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FACILITATIVE DIALOGUE 2018 - THE NEXT BIG OPPORTUNITY!

While the Moroccan and Fijian Presidencies undertake informal consultations on the Facilitative Dialogue 2018, and before hearing about Parties' expectations, ECO has some ideas about the direction of travel for FD2018. Actually it's simple:

Ambition Mechanism = Facilitative Dialogue 2018 + Second Periodic Science Review + Global Stocktake 2023

FD2018 is the next big moment to strengthen the effectiveness of the Paris Agreement. We all know that the emissions gap is much too wide. Waiting for 2023 and ambition rising actions initiated by the Global Stocktake would be a huge delay that we can't afford.

Instead of thinking of it as a single isolated event, Parties might prefer to leverage regional and high level meetings for the FD2018. In 2018, climate change must surely be on the international agenda: the G7 and G20, the World Economic Forum, the Climate Vulnerable Forum, Petersburg Dialogue,

even a possible 1.5°C Forum to discuss the IPCC Special Report. And all of those can feed into the outcome of the FD2018.

Parties should welcome inputs to the FD2018, including those from non-state actors – for example, the Global Climate Action Summit in California in September 2018, and from researchers, think tanks and others.

FD2018 can be envisioned as two parts: a technical phase and a political phase. Most importantly, though, the outcome of the FD2018 should lead to an update, revision and/or enhancement of the NDCs by 2020.

Most of all, we need to close the gap! For that, we need a clear, strong, but adjustable outline on the FD2018 at COP23 -- maybe a combination of a COP23 decision and an informal way of capturing the outcome. This would create the political space for creative ideas on how to enhance NDCs. That way, FD2018 could lead to a concrete political outcome that keeps us below 1.5°C.

INFLATED, SHINY FIGURES VS. NEW AND ADDITIONAL, CLIMATE-SPECIFIC SUPPORT

While the APA discussions on transparency of support had a bit of a difficult start, it's good to see that the SBSTA negotiations on accounting modalities for the provision of climate finance have already entered the stage of detailed discussions.

There seems to be general agreement that better accounting of the climate-specific components of committed funds is desirable. However, ECO wagers that some developed countries may hope to get away with rather generous methodologies when counting projects or programs where climate is only one of many objectives.

A solution suggested by one Party is that the receiving and the providing country mutually agree on the proportion reported as climate-specific. This could help developing countries in assessing support received, another post-Paris concept that should move forward.

Other useful ideas have been tabled, such as the proposal to count loans and other non-grant instruments on the basis of their grant equivalent – this is a better proxy for fulfilling UNFCCC Article

4.3, to cover the incremental cost of action. But delegates should not be swayed by the US's attempts to shoot down the idea by insisting that loans are a valid instrument under the Paris Agreement's Article 9. That may be true, but accounting for loans on a net basis does not negate their validity at all. The only problem is that the reported figures, which currently include loans at face value, would look less shiny. And there is a precedent. The GCF records countries' pledges, if they come in the form of loans, on the basis of their grant equivalent. Also ODA loans, under the revised OECD DAC rules, are now reported that way.

Next up is today's debate on mobilized finance under the SBSTA item. As with public loans, a net approach on accounting may be in order – reporting the *mobilizing effort finance* as a contribution towards meeting obligations, while also recording, and welcoming, the *total mobilized finance* for information purposes. This would help overcome a key problem in the OECD methodology for the US\$100 billion report and roadmap – the attribution of mobilized climate finance. Usually, investors are not just mobilized by a donor country intervention, but also by the environment in the host country.

TEMS: THE GOOD, THE BAD AND THE UGLY

ECO has long supported the Technical Expert Meetings (TEMs), even though discussions haven't yet translated into accelerated action. TEMs provide a useful space to discuss real-life sectoral and technological climate solutions, and recently more opportunities have been given to observers to engage in the Q&As. However, this week's events on "Cross-cutting issues in urban environments and land use" have been a mixed bag.

Starting with the Good; the mitigation TEM event on "Partnerships that deliver technical and financial support for accelerated implementation of actions in Cities" got straight to the point. Looking at the role of financial institutions in providing access to financial support to deliver on sustainable urban development, this TEM had key strategies and sectors, including a useful discussion on simplifying processes for accessing finance.

Next, the Bad. Thursday's "Collaboration Forum" was supposed to be an interactive session between national, regional and city governments, international organisations, and private sector. Full points for the city representatives who turned up early, eager to engage and with materials in hand. But with no apparent organisation, facilitation or icebreakers from the Secretariat, the process was chaotic, and frankly, rather awkward.

A MOMENT OF SANITY IN THE UNITED STATES

The vote was bipartisan. It was fast. And it is the first time the Trump Administration has lost a major vote on anything in the U.S. Congress. As Canada prepares to announce its own methane rules, the vote sends an important signal: Americans are not ready to abandon their values. They're in it for the long haul.

Methane is a powerful agent of global warming. The big problem starts when unburned gas gets into the atmosphere. Releasing methane into the air makes no sense, and yet leaks and releases occur throughout the natural gas supply chain. If not better mitigated, methane leaks and releases could spell major trouble for the climate. That's why the Obama Administration sensibly decided to regulate it, requiring companies to limit methane releases on public lands. When the Trump Administration launched its attacks on clean air and clean water, it targeted this methane rule as one of several to dismantle.

U.S. NGOs vowed to fight back - in Congress, in the courts, in boardrooms and alongside Americans from all political parties who want a better future. They didn't manage to stop Congress from rolling back rules to protect America's mountains from being blown up to mine coal. And didn't manage to stop Congress from letting oil, gas and mining companies make secret payments to foreign governments for drilling rights. But one victory for climate protection came Wednesday morning, when a proposal to kill the methane rule was defeated in the U.S. Senate by a vote of 49-51. It's a small step, but it's a good place to start.

Then there was the downright Ugly. The event on "Attracting private sector engagement for ambitious mitigation actions in land use" may be one of the most blatant greenwashing efforts ever hosted by the UNFCCC. Representatives from some of the world's largest agribusinesses, including Syngenta, Olam and Yara, all claiming their controversial "sustainability" practices represent ambitious mitigation action, dominated the all-male panel. ECO's eyebrows were raised particularly high when the World Business Council on Sustainable Development credited Monsanto's leadership for making agriculture a recognised climate change issue.

This TEM raises questions about the coordination process. What are the selection criteria for a TEMs panel? How transparent is the process? How can the Secretariat prevent such platforms from being used for greenwashing? While ECO is keen to see good TEMs discussion translating into action on the ground, for example through the work of the High Level Climate Champions, the Yearbook for Climate Action, and the annual High Level Summit, there must be clear and transparent selection criteria to avoid inserting harmful practices into UNFCCC processes.

As Clint Eastwood's Blondie might have said, there are two kinds of TEMs in this world: those that help us to equitably meet the 1.5°C target, and those that don't.

CAN PARTY



Saturday 13th May, 9 pm til late

CASINO DES BUNDESRECHNUNGSHOF
Adenauer Allee 81 53113 Bonn

Bring your badges and cash to buy drinks for all your friends and colleagues.