

A bold move in dark times

ECO could not help but hear the roars of applause in the hallways yesterday as Tuvalu reentered the COP in the afternoon. What prompted such a boisterous response? Tuvalu, supported by AOSIS and other most vulnerable countries, called for a Contact Group to discuss its proposal of a new protocol under the Convention. Amidst pressure from various Parties, they stood behind their call. In a time where bold and yes, perhaps risky, action is required to ensure a fair, ambitious and binding agreement, Tuvalu's momentous actions are to be commended.

At the same time, amidst talk of a new protocol based on the Bali Action Plan, the Kyoto Protocol cannot be forgotten, breached or left behind. Parties must stand behind the Kyoto Protocol and its continuation with a second commitment period.

Tuvalu's proposal for an open and transparent process, such as a Contact Group, serves as a ray of sunshine in an otherwise cloudy and dark city. The unhelpful results of a secret, behind closed doors approach have been highlighted in recent days, as secret texts

and uneven consultations have been exposed as the flawed approaches they truly are.

Unfortunately, some countries have shown a propensity to abuse processes to further illegitimate interests. Parties such as Japan, Australia and the United States have put forward proposals that could endanger the Kyoto Protocol, which *ECO* cannot accept. Further, developed country Parties to Kyoto are months overdue in completing their mandate of clearly defining further ambitious emission reduction commitments, and must do so.

As ever, *ECO* will continue to watch these negotiations closely. Should any open and transparent approach be bastardised into a process that threatens the Kyoto Protocol and prospects for a fair, ambitious and binding outcome, *ECO* will not hesitate to pull its support.

ECO supports AOSIS and the most vulnerable countries in their bold efforts to find a way forward towards avoiding the impacts of catastrophic climate change.

EU: Gone are the days...

Back in 2007, Liverpool Football Club were finalists in the UEFA Champions League. This year they didn't even qualify. Take a peek at their targets, and you see that Europe must be experiencing a similar feeling to Liverpool. Back in 2007, when Europe signed up to a 20% cut in its emissions by 2020, the world was a different place. Bush was in the White House, and his allies in Australia and Canada hid behind his intransigence. In contrast, Europe was leading the pack. Well, gone are those days. Now Japan has tougher targets

than Europe, Norway too. In the past weeks, some developing countries, in particular South Africa and Brazil have also put forward some pretty impressive proposals.

And so all eyes turn back to Europe as leaders meet in Brussels today, a huge opportunity to change the game here in Denmark. They hold the power to breathe new life into the talks, to encourage other Parties to show more ambition and to isolate those who would hold us back. They could do this

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AI loopholes

Those of us who don't like playing Russian roulette with the planet are looking for aggregate developed country targets greater than -40% from 1990 levels by 2020. In that light, the nominal pledges from developed countries, adding up to a humble 13-19%, look quite bad. But if one includes loopholes that could still make their way into the final deal, they look still worse. You may think you can fool the public with creative accounting, but you definitely can't fool the atmosphere.

Sadly, *ECO* concludes that when loopholes are used to the fullest extent, aggregate developed country pledges allow their emissions to increase from 1990 levels by 2020. Even partial use of these loopholes results in a terrible outcome for the planet (see figure on back page).

- Full banking and use of 'hot air' (surplus AAUs) from the first and second commitment periods may add up to an extra 6% of the Annex I aggregate emissions to the atmosphere, according to several studies.
- Creative free-for-all LULUCF accounting may add another 5% to the atmosphere, in line with several studies.
- Emissions from aviation and shipping are currently just a footnote to Annex I national totals, but they are certainly seen by the atmosphere. These emissions are best tackled through a global cap, but if this is not achieved they will continue to rise, requiring deeper cuts elsewhere to keep the climate safe. If we don't get a global agreement, the expected overall increase in bunker emissions until 2020 would add a further 6% to developed country emissions in 2020.

With these loopholes, the atmosphere sees – continued back page, column 3

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The unusual suspects

ECO had heard rumours about the possibility of a Mexican and Norwegian marriage on climate finance, but did not expect to see polygamy in the UN hallways. And it seems UK and Australia could not resist this love affair either.

ECO wants to congratulate these odd bedfellows coming together. Any clarity on what Parties actually mean is most welcome, in this opaque and mystifying atmosphere. ECO is feeling mildly optimistic about the explicit references to the Norwegian proposal and bunkers as finance sources from these countries. We have been tearing our evergreying hairs out on the lack of progress around innovative mechanisms. However, ECO must remind the Parties involved that there may not be any offspring, even from a four-way union, unless this work is linked to an explicit reference to the scale of money needed. It is recognition of scale which will concentrate minds on the need for innovative sources, not vice versa.

ECO is also seriously concerned about the wishy-washy language on additionality. If there are new sources, shouldn't the money they raise come on top of existing ODA targets? Otherwise this promise of funding is just an empty gesture and one which has devastating consequences for the poorest.

If we are looking for further reasons to be cheerful, 'Direct Access' is in the proposal! But what *ECO* wants to know now is this: does this allow for those who will be most impacted by climate change to have a voice in decisions? This is not clear, and worse, the text alludes to letting international financial institutions through the back door. What would the consequences be as to how this could operate under the authority of the COP?

Finally, we were wondering. Given the insistence on using existing channels to deliver 'fast start finance,' do our loving foursome plan to make sure that urgent NAPAs – sitting unfinanced for eight years – will see some money at last?

EU: Gone are the days, from front page — by offering an initial unconditional offer to go to 30% now, on the way to 40%. UK's Gordon Brown, Holland's Jan-Peter Balkenende and Slovenia's Barut Pahor are already calling publicly for Europe to show more leadership and increase its target. It is obvious which players are slowing the side down (ahem... Poland, Italy) and who's lurking in midfield (ahem...France).

Climate scientists warn that every tonne of carbon counts, and economists – for example, from Ecofys and Point Carbon – have indicated that the EU could move to 30% unilaterally at little or no cost to the European economy. The European Commission and Germany seem to think they're in Doha not Copenhagen. Climate negotiations aren't trade negotiations! We need ambition to rise so that sea levels don't! Not 'I will if you will' but 'we will, together.'

AI loopholes, from front page -

17% more in 2020 than the nominal pledges suggest, leaving an aggregate of -2% to +4% over 1990. But there's more. Developed countries plan to meet a significant portion of their reductions through offsets, between 1.1 and 1.5 Gt, according to *ECO*'s estimates – equivalent to 6-8% of 1990 emissions. So domestic developed country emissions may even exceed 10% above 1990 levels in 2020. If, as under the CDM, non-additional projects make up a substantial part of the offsets (*ECO* has seen studies quoting a range from 40% to 79%), this further undermines the effectiveness of the targets.

If these loopholes are not closed, the gap between what's needed for a stable climate and current developed country pledges widens into a mighty chasm.

ECO is pleasantly surprised, though, to learn that the EU has beaten us to it and has been shining a light on Annex I loopholes in Kyoto Protocol discussions yesterday. Whatever next, a move to a 40% cut?

Is REDD's compass at risk?

Coming into Copenhagen, the REDD text included a global objective for halving gross deforestation by 2020 and halting forest loss by 2030. While *ECO* was coming prepared to push for greater ambition – we are now faced with the prospect of losing the global objective completely. In case Parties have lost their compass, *ECO* would like to remind them of the right direction. To stay below a 2°C rise in temperature, a Copenhagen agreement must contain a strong global objective for REDD in addition to deep domestic emission reductions from developed countries.

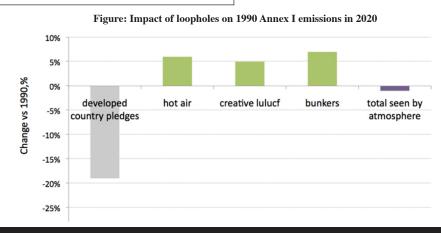
Without a global objective for REDD, there is a risk that emissions from forest destruction will be prolonged with devastating impacts – it would be like running a race without knowing where the finish line is and without a stop-watch to measure your speed. Yet with a global REDD objective, REDD-plus can help us stay well below 2°C warming.

Of course this contribution does not come free and it is vital for developed countries to commit to the level of funding needed to

Happy Human Rights Day!

Sixty-one years ago today the Universal Declaration of Human Rights was born. As humanity's best expression of the minimum conditions for dignified life, the link to a safe global climate is obvious.

achieve this goal. Developing countries will need financial support - not just to build their capacity - but significant and reliable streams of funding to stop deforestation, protect biodiversity and sustain livelihoods of forest communities. With countries such as Brazil and Indonesia proposing ambitious national goals for reducing emissions, including those from deforestation, developed countries need to show the colour of their money for both the immediate and the long term. Only with this partnership of an ambitious global objective for REDD coupled with the necessary financial support will the supposedly constructive negotiations on REDD-plus actually deliver. While we are used to harvesting forests to get some money, it's now time to harvest some money to save the forests.



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