MIND THE ADAPTATION $ GAP

ECO became very dizzy from just flipping through the pages of the UNEP Adaptation Gap Report launched yesterday: even with emission cuts to keep the world below 2°C, climate change adaptation is likely to cost developing countries $150 billion a year during 2025-2030 and could climb as high as $500 billion by 2050.

Put this against the Climate Policy Initiative (CPI) estimates of $22-25 billion dollars in public finance for adaptation, of which a (pathetic?) $8 billion came as support from rich countries. It’s not only that far too little gets invested in securing food production, fighting water scarcity and protecting citizens from climate-related disasters. It’s also that the longer this gap is left unattended, the bigger the losses and damages from climate change will get over time.

ECO wonders if the high-level dialogue ministerial might be a great time to reflect on this gap and what steps need to be taken to close it. Obviously, the emerging call by developing countries for a roadmap that shows how developed countries will meet their promise to ramp up support to $100 billion a year by 2020 is a very first step to closing the adaptation finance gap. Showing this pathway would create the much-needed predictability and forward-looking transparency needed, especially by the particularly vulnerable developing countries, to enhance urgent adaptation action.

Five years into the fluffy $100 billion promise made in Copenhagen, developing countries still have no idea on the levels of public finance they can expect by 2020, or on which channels, types and instruments are to be deployed. ECO feels this is neither helping the process nor the affected communities on the ground.

Perhaps the Green Climate Fund will help? If it manages to get across at least the lower end of the $10-15 billion unofficial target range for the initial pledges it would see, on average, $1.25 billion a year reserved for adaptation. You hear this, Australia, Austria, Belgium, Ireland, Iceland, Portugal and Greece?

ECO gives full credit to countries with ambitious pledges such as Sweden, and current total pledges are an important start on which one can build. Yet, from what’s being heard in the corridors, ECO gets the impression that developed countries are desperately hoping to reach the $10 billion.

ECO wonders what the significance of the small difference in level may be. ECO hopes it’s not because some developed countries may attempt, by all means, to get the GCF across the $10 billion threshold just to deflect calls for addressing the much bigger financing gap that lies beyond. ECO suggests delegates do both – acknowledge the pledges and then agree, here in Lima, to seriously get onto the road to $100 billion a year by 2020.

NO COAL IN THE GREEN CLIMATE FUND

ECO is troubled by recent revelations about bilateral finance for coal-fired power plants being counted towards climate finance obligations under Fast Start Finance.

ECO is also concerned that the Green Climate Fund Board has not explicitly ruled out the possibility that the GCF might fund fossil fuel projects. It seems painfully obvious that something called the Green Climate Fund should not support coal-fired power plants, but the experience of Fast Start Finance clearly shows that strict rules are needed.

In May, over 250 movements and organisations from developing countries – representing people bearing the brunt of climate impacts – wrote a letter to the GCF Board. This letter was also supported by 80 northern NGOs. The letter urged the Board to make it an explicit policy that GCF funds will not be used, directly or indirectly, for financing fossil fuel projects or programs.

ECO urges the COP, in its guidance to the GCF, to require the GCF’s Board to adopt an exclusion list that would prevent any Green Climate Fund money from supporting fossil fuels. The GCF’s mandate for supporting a “paradigm shift” leaves no room for it to support a continued global fossil fuel addiction.
ECO is delighted to announce that the ADP draft decision text now contains the option for a proposed amendment for paragraph 9, which would read: “decides that all parties shall communicate a nationally determined mitigation contribution for 2025”.

This is exactly what ECO has been calling for, and the Marshall Islands was awarded the Ray of the Day yesterday for having tabled this text. ECO now urges all Parties to communicate their support for the proposal and affirm that they shall communicate an INDC for 2025.

AILAC also was positive in proposing a 2025 date, but with an indicative 2030 one alongside, as in Brazil’s proposal. ECO strongly welcomes their support for five-year commitment periods, and their concern to ensure that mitigation commitments are not locked in for the next 16 years, as sole 2030 commitments would do. However, there are concerns that once governments set a target, even if an ‘indicative’ one, it will become locked into the national psyche as the de facto actual target.

The 2°C temperature limit, for example, was an EU position going into the Kyoto Protocol negotiations and is based on IPCC Second Assessment Review science. Despite the science demanding ever more ambition, the EU has not shifted their position in nearly twenty years.

Politics mean that once a number has been put forward it can be very difficult to change. A fresh conversation each time you need to set new targets is needed to avoid this political and psychological lock-in.

Imagine a country hit by three of the world’s deadliest storms of the past three years and are about to face another typhoon. No this is not the latest Hollywood blockbuster. Unfortunately this is not fiction.

Typhoon Hagupit is bearing down on the Philippines – smashing into the Eastern Samar province which was devastated by Typhoon Haiyan (Yolanda) only one year ago. In 2012 Typhoon Bopha hit the Filipino island of Mindanao and in 2011 Tropical Storm Washi killed more than a thousand people and caused massive flooding.

The Philippines has had the world’s deadliest storms of the past three years. We hope and pray that Hagupit will not fit in this category of terror. But such severe storms, and other forms of loss and damage, will be a more frequent occurrence as climate change worsens.

Delegates in Lima will face a devastating political storm if they fail the people of the Philippines, and other vulnerable people facing the worst impacts of climate change, and do not make progress on the operationalisation of Warsaw International Mechanism for Loss and Damage.

Two important elements — sufficient representation for vulnerable countries, and a subsidiary structure of a financial and technical facility for the Warsaw International Mechanism for Loss and Damage — hang in the balance in the current SBSTA/SBI text.

ECO is aware that the US, Australia, Japan, and Poland have opposed such fundamental elements of the Warsaw International Mechanism for Loss and Damage before. We trust that their support for the people of the Philippines and other vulnerable countries goes beyond sending food parcels and military clean-up, but rather supports the Warsaw Mechanism to address the problem in a systematic fashion.

Developed countries would be morally bankrupt to renegotiate the fundamentals of the Warsaw International Mechanism for Loss and Damage and wish away the finance and support elements agreed by parties at the last two COPs. ECO trusts that parties can see the advantage of agreeing upon a substantial work program for 2015 – rather than having the negotiations over the work program itself spill into 2015 in the lead up to the Paris COP.

HIGH-5 FOR 5-YEAR COMMITMENT PERIODS

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THE TIME HAS COME
FOR A SCIENCE-BASED EQUITY REVIEW

The ADP decision on INDCs will be the key to the Lima outcome. If Parties agree to solid information requirements and meaningful review mechanisms, then we’ll be on the road to success in Paris. But if Parties are not given the tools and guidance that they need to define strong, transparent, and equitable commitments, we’ll be on another road altogether, and ECO will not even speculate about its likely destination.

We need INDCs that are based on the three core equity principles of the Convention:

Adequacy: INDCs must be specified precisely, and expressible as an ambitious number of tons of mitigation. If this bottom-line information is not available, then it will be next to impossible to do even the most basic assessment of the INDCs. Including assessing if we’re on a pathway that will prevent dangerous climate change and limit global temperature increase to below 2°C that keeps the door to 1.5°C open.

CBDR+RC: INDCs must represent a level of effort that corresponds, at least roughly, to the national “fair share” of the country that tables it. This fair share is to be understood in terms of differentiated responsibility and respective capability, and every country should explain, in just these terms, why it considers its INDCs to meet the requirements of Article 3 of the Convention.

Equitable Access to Sustainable Development: Each INDC must, similarly, be scaled to support a future in which the right to sustainable development becomes a real and living right, one in which all countries can not only lift their people out of poverty, but also provide their citizens with sustainable living standards that can be applied to all (Article 3.4).

These strong, well-founded principles can support a strong, well-founded treaty that will endure the challenges ahead. To that end, transparency is all too important.

Several Parties mentioned the need to include equity in the Upfront Information Requirements (UIRs) in yesterday’s ADP discussion. ECO believes that these three core equity principles need to be explicitly included in the UIRs, so that Parties can reflect on them when preparing their INDCs, which will ensure that they prepare them in a manner that meets their national fair shares, as they understand them.

Parties that table INDCs that are consistent with these principles will have nothing to fear when other Parties, and Observers all around the world, examine their INDCs for adequacy and equity. As they will certainly do.

Unlike dangerous climate change, the clean energy transition ahead is nothing to fear. We just heard in the Structured Expert Dialogue that, according to the IEA, 80% of the mitigation that is needed before 2020, if we’re to get on a path that actually leads to a 2°C future, can be met without any net costs.

If we’re brave enough to launch immediately on a global campaign to rapidly increase efficiency, cut fossil subsidies, and tighten gas and coal standards. As for the other 20%, and the larger costs ahead – on the adaptation side as well as the mitigation side – we’re going to have to bear them equitably. And we’re going to have to be able to review and assess ourselves to ensure that we do.

TIME TO STOP FUNDING FOSSIL FUELS

Have you ever tried climbing out of a hole with one hand whilst digging it deeper using a giant shovel with the other? Let ECO be the first to tell you: it doesn’t work.

While GCF pledges start to finally near the US$10 billion of initial funding, new analysis out today puts these pledges in a new light. Turns out Annex II countries are spending nearly 3 times as much to support the exploration for new fossil fuel reserves…with Annex II combined support for such activities at $26.6 billion annually.

You read that right. Coming on the heels of scientific report after report telling the world that there are already some 5 times more existing fossil fuel reserves than we can afford to burn, rich countries are spending billions to support making those reserves even larger…and making the carbon bubble even bigger.

Public support for fossil fuels not only goes against basic climate science, it is a waste of public money that could go towards the critical task of helping all of us climb out of our climate hole. It’s far past time countries stopped funding fossils. An obvious starting point would be to stop making our climate hole bigger by financing exploration for new fossil fuels.
REDDlock  
ON SAFEGUARD

Civil society, indigenous peoples, donors and the private sector all agree there is a need for further guidance on safeguards. And most Party submissions recommended further guidance on the provision of information (i.e. reporting) on how safeguards are being “addressed and respected” to ensure its “transparency, consistency, comprehensiveness and effectiveness”. Yet Parties have failed to come to agreement in what was largely a developed vs developing country split.

The G77 and China lined up to oppose any decision on safeguards. The Co-Chairs made a brave attempt to reach consensus on developing “indicative elements” for the summaries of information (safeguards reports) at SBSTA 44 in 2016, but were unable to bridge the divide. The failure here in Lima is deeply disappointing.

The REDDlock in SBSTA means it is unclear whether REDD+ will safeguard the rights of indigenous peoples and local communities, or protect biodiversity and natural forests. This increases risk, and means that it will become even more difficult to get funding for forest protection. We say NO RIGHTS, NO REDD.

REDD+ early movers are already developing their safeguards summaries, but without any guidance on what to include, they are shifting the burden to civil society to fill the void. We are prepared to do this, but we shouldn't have to. So we'll keep fighting for further guidance from the UNFCCC on safeguards. ECO doesn't want REDD+ to fail, and safeguards are critical to ensure long-term success.

The other item on SBSTA’s agenda proposed by Bolivia is important in linking adaptation and mitigation, seeing forests holistically. This deserves further attention.

ECO hopes for, and will work towards, progress and an unblocking of the REDDlock.