

eco

2

APRIL

mid-week
issue

Eco has been published by Non-Governmental Environmental Groups at major international conferences since the Stockholm Environment Conference in 1972. This issue is produced co-operatively by Climate Action Network (CAN) groups attending the AWG-KP and AWG-LCA in Bangkok in March/April 2008. ECO website: <http://www.climateactionnetwork.org/eco>

Shared Vision or Shared Fate?

A Martian Climate Scientist listening to the discussion on a shared vision would have drawn some surprising conclusions. For many countries, the main concern arising from climate change he would have heard was the threat posed by climate policies to economic growth. Little would have been heard by the Martian from countries neither of the likely damages from climate change nor of the grave risks faced for the most vulnerable and poorest from unmitigated emissions.

A human anthropologist explaining this to the Martian, would point out that this was because these countries wanted to ensure that greenhouse reductions did not reduce economic well being. In response the Martian Climate Scientist, having studied not just the change infra-

red emission characteristics of Planet Earth but also the IPCC Fourth Assessment Report and the Stern Report on the economics of climate change, would have argued that whilst this was understandable the grave risks to all countries would argue for a more robust and less defensive stance.

Having long studied the Martian climate system the extraterrestrial climate scientist would have offered some wisdom from afar. At this stage of human induced climate change it is still possible to have a positive shared vision of a climatic future that can avoid very bad and even dangerous changes. Technically and economically feasible rates of emission reduction are still possible that would limit many of the projected damages.

Within a few years however, if urgent action to reduce emission is not undertaken then such vision may no longer be feasible. The possibility of a shared vision of avoiding dangerous climate change would be transformed into a certain shared fate of dangerous changes threatening the survival of islands and large deltaic regions and the well being and lives of the poorest and most vulnerable.

The time has come now for all Parties to lift their vision and in so doing to transform the increasing possibility of a shared fate of adverse and dangerous climatic changes into a realizable vision of a world which has avoided dangerous climate change.

Catching Up on Adaptation

The current food crisis in many vulnerable populations passed without mention in submissions to the AWG-LCA, crises that have strong climate links. Failed harvests because of drought and other extreme weather events and a high demand for bio-fuels crops are but a few examples, along with increased domestic demand from emerging economies and market distortions.

The poorest and most vulnerable are the hardest hit.

Current adaptation-related negotiations are woefully inadequate to deal with the depth of the existing crisis. The world is 15 years behind in addressing adaptation – ECO believes there cannot be justification to wait any more.

The negotiations must address three issues urgently:

1. We need a clearer picture of the scale of adaptation costs in developing countries. The "Economics of Adaptation" assessment by the Netherlands, UK and World Bank may give some answers, but full transparency is needed to assess the quality of this study.

2. The polluter pays principle must be utilized to allocate historical responsibility to assign the source of financial resources needed.

3. The most vulnerable people must be put at the heart of adaptation implementation strategies at national and local level.

To succeed on the third element we will need active engagement of the line-ministries, disaster managers, local authorities, private sector, and community-based organisations; the most capa-

ble agents to respond in locally-appropriate ways.

Eco believes all Parties must facilitate the engagement of these actors through effective climate adaptation policies and measures.

We suggest workshops, preferably intersessional, which address:

- a) means to effectively support adaptation of the most vulnerable people
- b) mainstreaming climate adaptation into national development plans
- c) the expansion of existing and new UNFCCC-supportive financing instruments, (based on the polluter pays principle with appropriate governance arrangements)
- d) risk management and insurance
- e) the role and function of an adaptation expert group.

That Sinking Feeling Again

At a time when the IPCC's Fourth Assessment Report has highlighted the potential impacts of climate change on forest ecosystems, we need to strengthen, not weaken the LULUCF rules. Enhancements to LULUCF rules must support stringent climate protection goals, ensure the protection of biodiversity and indigenous rights, and must not create a substitute for reductions in industrial greenhouse gas emissions. Parties should focus on correcting the problem of asymmetric accounting of LULUCF that leads to a bias in favour of sinks and investigate if and how emissions resulting from forest and peat land degradation could be better accounted for within the Kyoto Protocol.

The use of the forestry provisions in the Protocol provides the potential for Parties to inflate their emissions budget from fossil fuels with LULUCF credits. Targets for fossil fuel reductions are

weakened because of possible deferrals to the future. Recent submissions to the AWG, reviewed by ECO showed that some Parties are returning to old and perverse positions for LULUCF accounting. If endorsed we could be left with overly complex rules that do not properly account for the true GHG emissions from the sector.

For example, New Zealand suggested that they should be allowed to offset the carbon stock losses from the logging of plantations planted before 1990 by replanting elsewhere without incurring emissions liabilities. This sink swapping concept is unacceptable and was rejected last time round. Calls from several Parties to account for carbon in harvested wood products could also lead to increased sink accounting and perverse impacts on biodiver-

sity.

The idea of banking LULUCF credits for future commitment periods poses a major threat to the effectiveness of the Kyoto Protocol. Parties should remember the Marrakech Accords that state: "accounting for LULUCF does not imply a transfer of commitments to a future commitment period."

ECO welcomed the proposal to discuss REDD under the Convention as it was being addressed under a national approach. Calls for deforestation to be included in the CDM's project based mechanism are very worrying.

ECO hopes that Parties commit themselves to improving the LULUCF rules rather than opening up new loopholes so we can all get beyond this sinking feeling.

The World Bank Does Climate Change

The World Bank continued a charm offensive on its proposed Climate Investment Funds in Bangkok last night. Many key questions remain though; and we don't just mean why the World Bank refused to comment on the moral implications of its proposals.

The adaptation-related component of the funds is now called the "Pilot Programme for Climate Resilience" (PPCR). ECO agrees the urgency of ensuring finance is made available to integrate adaptation needs within wider development and poverty-reduction strategies. However one big question remains; 'Why propose a new fund?'

After long and arduous negotiations, the Adaptation Fund (AF) has finally been set-up under the UN process, with a carefully constructed governance structure and operating guidelines. While the Board has yet to decide many important details, there is no reason it could not begin disbursing funds this year – with donor commitment.

Setting-up a different funding institution just as the Adaptation Fund is becoming operational undermines the AF

because it suggests donors and the WB are not confident in the ability of the AF to meet urgent needs. The UK and other donors should carefully consider the implications of not demonstrating their confidence in UNFCCC mechanisms.

The AF agreed in Bali was a step change in representation for developing countries on the Board. Many developing country delegations and observers, including ECO, celebrated this progress. Governance arrangements that favour donors, as is standard practice for WB Trust Funds, pushes adaptation backwards at a time when forward can be the only direction of travel.

Countries most affected and least responsible for climate impacts must not be asked to pay for the additional costs that climate adaptation mainstreaming represents. Even if provided under concessional terms, loans are loans, and this throws away the polluter pays principle.

Similar issues apply to the other package components. Instead of setting-up a new Clean Technology fund

(which is needed under the UNFCCC!) why does the World Bank not, we wonder, simply start by cleaning up its own act regarding its own energy portfolio?

Why does the WB plan to make its funds 'build on' the US-led Fund, thus implying support for the US-led MEM process; one that fails to include those most vulnerable to the impacts of climate change? Why can the Bank not guarantee that money put into the Climate Investment Funds will not be counted as ODA by donors?

We hope many of these concerns are simply misunderstandings, ECO will see later this week. In the meantime, dear delegates, you must go ahead and establish the work program that will deliver a massive Clean Technology Deployment Fund under the UNFCCC as well as help ensure that the Adaptation Fund becomes an effective means of addressing the adaptation needs of the poorest people most affected by climate change. Nothing less will do.