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Close the Gigatonne Gap!

It doesn't take much effort to see that a large and dangerous gap has opened up between the level of emission reduction pledges and the global carbon budget and emissions trajectory needed to maintain a high probability of keeping warming below 2° C, much less the 1.5° C limit demanded by highly vulnerable countries.

This 'Gigatonne Gap' is at least 5 to 9 Gt CO₂e, depending on whether countries achieve the low or high end of their 2020 pledges, according to the figures from Project Catalyst. And they rely on a 450

ppm scenario which itself is not a sure bet to keep the global temperature rise to below 2° C.

At current emission rates, the remaining global carbon budget for a 2° C or less world will be eaten up by some time in the early 2020s. The gigatonne gap is one we can't afford to fall into, and it's coming on fast.

For a true and adequate response to the climate crisis, there can be no sweeping of actual emissions under a rigged-accounting carpet. Measurement and accounting for

'what the atmosphere sees' is essential.

Where did the gigatonne gap come from? There are several reasons for it: lack of ambition, loopholes in agreements (both existing and under negotiation), and the absence of some key sources and sectors.

Most developed countries simply have levels of ambition that fall far short of any reasonable mark. In addition to general unwillingness by governments, a major reason for the lack of ambition is that the US continues to pollute far above the level any measure of equity would allow.

The US lack of ambition will surely come back to bite it, as other countries seize the economic advantages of the low-carbon future. And there is growing concern about the level of financial resources to support adaptation, REDD and mitigation in the bill about to be introduced in the US Senate. If the US does not take on its fair share now to close the gap, then other developed countries will have to take up the slack both in mitigation and financing action in developing countries.

Moreover, as the world waits for the US to stop hanging separately from the rest of the planet, the leadership already being shown by countries such as Costa Rica, the Maldives and Tuvalu to reduce their own emissions should inspire those with greater responsibility.

The ambition deficit is a big part of the Gigatonne Gap, but there's much more. Let's highlight a few of the loopholes that Parties should consider closing.

There are loopholes throughout the ar-



GCCA has a suggestion for delegates.

PHOTO: KELLY RIGG

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Fast Start Finance

'Fast-start finance', 'kick-start finance', 'short-term finance' -- no matter the name, it must be a success if we are to rebuild trust on the broader climate agenda in the wake of Copenhagen, and lay the groundwork for the greatly expanded post-2012 climate finance regime.

ECO noticed fresh new faces in the plenary yesterday, so it would do no harm to reiterate some elements that are critical to ensure that this fast-arriving period of 'fast-start finance' is legitimate and effective.

Transparency and coordination to report on funds provided is essential to ensuring countries meet their pledges and that these funds are indeed new and additional.

Along these lines, ECO was pleased to hear the EU pledge yesterday to 'submit coordinated reports on implementation [of its €2.4 billion per year fast-start pledge] in Cancún and thereafter on an annual basis.'

We call on other developed countries to make similar pledges, but we have some questions for the EU: will your fast start funding be additional to the 0.7% of GDP development assistance goal? And will it be new money?

Failing to meet the \$30 billion committed in Copenhagen over the next three years would clearly destroy any chance of

meaningful progress in Cancun. But simply repackaging old aid money also wouldn't send strong signals to the international community that developed countries are doing their part.

Always wanting to be constructive, ECO draws attention to the fact that there are several funds with genuine ownership by developing countries that stand ready to put fast-start funds to immediate good use: the Convention's Least Developed Countries Fund and Special Climate Change Fund, and the Kyoto Protocol's Adaptation Fund.

And now ECO hears at least one country – the US – has indicated that it will potentially cut off its fast-start flow to some developing countries who have not associated with the Copenhagen Accord. Officials from other countries have also hinted in public about such a pressurizing strategy.

Let us be clear: this strategy is absolutely unacceptable, and climate funding must be available to all developing countries who want to take serious action. Some Parties have not associated with the Accord for the very reason that it falls well short of the emissions reduction – most of all in developed countries like the US – needed to reduce the existential risk to their lands from a marauding climate. ECO strongly suggests the US to reconsider this ill-advised plan, and that no other developed country go down this road.

REDD+ Prompt Start

If REDD+ is to get off to the 'prompt start' that many Parties are calling for, key methodological issues need to be resolved. LCA negotiators recognized this at Copenhagen by drafting requests for urgently needed work by SBSTA.

Unfortunately, suspension of the AWG-LCA work leaves these requests in limbo. If SBSTA has to wait for direction from COP16 in December, then their work can't start before June 2011 -- hardly the most prompt of starts.

At its next meeting in June, SBSTA should respond to the draft requests on which consensus was reached at Copenhagen. Draft paragraph 4, without brackets, encompasses almost all of the methodological work that only SBSTA can do.

What is at issue? Progress on REDD+ is held back by the lack of definitions that clearly distinguish natural forests, degraded forests and plantations. The present forest definitions, developed for reporting on LULUCF by Annex I Parties, are woefully inadequate even for that purpose. So it is urgent that SBSTA respond to the request to "investigate the possible application of biome-specific definitions for the second and subsequent commitment periods".

To be sure, completing the quest for biome-specific definitions will take time,

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Adaptation Funding Milestone

Two weeks ago, an historic milestone in international climate policy was achieved when the Adaptation Fund Board made 'direct access' for developing countries a reality.

With the accreditation of the first National Implementing Entity, the Centre de Suivi Ecologique from Senegal, for the first time in the history of international climate policy, a developing country is directly receiving funds directly from a multilateral funding source without needing to go through Multilateral Implementing Entities like the World Bank or UNDP.

While the latter option remains open, direct access increases the sense of ownership and responsibility of developing countries. And while as yet this is a nearly unique arrangement in the international funding landscape, it is all the more welcome a development for that reason.

In designing its direct access approach,

the Adaptation Fund Board built on lessons from the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, the only other example of direct access. (Interestingly, the US has been the largest contributor to the Global Fund even from the time of the Bush administration).

The rules developed by the Adaptation Fund Board will ensure that key fiduciary management standards are being met. This shows that direct access can be combined with effective safeguards. Furthermore, this approach advances the principles agreed in the Paris Declaration on Aid Effectiveness and the Accra Agenda, both of which are hailed by developed countries.

Finally, the direct access approach of the Adaptation Fund now provides a concrete example for the overall debate on financial architecture for international climate response.

Two other aspects highlight the work of

the Adaptation Fund Board: the adoption of a strategic priority directing developing countries to give special attention to their most vulnerable communities when they submit project and programme proposals, and a very transparent working atmosphere, including live meeting webcasts and a facility to publicly comment on project proposals before their adoption.

These elements also will reassure parties providing fast-start funding. Indeed, the Adaptation Fund can be a key channel for fast-start funding – remembering that the financing the Copenhagen Accord promised will be distributed in a balanced way between adaptation and mitigation.

And the final argument which should convince developed countries to contribute money into the Adaptation Fund: It has no mandate to support response measures, so that means the AF is a channel that all parties can trust.



'Business as usual' forest management emissions, Tasmania, Australia

– Prompt Start REDD+, from page 2 –

and time is slipping away. However, SBSTA can consider a convenient alternative as an interim solution. All parties currently send forest reports to the Food and Agriculture Organization (FAO) using a classification system that could suit REDD+ very well. In fact, it is already in use by the Convention on Biological Diversity REDD+ expert group known as AHTEG.

Parties want a timely start, but REDD+ cannot live by finance alone. Safeguards and guidelines are also needed. The LCA should send its draft REDD+ requests to SBSTA for consideration in June, remind SBSTA of Decision 11/CP.7 and invite SBSTA to advise on the merit of existing FAO forest classifications on an interim basis.

Plugging the LULUCF Loopholes

Here is an important question: When climate science show us that cutting emissions is more urgent than ever before, can it possibly be true that net emissions from forest management activities in developed countries would be allowed to increase rather than decrease in any serious climate change agreement . . . and for the increase simply to be ignored?

Here's a shorter way to pose the question: Is it really too much to ask that LULUCF should become part of the solution

rather than be part of the problem?

ECO has published article after article exposing perverse elements in the LULUCF rules that undermine the effectiveness and integrity of current and future climate deals. We also called for more comprehensive accounting across the land sector, building a bridge towards that in the next Kyoto commitment period. Yet in Copenhagen things got worse, not better, particularly in terms of accounting for forest management.

Think of the large areas of temperate forest in developed countries as a big green lung, pulling carbon dioxide out of the atmosphere and locking it up in trees, soils and forest litter. Harvesting these forests releases stored carbon to the atmosphere. While some so-called "forest management" practices may be sustainable in the long-term, many others, such as industrial logging operations that fell hundreds of thousands of hectares of temperate forests, are not only unsustainable forestry practices but may also contribute significantly to further climate change. And yet, accounting for forest management in Annex I countries is not currently required under the Kyoto Protocol – it's merely optional.

NGOs have urged plugging the loophole that allows forest emissions to be ignored, and recommend that accounting for forest management become mandatory. However, many Annex I parties are looking to finesse the rules and evade accounting for many forestry emissions.

One idea is to set baselines for forest

management that include 'expected' emissions. This has the effect of enshrining business-as-usual into a climate deal that is supposed to cut emissions! Yet the valiant efforts by France and the UK to propose a historical baseline for forest management, which would offer an important element of environmental integrity in LULUCF accounting, were sadly brushed aside at the Copenhagen Summit.

Yes, Parties should stop putting forward inappropriate baselines, stop using poor quality data and start demonstrating much greater transparency on how they arrived at their figures. But it's also time for Parties to abandon altogether attempts to stretch LULUCF rules ever more to hide emissions.

As the negotiations move forward this year, we need a revised LULUCF framework that sets an explicit goal to reduce emissions and increase removals from forest management. Such a framework must be free of loopholes and deliver real benefits for the atmosphere.

Come to the CAN LULUCF Side Event

Saturday, 10 April – 1 to 2:30 pm – Room Solar (Ministry of Environment)

Plug the LULUCF Loophole. Pledges from developed countries fall far short of what is required and LULUCF loopholes make the situation worse. Experts from CAN will quantify the problem, show how much each country is hiding and present a simple solution: use a historical baseline of average emission levels for accounting.

– *Gigatonne Gap, from page 1* –

chitecture of the existing agreements, especially the Kyoto Protocol. As one example, the shoddy and loophole-ridden LULUCF accounting rules do not, in fact, reflect what the atmosphere sees.

Then there is the CDM, which hardly has a stellar record in achieving real and additional emissions reductions, as well as keeping the door propped open for emitting technologies and bad investment choices in developed countries.

The banking of ‘hot air’ AAUs is also a live issue that urgently needs a clean-up. The EU Commission estimates that over 10 billion tonnes of greenhouse gas emission units will likely remain unused during the 2008 to 2012 commitment period – and where and when will they land?

These all need to be addressed in the KP negotiations, and no new loopholes should be allowed into either the LCA or KP track for the future. Remember: it’s what the atmosphere sees that counts.

New sources and sectors of emissions also contribute to the Gigatonne Gap. Global aviation and shipping emissions are still not subject to reduction targets and that undermines the integrity of honest efforts being made to reduce emissions.

Industrial gases, including HFCs, NF₃ and N₂O, should be removed from the CDM and addressed outside the market through a fund approach. Black carbon is a forcing agent that remains outside any control, and reducing it will have substantial development and health co-benefits. Addressing fossil fuel subsidies, as agreed in the G20, not only will help close the gap but add directly to the low-carbon transformations of the global economy.

While the Gigatonne Gap is an urgent agenda item for the UNFCCC in 2010, there are many entry points and options, and they can be mutually supportive. Suggestions include a series of workshops to frame the discussion, a secretariat technical paper, and placement as a new SBSTA agenda item in addition to the LCA and KP negotiations.

Closing the Gigatonne Gap is an opportunity for all countries not only to avoid the costs of climate change, but also to help achieve sustainable development in a fair way that respects common but differentiated responsibilities while taking advantage of respective capabilities. The Gigatonne Gap must urgently be addressed, so that the atmosphere can breathe more easily.

In Search of An Honest Response

As usual, ECO has a lot of questions about what Saudi Arabia is really after. Just yesterday, they gave a free lesson to the chair of the LCA. She is not supposed to prepare new text, so it was said, but only facilitate discussions, since this is a Party-driven process and only Parties can work out texts.

Well, ECO would like to offer a friendly amendment. Preparing a new text based on Party submissions is still a Party-driven process, and the reorganization of the text is in the mode of facilitation. So, let the chair do her job.

Then there is a puzzle. What is it about Saudi Arabia and the Copenhagen Accord? They helped draft it, they supported it in one session in Copenhagen but retracted their support in another. Later they did not associate with it, and finally now they say it is not important.

The Accord falls well short of the mark, we agree, but why did they approve it in the first place and then retract their support? After all, they got response measures linked to adaptation in the Accord text, reversing the agreement to separate them in the Bali Action Plan.

One theory is that ‘no deal’ is better than a ‘bad deal’ (even though a ‘bad deal’ is a good deal for the Saudis). Although they always have suggested that ‘response measures in adaptation’ is a placeholder, they have never indicated what they want in

order to drop this issue.

Naturally, the question arises whether the position on response measures is just a tactic to stall negotiations, more than achieving an agreed outcome. And all this seems to confirm that Saudi Arabia remains in the obstructionist camp.

If Saudi Arabia is eager to prove otherwise, perhaps they should approach other Parties and indicate what they want in place of the response measures/adaptation ‘placeholder’. Maybe, for example, something under the technology track to help diversify the economy, such as renewable energy industrial development – that might get ‘response measures’ out of their system. But it doesn’t seem likely, since they also successfully blocked the bunkers discussion (as we said at the time, ‘never underestimate the Saudis’).

For the adaptation discussion to move forward, Saudi Arabia must drop their ‘response measures’ argument. It is not morally right to receive compensation if oil demand goes down, for two main reasons. First, they have already benefited by trillions from selling oil, which has significantly contributed to the climate change problem. Second, they provided no compensation to the affected poor when the demand on oil went up and so did prices. Why then should Saudi Arabia be compensated when the demand goes down?



After Copenhagen, time to pick up the pieces!

PHOTO: KELLY RIGG