

# ECO



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## Mid Week MRV

Halfway through the meeting in Panama, ECO would like to present an assessment of progress made thus far. Overall, ECO is happy to note that Parties are very busy preparing and discussing text. There are still potential storm clouds on the horizon for Durban, however ECO hopes that by the end of this week Parties can get agreement on producing a set of decision texts that can narrow the remaining political differences and lay the groundwork for important steps forward in Durban. While not comprehensive, here is ECO's take on some of the issues under discussion here this week.

Substantive discussions on issues related to legal architecture have percolated up in Panama - including in the LCA informal group on Legal Options (despite Saudi Arabia's best efforts to squelch those discussions). But there is clearly no meaningful convergence on these issues, and the process lacks a forum for having the cross cutting dialogue necessary to ensure coherent outcomes of the two tracks in Durban. While outside the main talks here, the Mexico-PNG proposal to address voting procedures is a welcome attempt to focus attention on improving the efficiency of the UNFCCC process.

On the pathetically low levels of developed country ambition – Parties have shown signs that they are at least at step one: recognizing they have a problem. ECO hopes that Parties can come up with a clear process on how to address the gigatonne gap in Durban and happy to see there are some proposals on the table.

On the LULUCF issue being addressed in the Kyoto Protocol track, ECO applauds the principle put forward by the G77 this week in its proposal to treat natural disturbances using a statistical approach. ECO is waiting to see if this new proposal will also be transparent, robust and conservative. On the other hand, the implications of New Zealand's proposal for "flexible land use" raises significant concerns that this could wreck other parts of the LULUCF accounting rules and has the potential to cause further damage if used in REDD.

The opening informal on finance kicked off with clashes over whether to negotiate the Standing Committee or long-term finance (scaling up 2013-2020 finance as well as sources). After Bonn, ECO anticipated that Parties would finally agree to focus on long-term finance. But it didn't take long for disappointment to take hold as the US, other Umbrella Group members and even some EU countries refused to discuss text – with the US insisting that responsibility lies with individual parties to determine how they will reach the \$100bn Cancun commitment. If that's the case, ECO thinks the US should be made to say what their plan is!

Chief among the innovative finance sources that should be addressed is bunkers, where a decision under sectoral approaches to guide the International Maritime Organization to design a carbon pricing instrument taking into account the principle of CBDR would be a significant outcome in Durban.

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## What's Expected from the US

Earlier this week, ECO started exploring ideas for what two of the three main groups of countries – Kyoto Annex I countries and developing countries - need to decide to bring to the table to enable a successful Durban climate summit. These articles have of course been far from comprehensive, as there are other important issues where movement is also required from these Parties.

As ECO has repeatedly stated (is it sinking in yet?): all developed countries currently with QELROs under the KP should continue to have (more ambitious!) QERCs under the KP for the post 2012 period, with accounting rules that close the loopholes and increase environmental integrity of the Protocol.

Developing countries need to show their commitment to adequate action by agreeing a mandate for a future legally binding agreement to help ensure the "full, effective and sustained implementation" of the Convention. This should come in the form of a Protocol or other legal instrument, respecting the principle of common but differentiated responsibilities and respective capabilities.

Now let's talk about the third "group" – the United States, for whom the mandate is no real concession. It is essential that architecture is built under the Convention track that allows comparability of efforts of the US and other developed countries, so that there can be clarity on the overall (in)adequacy of these efforts through time. To mitigate against the chaos of a pledge and review (4C+) world, there also needs

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Discussions on the scope and modalities of the 2013-15 Review happily included an IPCC briefing on the scope and timing of its Fifth Assessment Report and how its findings could contribute to the review process. ECO urges Parties to creatively design and adopt at Durban a three-year work program that creates an 'upward spiral of ambition'.

ECO welcomes that views on the Adaptation Committee became clearer during the last few days and that more and more Parties are considering ways that civil society can be an active part of the committee. But in the next three days, nothing less than draft decision text will do -- especially as seven other critical issues on adaptation remain to be addressed in Durban.

The technology facilitator has shown commendable initiative in developing draft decision text. However, the first reading of the text throws into relief the developed countries' attempts to thwart progress by bracketing various critical elements and options essential for operationalizing the Technology Mechanism by 2012. ECO urges parties to ratchet up the speed of drafting decision text through pointed discussion around critical issues and ensuring that the Cancun Agreement timelines for operationalizing the technology mechanism are met.

Finally, ECO is pleased that negotiators are intensively addressing the myriad issues involved on MRV, including ICA, IAR, and biennial reports, that text is being developed, and that NGO participation in the IAR process is under serious consideration. Similar consideration, though should be given to such participation in the ICA process.

## Balboa in Panama

Balboa is disappointed – but not surprised – with the news coming out of Washington these days. It seems that the State Department has been receiving some 'significant counsel' from well-connected corporate lobbyists while conducting a review for the Keystone XL pipeline. Keystone XL is a 1,700-mile fuse to the largest Carbon bomb on the planet, the Alberta tar sands. Exploiting the tar sands is a dangerous step in the wrong direction. Saying NO to Keystone XL would be a positive step for the US to demonstrate seriousness in face of the climate crisis. Balboa looks forward to seeing President Obama pumping his fists at the top of the Philadelphia Museum of Art's steps later

this year after he denies the Keystone permit.



(If readers are lost on the reference, be sure to watch any of the Rocky Balboa – no relation – movies on the flight home)

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to be clear expectations for a more ambitious level of US effort on both mitigation and finance.

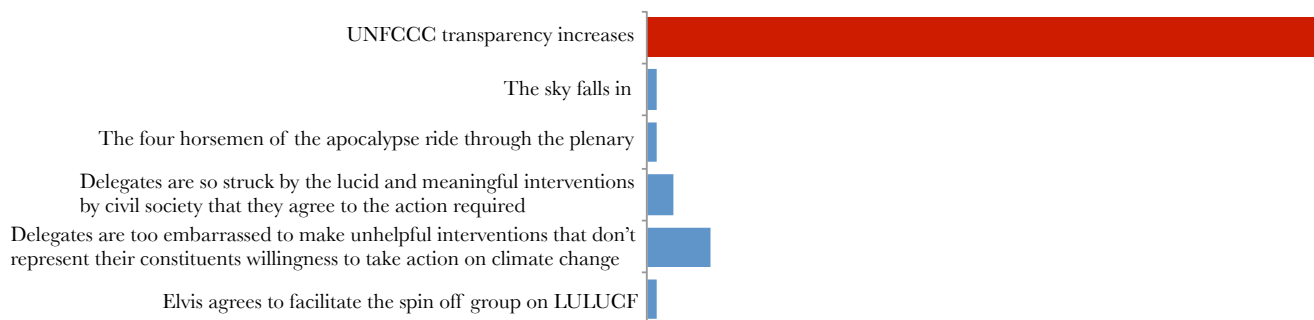
All countries agreed in Bali that the efforts of all developed countries should be comparable. To avoid comparing apples and oranges, tons and tonnes, or emission reductions and loopholes, this means that common accounting standards will be an essential part of the mix that these countries will need to agree to in Durban. Since the negotiations under the Kyoto Protocol have already laid the groundwork, there is no earthly reason why they should not be the basis for the common accounting regime for developed countries under the Convention track (for all that the US is kicking and screaming like a spoiled toddler at the very thought of it).

There are other key MRV elements that are also needed to ensure the agreed-to comparability. The main guidelines for

the rest of the International Assessment & Review system need to be agreed, as well as the guidelines, assumptions and metrics for the biennial reports, including for finance. In addition, all developed countries should put forward Low Carbon Development Strategies, as agreed in Cancun, and these should be integrated into the MRV framework.

For Durban to be a success, all Parties must come to the table prepared to build upon the existing architecture of the Convention and Protocol, by ensuring the continued viability of the Kyoto Protocol, agreeing that the Convention track will result in a comprehensive and ambitious legally-binding instrument, and not allowing the regime to fall into the carboniferous pit of every country doing only what it can be bothered to do, and reporting on it, if at all, as it sees fit.

### Consequences of Civil Society Participation in Informals\*



\* as scientifically measured in a previous LCA informal. Perhaps KP spin off groups might like to take some technology transfer?