

# ECO



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## Additionality Under Fire

India yesterday continued its attacks on the CDM Executive Board's work on additionality for which it had already been awarded a Fossil of the Day. After apparently having dragged G77&China into supporting it, India introduced language into the draft COP decision on the CDM that a number of parties had serious concerns about the additionality tool developed by the Executive Board and were adamant that this be put in. They also wanted to highlight that the use of the additionality tool is not mandatory and that it should be reviewed – supposedly with the intention of drawing back its teeth.

ECO had heartily endorsed the work of the Executive Board in its issue on Wednesday. In its opinion, the additionality tool goes a long way towards ensuring that CDM projects are truly additional – and the fact that its use is not mandatory is actually one of its most serious flaws.

The day was partly saved by the EU which emphasised that a number of Parties welcomed the additionality tool and succeeded in deflecting some of India's thrust. But ECO is deeply concerned and also a bit puzzled about some host countries' insistence that projects should not be strictly tested for additionality. The result for them would simply be that there would be no projects going beyond what would happen anyway and in consequence the

CDM would fail in its objective of supporting the host countries in achieving sustainable development.

As a matter of fact, the CDM is developing badly enough already. Instead of promoting sustainable energy systems and ancillary benefits like poverty reduction, the CDM is being swamped by projects like methane or HFC projects which give a lot of certificates for money spent, but yield next to no benefits for the local population or the host country at large. Apart from some groups on the fringes of the market, there is next to no interest in the

CDM Gold Standard developed with a lot of effort by the WWF and others. The CDM is thus turning into a cheap development mechanism which will allow the Northern countries and the companies affected by the EU

emissions trading system to buy their way out of their commitments. It is especially surprising that India – which has long called for strong action by industrialised countries – should now be seeking to flood the market with fake credits.

Against this background, throwing additionality overboard might just be the last straw to make many NGOs which are close to giving up on the mechanism, finally reject it outright. ECO therefore urges Parties to reconsider the draft decision once it reaches the plenary.

**“But ECO is deeply concerned and also a bit puzzled about some host countries' insistence that projects should not be strictly tested for additionality.”**

## Climate Witnesses

Representatives of four communities already hit by climate change reported to COP10 yesterday about the changes they are experiencing in their lives.

Norbu Sherpa from Nepal, Anil Krishna Mistry from India, Penina Moce from Fiji, and Osvaldo Bonino from Argentina came to Buenos Aires to speak to delegates because they directly feel the mounting threat of climate change in their own lives, and to their families and communities.

Penina told the story how the rain falls less often and is less predictable in recent years – a massive problem for the village as drinking water stored in big tanks does not keep for longer than a month.

Osvaldo recounted the problem of La Picasa, a large lagoon in Santa Fe right in the Argentinian Pampa. This lagoon is now three times bigger than 10 years ago, flooding 20,000 hectares of land, ruining farms and taking out the road and railway.

The four representatives are part of the Climate Witness Programme set up by WWF. Its goal to develop science-based source material on local impacts of climate change for use in public campaigns throughout the world. Climate Witness is expected to assist people build resistance strategies to climate change.

The interest and positive reactions to the presentations of the four communities yesterday show the programme is on a good track.

It hopes to attract more partners and communities around the world who say no to climate change – and do something about it.

# ICC Should Dump Its Dreadful Document

On Thursday evening, the International Chamber of Commerce (ICC), representing more than 7,000 corporate members including all large fossil fuel, car, chemical and related transnational companies in over 140 countries, released its position paper entitled "Business perspectives on a long-term international policy approach to address global climate change." The position of the global corporate powerhouse demonstrates a clear takeover by fossil fuel and US governmental interests led by Exxon and others who make up the least common denominator in climate change.

ECO advises ICC to dump the document if it wishes to be taken seriously by governments and play a constructive role in shaping the post-2012 climate regime. Being quick and negative does not make a meaningful contribution. ECO wonders why other members of ICC which have released Corporate Social Responsibility (CSR) and other sustainability reports, and have gone on record with some support for legally-binding cap and trade regimes, such as BP, DaimlerCrysler and Siemens, back this dreadful document.

The ICC paper fails to even mention

"renewable energy" for a long-term global decarbonisation strategy. In contrast, it says "This approach (addressing climate change) is best facilitated through a variety of approaches including for example research and development incentives, voluntary initiatives and market oriented measures." There is no word on legislation, cap and trade, or creating a level playing field for renewable energy vis-a-vis the distortive fossil fuel subsidies of about \$US200 billion a year globally.

The paper also fully ignores mounting evidence on the costs of inaction as compared to mitigation costs. There is also no word on climate impacts or what level of atmospheric concentration or temperature change could be tolerable for the ICC. It goes on "...while also addressing long-term concerns about greenhouse gas emissions and the environment." The ICC should realise global climate change is neither a "long term" issue nor a "concern"; it is one of the biggest threats to sustainable development, and not just an environmental issue. Combating climate change is a matter of survival for many small-island nations and other coastal and vulnerable

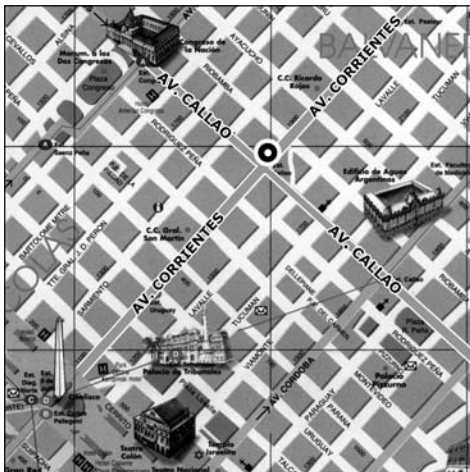
communities mainly in least developed countries.

With regard to its statement that the Kyoto Protocol "has the potential to impose high costs on business and society, exacerbate tensions in international trade, and damage economic prospects, competitiveness and investments... while doing little to address increasing global greenhouse gas emissions," ECO points out that it was and is the combined forces of ICC and other business associations denying the urgency of addressing climate change appropriately which constantly diluted targets and introduced loopholes in the treaty.

The ICC denounces the decision by 130 nations to ratify the Kyoto Protocol and accept emission caps for industrialised nations, moderate as they are, by questioning whether the world can effectively marshal a sustained global response to concerns about climate change. In effect, the ICC is saying that the Protocol and the caps should be ditched.

The value of ICC's report can be best summarised by the endorsement the ICC received from US chief negotiator Harlan Watson. May he remain its only supporter.

## NGO Party Tonight



COP10's hottest event is today and participants are urged to put on their dancing shoes. The NGO Party will be held at **Hotel Bauen** at the corner of Av. Corrientes and Av. Callao (see map). The party will commence at **23.00 hours** and extend well into the next morning. There will be no cover charge.

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## "Fossil of the Day" Award

The US yesterday won top prize, once again, for Harlan Watson's statement that the US is against and will not engage in any post 2012 talks. Saudi Arabia was awarded second place for proposing the inclusion of "advanced" fossil fuel technologies in the Special Climate Change Fund (SCCF), as well as carbon capture and storage. Newcomer UK came in third for trying to convince EU governments that the US could be willing to come back on board.

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