

ECO



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Do Not Turn the Spirit of Durban Into the Ghost of Durban!

As ECO watches the crash and burn exercise currently taking place in the Durban Platform negotiations, we thought it would be a good moment to remind Parties about the spirit that emerged during the closing plenary in Durban.

Durban was a critical turning point for the future of the climate regime. While it resulted in what negotiators called a delicate balance, it left much for the Parties to do afterwards, in particular the need to tackle the glaring gap in reducing global emissions and providing climate finance. ECO was relieved that after hard fought battles, a sense of responsibility and leadership prevailed in Durban. Parties were willing to set aside their hardline positions in the interest of reaching an agreement, for both pre-2020 and post-2020 periods.

ECO recognizes that it essentially took the G77+China and the EU to save the day – with the EU's positive moves of agreeing to sign

on to a second commitment period of the Kyoto Protocol. In doing so, it helped keep alive the only legally binding agreement on mitigation, as well as restoring some faith amongst developing countries. In turn, these countries agreed to be part of a new global climate regime that would be applicable to all in the future. This was a huge leap of faith on their part, in a context where very little leadership in taking ambitious actions on either reduction of emissions or delivery of finance has been demonstrated by developed countries.

But as the dust settled, ECO realized that not all governments were that generous. Somehow in the cut and thrust of those last moments in Durban, a band of countries managed to escape the glare of the headlights. The largest developed country polluters, like the US, Canada, Russia and Japan, did not offer anything by way of compromise. Instead, some jumped ship from the Kyoto Protocol,

while the US dug in its heels when asked to commit to comparable emissions reduction actions – both on common accounting and an adequate target. ECO reckons that they must have been rubbing their hands in glee when they got away without having to make any commitments. They now see an opportunity to lock in their precious “pledge and review system”. They apparently believe that their status in the pre-2020 period is equal to that of developing countries and that this bottom-up, non-science-based, non-equity based approach is all that we should be getting.

The only way to avoid this fate, and ensure non-Kyoto developed countries honour their commitments to comparability, and yes, even QELROs, is through the AWG-LCA, where pre-2020 mitigation ambition for non-Kyoto parties will have to be addressed in a principled,

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Qatar: Time to Lead

usually plays a leading political role to bring about an agreement. The Mexican and South African Presidencies in the past two COPs had to muster all their political skills and spend real political capital for a year in order to successfully reach agreements.

The strength of the political outcomes will only be ensured by strong political leadership from Qatar. The presidency will need to invest high-level diplomacy in bringing together the interests of all negotiating groups along the LCA, KP and ADP tracks through consensus. They will need to employ their history of conflict resolution and mediation skills in the Arab region. They should involve heads of state and reach out to royals from around the globe to provide more flexible mandates to their negotiators. Compromises and bottom lines of countries and regions should be determined,

tested and challenged well before the COP. One idea to achieve this is to hold a Heads of State meeting in Doha after Ramadan. Another is to form a friends of the Presidency group that includes individuals at the ministerial level from the different negotiating groups, meeting several times between now and Doha and providing guidance to negotiators.

Failure in Doha will mean failure for the whole Arab region. All Arab countries need to support Qatar, and should also show leadership. This could be achieved by having all Arab countries submit NAMA pledges to the UNFCCC by COP18. This is the region's opportunity to show they are serious about tackling climate change and its impacts on future generations – including their own descendants.



Lost and Damaged

ECO applauds that the negotiations on loss and damage have managed to agree on draft conclusions here in Bonn. Despite the lack of movement in issues such as finance and emissions reductions, negotiators have achieved some better understanding on the issue of loss and damage. The conclusions recognise the role of slow-onset impacts like sea-level rise and ocean acidification, and non-economic losses, but also the importance of involving local communities in risk assessment processes.

A crucial achievement in Bonn has been the reaffirmation of the mandate that was given by the Durban decision, namely to explore a range of approaches and potential mechanisms, including an international mechanism, to address loss and damage.

Negotiators will need to continue working hard to figure out the functions and elements of such an international mechanism. Possible elements could include coordination, information assessment, climate risk insurance, rehabilitation and compensatory elements. The Doha outcome must recognize that climate change is not only a technical and political issue but

also one of global climate justice. The outcome must further ensure that the international community starts to build up an adequate response to the multiple problems of loss and damage from climate change impacts.

In the next months, expert meetings will be held in all developing country regions. ECO thinks it is crucial that the process follows a needs-based approach. Key questions include: What is the scale of likely impacts and what are the main problems of loss and damage? What are major needs in the regions that have to be addressed? Where are local solutions sufficient and where can international mechanisms fill existing gaps? And what scale of response is required?

All Parties should work to improve their understanding of the problems and develop solutions. Submissions on the need and scale of the problem would help advance the issue. These can then provide a sound options-based approach for the negotiators coming to Doha. Recognising that much of the loss and damage debate has many questions is no reason not to move forward on developing options and solutions for international and local

collaboration to tackle the challenge.

ECO does not deny its frustration over the fact that many Parties are failing to deliver ambitious mitigation, even though they have agreed to limit warming below 2 degrees Celsius and are aware of the most recent science. They are thus positioning the planet on a course towards a world of increasing climate change loss and damage rather than a transition to a truly low-carbon and climate change-resilient world. Mitigation and adaptation are key to minimise loss and damage. But they are no longer sufficient.

Ludwig

Roaming the corridors late on Thursday night, Ludwig heard rumours of agreement on the ADP agenda. Did he really hear right? After two weeks, can it really be that they've agreed on a footnote of an agenda, after being assured that the agenda is neutral and that the footnote doesn't mean anything?

Wow! Probably the most carbon-intensive footnote Ludwig has ever seen.

1st Place Fossil of the Day to the US and 2nd Place Fossil to Australia and New Zealand

"The 1st place Fossil goes to the US for refusing to even discuss its mitigation and finance commitments under the Bali Action Plan.

In the developed country mitigation spin-off group yesterday, the US stated its disagreement to even discuss such vital elements for developed country action in the pre-2020 period as comparability – which includes common accounting – addressing the ambition gap and compliance. Important as workshops and technical papers are, they do not build a transparent regime that enables countries to show that they are acting in good faith to reduce their emissions. The good news is that the US did not state disagreement to discussing a

QELRO for itself, so we look forward to seeing the US's domestic carbon budget to 2020!

In the LCA finance contact group yesterday, some developing countries



Thursday 24 May

asked for a mid term finance commitment from their developed country counterparts. Instead of giving reassurance and using the opportunity to build trust in this currently toxic atmosphere, the US asked those developing countries if they had thought of a mid-term mitigation plan

themselves to "deserve" this mid-term climate finance. However, the US seems to have forgotten that climate finance should not be held hostage by the mitigation discussion. Climate finance is needed to address adaptation needs for the most vulnerable countries. Besides, the US itself was the leader in brokering the \$100bn deal three years ago.

The 2nd place Fossil goes to Australia and New Zealand for not submitting a QELRO carbon budget into the Kyoto Protocol. These countries continue to vacillate on whether they will follow the shameful example of Russia and Japan (and let us not even mention Canada). Our time in Bonn has shown that the international community is growing very impatient as it continues to wait and see if Australia and New Zealand deserve its scorn or its applause."

Fill the Fund!

As the end of the Fast Start Finance period approaches, ECO lies awake at night thinking about what happens next. There is nothing on the table for 2013 and beyond, and a huge mid-term finance gap is looming.

ECO is as worried as developing countries that developed countries have little interest in discussing a scaling-up roadmap of climate finance towards 2020, with clear milestones, and ensuring that the Green Climate Fund doesn't remain an empty shell.

Adaptation and mitigation needs have only grown larger since they were last assessed, and ECO believes that a finance gap is the last thing the climate, and these negotiations, needs. ECO worries that climate finance will be lower in 2013 than in the three years since Copenhagen.

ECO wonders if negotiations, including those on increasing mitigation ambition, will progress at all without a clear signal that developed countries will be living up to their commitment to provide new and additional climate finance, and start making progress towards meeting the US\$100 billion per year by 2020.

Yes, some developed countries have made reassurances that climate finance will not fall off a cliff after 2012, but in ECO's view, general reassurances are one thing; individual commitments, though, are quite another.

So ECO strongly suggests that developed countries show that they mean business, and clarify what they

intend climate finance to look like in the beginning of 2013 and over the years to 2020. As a clear down payment on trust, which has been our missing friend here in the Maritim, ECO believes developed countries should make a political commitment in Doha to initially pledge **at least \$10-15 billion** to be disbursed to the Green Climate Fund over the years 2013-2015 **as part of a broader climate finance commitment.**

The Green Climate Fund has some work ahead, and we urge all parties to get on with the institutional arrangements without delay. That should not stop parties from making their political commitments in Doha. Hesitating countries might be interested to know that, in fact, the Global Fund to Fight AIDS, Tuberculosis and Malaria received pledges well before it was ready to receive funds.

Such a pledge would send a strong and positive signal and help fight the perceptions of the last two weeks that the means of implementation may not be forthcoming. Pledges in Doha could be complemented by future revenues from new alternative sources, such as from a fair bunkers mechanism or a financial transaction tax.

Of course, initial pledges in Doha would be the first step on a longer pathway to scale-up the annual turnover of the Green Climate Fund by 2020, where the majority of the \$100 billion commitment is channelled through the GCF itself.

problematic assumptions used to calculate these target options. First, they include a ridiculous assumption to *increase* nuclear energy, even after the Fukushima tragedy. Second, energy saving potentials are "fixed" deliberately at a low rate and thus do not reflect Japan's real pollution reduction potential. In a nutshell, there is still good opportunity to raise Japan's ambition for 2020. Far more than the ranges under consideration are achievable. ECO knows that this discussion is an

Spirit continued

rules-based manner, comparable to Kyoto parties. ECO observes that's why these countries are the most resistant to addressing their commitments and responsibilities under the LCA.

The AWG-LCA should complete its work and the process must determine mitigation action for these countries. The spotlight is therefore shining on them once again, and they will be expected to offer comparable action. And so, we wonder, what will they offer? ECO sees that they are now seeking cover from taking responsibility by trying to jump to the Durban Platform.

While ambition should be pursued under all tracks, ECO wants to remind the US, Canada, Japan, Russia and others who are not planning to join the second commitment period of the Kyoto Protocol that they are developed countries, with clear obligations under the Convention and Bali Action Plan, and in terms of history, morality and legality. ECO challenges Australia and New Zealand to decide which way they will jump – ECO will be the first to welcome them into the second commitment period with QELROs that lead to a fair share of real gross emissions reductions.

You all must shine with the spirit of Durban – we have cast a light into the darkness you are haunting.

ECO believes that all this is firmly within the remit of possibilities of developed countries, as the memories of the bank bailouts with hundreds of billions (or was it trillions) of dollars are still fresh on our mind. We suggest that when negotiators have arrived back home, they make urgent phone calls to their finance ministers to get them started on preparing for the Doha pledges. Civil society, to be sure, will be ringing them.

An Ill Wind

ECO just caught wind of bizarre news. Apparently, a Japanese government committee is considering a range of pollution reduction targets that are lower than Japan's current 25% target. When negotiators are discussing an agenda item on raising ambition so intensively (and Japan actually supports that agenda item here), this looks utterly strange.

Why should the range of targets be so low? The reason is hidden behind the

ongoing one and it has not been finalized. We also know that the range of targets do not include forestry and flexibility mechanisms. Nonetheless, the range suggests far less ambition and potential than the reality in the country. We wonder if, while Japan remains outside of Kyoto's second commitment period, they are really committed to doing their fair share to solve the climate crisis? Japan instead needs to raise its ambition and show what it can contribute to the planet!

Break Out the Tequila

Watching the UNFCCC process from afar, one may well feel that the world is trying to address its carbon addiction by developing a new addiction to endless agenda fights. While many of the countries most responsible for climate change provide excuse upon excuse for woefully inadequate mitigation action, others are putting their shoulders to the wheel and getting on with saving our planet.

On this occasion, ECO wants to celebrate the approval of the Climate Change Law in Mexico, which represents not only an important step for the country, but a clear benchmark for others. This new law helps to give political continuity by building on existing efforts to address climate change. It strengthens the institutional structure to address both mitigation and adaptation by setting a common vision for all sectors of the economy.

Central to the law is the recognition of Mexico's COP15 commitments – namely, a 30% pollution reduction below BAU by 2020 and a 50% reduction by 2050. Furthermore, the new law mandates a share of 35% clean energy in the power sector by 2024. The law also promotes

the creation of a Climate Change Fund, which recognizes the need for registry instruments to record and efficiently manage funding from international cooperation, and mandates an allocation of federal budget to this fund (the exact amount is still to be determined).

By accepting the Climate Law, the Mexican legislature has achieved something truly remarkable. Through wide participation by all parts of society to develop the law, Mexico has shown the world that it is possible for any country to make a binding commitment to a better, low-carbon future.

The message from this example is clear: countries need not wait until 2015, and definitely not until 2020, to embrace the advantages of low-carbon, climate-resilient sustainable development. If a developing country like Mexico can achieve this, ECO wonders – surely the USA, Canada, Russia and Japan can do the same and more.

Action is clearly possible, necessary and extremely urgent. The window for limiting global temperature increases to less than 2°C is closing fast, but Mexico has shown that hope remains.

Now, it just remains for other parties to stop talking and start doing.

Ask Poland

Both developed and developing countries often complain that the EU will not answer their legitimate questions, such as "What is the EU position on carrying forward AAU surpluses?" and "As a so-called leader, why does the EU not move to at least a 30 percent domestic target, having already achieved around 17% reductions on 1990 levels?"

The answer is that you may be asking the wrong people. The EU Commission will say that they cannot answer because they do not have the agreement of the member states. The Germans will tend to keep quiet, having played a dominant role in dealing with the Eurocrisis. The British will say "bloody foreigners" and the French will say "plus grand en France".

The trick is to ask questions of newer EU states that are less deferential to European Union traditions and norms. Poland is ideal. They know all about lack of EU ambition and wanting to carry forward hot air AAUs. Ask Poland.

****Errata:** Yesterday's collectible indicated there was a "secret message" embedded in the series. That should have read "not-so-secret message". The message is that countries should increase their ambition for Qatar. ECO regrets this confusion, but hopes that this was especially clear to Parties who re-read the entire series, searching for the hidden message.**

European Union European Union European Union European Union

National term of endearment/greeting: Ciao/ahoj/hej/Hi/kalimera/Bonjour/Guten tag/ hej pa dig/Hola/Halloooooo

Annual alcohol consumption: 11 litres per person

Annual cheese consumption: 19 kg per person per (more in France)

Best things about the EU: Eurovision song contest. Excellent alcohol and cheese (see above)

Worst things about the EU: Middle aged men in skimpy bathing suits. Eurovision song contest

Things you didn't know: All top 10 most generous countries in the world for charitable giving

Existing unconditional pledge on the table: 20% below 1990 levels by 2020

Existing conditional pledge (upper end): 30% below 1990 levels by 2020

Next step to increase ambition by COP18: 40% below 1990 levels by 2020 (of which 30% domestic) Agree to a strong Energy Efficiency Directive: Member States have watered down existing provisions to around 38% of the initial proposal

Rationale: Emission reductions in the EU in 2009 were already 17.3% below 1990 levels, so the 20% target for 2020 is practically met. And as if this wasn't easy enough, simply implementing the EU's existing renewable energy and energy efficiency targets would result in domestic emission reductions of 25% in 2020 as has been acknowledged by the European Commission in the 2050 Low Carbon Roadmap published in March 2011.