE DAY AWARD

The ***First Place Fossil*** goes to **New Zealand** because the NZ Environment Minister thinks NZ is 'ahead of the curve' in not signing up to a second commitment period of the Kyoto Protocol. CAN knows the opposite is true. What the Minister fails to realize is that by refusing to sign up to the only international legally binding deal to reduce carbon pollution, New Zealand will become more and more irrelevant in shaping a post-2020 regime.

The ***Second Place Fossil of the Day*** goes to ***Canada*** for serious 'climate amnesia.' Today Canada published a timeline of the past 3 years of their climate (in)action in an attempt to "clear the air" as it were, about whether or not Canada is committed to capping warming at 2 degrees.

And the ***Ray of the Day*** goes to ***Monaco*** for their outstanding unconditional pledge of 30% emissions reductions by 2020. They are also fully committed and on track to complete their commitments from the first commitment period, and are urging others to make pledges as well. Monaco serves as a shining example that this COP needs, and this Ray is to encourage others to follow.

Complete info:
*www.climatenetwork.org/fossil-of-the-day*

# Fast Start Finance: Mixed Results

Climate finance is not generosity or voluntary aid – it is a moral and legal obligation of developed countries, and an essential element of a solution to the climate crisis. But concrete commitments to financing are absent here so far.

Now ECO has heard some grumpy noises from developed countries that their fast start financing and transparency efforts are not sufficiently appreciated.

While not very sympathetic to the rich countries' plight, ECO understands how hard it is pry any amount of money out of the hands of finance ministries, especially in difficult economic times.

Treasuries could well be lacking commitment to resolving the climate crisis, and don't understand why it is absolutely essential to quickly scale up climate finance and meet all commitments transparently and responsibly.

That's why ECO is taking this opportunity to recognize the fact that developed countries did in fact deliver some climate finance in the Fast Start Finance period, and that climate negotiators and ministers participating in these negotiations had to work long and hard to steer that financing through government budgeting processes and get it delivered.

Even Japan, faced with a devastating tsunami and a nuclear disaster, followed through on its plans, such as they were, which accounted for nearly half the FSF commitments.

And ECO also recognizes that developed countries have come under fully justified criticism for their failure to meet the commitment of $30 billion in new and additional public finance, as well as a series of other shortcomings.

In fact, while developed countries now claim they over-delivered to the tune of $33 billion, independent analyses show that less than one third of these funds are new and additional.

If those countries think they are being unfairly criticized now, they have no one to blame but themselves.

By rejecting any kind of common standards for assessing what financing counts towards this goal, and an independent tracking system, they set themselves up for failure.

And now some of them are compounding this error by insisting they have no need to provide any assurance or specific commitments to funding from 2012 onwards.

# Tarnished: Dirty Oil Smears Canada's Reputation

Canada's environment minister, Peter Kent, arrived in Doha yesterday under the long shadow of the tar sands.

Since Durban, his government has been working hard to dismantle Canada's environmental protection laws to speed up resource extraction, an initiative that government has been promoting under the Orwellian slogan of "responsible resource development."

ECO has warned over and over again about the creeping influence of Canada's massive deposit of carbon intensive "unconventional oil". Larger in geographic extent than the entire nation of Qatar, and generating more emissions than all of New Zealand, the tar sands have been called the planet's largest "carbon bomb".

Projections from Minister Kent's own department show that the growth in tar sands emissions by 2020 (73 Mt) will virtually cancel out all other emission reductions in Canada's economy (75 Mt). And yet Ottawa has done nothing to curb the sector's exploding GHG pollution.

Quite the opposite -- government documents suggest that Canada has taken international climate policies to some of the largest tar sands corporations in Canada for vetting.

Great news for Canada's Fossil trophy case: the CEOs love what they called Canada's "elegant" approach. So now, a new report by the Canadian Youth Delegation, *Commitment Issues*, digs into the tar sands' expansion blueprint, documenting the sector's plans to blow past the production levels outlined in the IEA's 450 scenario. Looking at how Canadian government is attached to its dirty oil, it's no surprise that current subsidies to the fossil fuel industry surpass those for climate finance by a ratio of 7 to 1.

Right now, Canada's "drill baby drill" approach for tar sands is smearing the country's reputation, keeping its climate policy hostage in the process. He supposedly wants to show the world that climate change does matter to his government. To do so, Environment Minister Peter Kent needs to start by unveiling some real "tough

# Hope for Change . . . or ?

"We want our children to live in an America that is not burdened by debt, that is not weakened by inequality, that is not threatened by the destructive power of a warming planet."
– President Barack Obama, Chicago, 7th November

"On the international side, you know, I think that the United States has had a very strong and solid and consistent position since the beginning of the Obama administration and I would expect that to continue."
– Special Envoy for Climate Change Todd Stern, Doha, 3rd December

# *Heros and Zeros: Adaptation Fund Facts & Figures*

More and more countries seem to recognise the progress and achievements of the Adaptation Fund in recent years. Progress so far was featured at a side event last Friday, held jointly by the Adaptation Fund Board.

First the good news. Only two years after the first call for proposals, 25 concrete adaptation projects have been approved so far and USD 160 million has been allocated. Direct access is now approved for 14 countries, and many more have expressed interest.

The bad news is that the key funding source, the share of proceeds of CERs from the Clean Development Mechanism, has now almost totally dried up. At the end of 2010, it was estimated that revenues would come in as much as USD 400 million by the end of 2012, but only USD 180 million can actually be realised with the current all-time low CER price.

Some developed countries have made contributions to the AF to the tune of USD 120 million, and this is a very good thing. Spain and Sweden have been the heros in this, while UK and Germany have contributed only a tenth as much relative to their GDP than Spain or Sweden (roughly a tenth).

But lots of other developed countries have closed their pocketbooks despite the benefits for vulnerable communities addressed by the AF projects. We still have time for pledges coming through from ministers in the next days in Doha, taking their cue from the many individuals who have, once again, reached into their pockets to help build up the Adaptation Fund.

---

# *Time to #endfossilfuelsubsidies*

Roaming in the halls of the QNCC, it’s not hard to hear the frustration from poorer countries lamenting the lack of climate finance. The only thing louder is the excuses from the richer ones, saying the money is nowhere to be found.

Well, ECO has a solution! A new analysis from Oil Change International shows that rich countries are spending more than 5 times as much on subsidizing fossil fuel companies than their climate finance pledges.

Just a quick perusal of the figures provides some shocking details. Australia, for instance, has subsidized fossil fuels at a rate of 40 times more than their climate finance pledge. The United States? Their climate finance pledge is mere 20% of what they spend subsidizing the richest corporations in the world. That favorite Fossil country, Canada, spends nearly eight times as much subsidizing their beloved fossil fuel industry than they do supporting the most vulnerable.

So, when you hear that there’s no money to be found, now you, dear ECO reader, know exactly where to look! Time to stop subsidizing the industry that is fueling the climate crisis and put that money to use fueling a safe future! (And one place to start would be including fossil fuel subsidy phase out in the pre-2020 mitigation work programme…)

# *Pre-2020 Ambition*

ECO thinks that the ministerial roundtable to increase pre-2020 ambition should first ensure that all ministers clearly understand why it is urgent and important to increase ambition by all parties with adequate support for developing countries. How about starting the roundtable with highlights of the UNEP gigatonne gap and the World Bank 4° C reports?

Next, ministers should propose what they are willing to do.

Here’s a good one: how about moving to the high end of the pledges.

Here’s another one: How about ***ending fossil fuel subsidies?***

While we’re at it: ***Phase out HFCs?***

Are we done yet? Not even close. Time to ***stop building any more coal power stations.***

Come on, everyone can play! Just choose and do it! After all, we’re running out of time!

Speaking of which, and last on ECO’s list: ***agree a date to agree on further measures.***