



Not just imagining the future, but creating it.

Photo: Sierra Student Coalition

Credentials

Hold on to your coffee cups and that delicious roiboos tea – we are heading straight into the end game for COP 17. While there is still a long way to go on getting a mandate that has a fighting chance of keeping the world on a lower than 2o C path, we must be sure to have all our ducks in a row on the Kyoto side. (And seriously, let's put aside all this talk about waiting until 2020 for real ambition!)

And by 'ducks', we mean credentials. No, not those little cards with the colored stripes on lanyards that let you into certain rooms, or not. Credentials in this context are documents from the top of government enabling you to do what we need to save the climate in those certain rooms.

In researching our provisional application article last week, we came across another interesting provision in the Vienna Convention – the need for delegations to have full powers in order to adopt any kind of legal instrument.

Full powers must be conferred by the Head of State or Minister of Foreign Affairs. The Secretariat flagged this issue for Parties in both the COP and CMP agendas,

but ECO has heard that a few EU countries have been a bit tardy in this regard. (As the word 'credential' comes from the Latin for 'credible', let's just not get into the status of some other Parties, like Canada).

It's high time to get this sorted – so get on the phone to capitals and let's adopt the KP amendment already! Any country without credentials undermines the development of a global legally binding regime.

Peat Lands & Wetlands

LULUCF is in danger of once again of being the rotten apple in the Kyoto basket. Despite its importance to ambitious emissions reductions, countries are allowed to choose to account for only those activities that result in credits.

All significant sinks and sources of emissions should be accounted for in the land use sector. This means accounting for 'wetland drainage and rewetting' must be mandatory under the Kyoto Protocol.

Did you know that peatlands (organic soils) are the world's most concentrated and important reservoirs of terrestrial organic carbon? They are also a fast growing source

of emissions. In fact, while organic soils, drained for forestry and agriculture, occur on a mere 0.3% of the land surface in developed countries, they are responsible for half a billion tonnes of CO2 each year, a level similar to that of forest management.

Mandatory accounting for wetlands drainage and rewetting will provide strong incentives for the conservation of undisturbed peatlands, as well as promote the rewetting of drained areas. Rewetting will also help prevent peat fires, which occur in drained peatsoils and add to further emissions.

Organic soils are hotspots of emissions. The reporting data available for organic soils in Annex I and IPCC is providing supplementary guidance for rewetting. With this information, developed countries must ensure accounting for wetlands drainage and rewetting so that LULUCF has environmental integrity and contributes its fair share to climate protection.

ECO applauds AOSIS and the Africa Group who called in no uncertain terms for increasing environmental integrity in LULUCF in today's KP contact group. Ministers, you've heard the call, now's your chance!

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Close the Gap – Put Emissions on a Diet

Well done, Parties! You have come up with some decent mitigation text in the LCA. You have recognised the 6 to 11 gigatonne gap so clearly delineated by UNEP.

Even better, the text that is now on the table that offers a clear process with submissions, technical papers and dedicated high-level negotiations to address this glaring problem.

The text sets out a clear end point of COP 18 to agree targets between 25-40% for developed countries, and ensure that the NAMA registry is in place, is sufficiently supported, and is being filled with developing country NAMAs.

This is absolutely key – the alternative is an endless 'Groundhog Day' existence of meetings and workshops, with no guarantee of any useful outcome.

We know that Parties are saying that the LCA text is too fat and want to put it on a

'slimming regime'. But they must not throw away good text on closing the gap, or on improving the quality of information surrounding countries' pledges. Losing weight by removing vital organs is not a great idea.

Indeed, ECO would urge parties to go further – clearly acknowledging in the Shared Vision the urgent need for a process to close the gigatonne gap as a precondition for being able to achieve a peak in global emissions by 2015, so keeping a credible 1.5° C or 2° C pathway in reach.

On mitigation, ECO thinks that big could be beautiful. A full bodied mitigation text could help us to sing like an opera star next year and hit the perfect note of clearly defined ambitious targets for developed countries and NAMAs for developing countries by COP18.

Parties, it is indeed time to go on a diet – a low-carb(on) one!

Welcome News on GCF Pledges

ECO has been saying for quite some time that while the creation of the Green Climate Fund is essential, it would be meaningless if the Fund were merely an empty shell. And we've been saying throughout these past two weeks that donors must step up here in Durban and make their initial pledges so that the Fund can get up and running as soon as possible.

Well, kudos to Germany and Denmark for being the first two countries to rise to the challenge. Today, Germany pledged 40 mil-

lion euros towards the fund, and Denmark chipped in with about 15 million euro. Germany and Denmark should be commended for taking the plunge. What's more, they appear to have made these pledges without the kind of unreasonable conditions that are often hidden underneath positive initiatives in these negotiations.

Now that the Germans and Danes have shown the way, wouldn't it be a refreshing achievement if the other 21 Annex II countries followed suit?

The Review

Last night ECO watched a colleague – unable to find a corkscrew – attempt to open a wine bottle with a knife. When one chooses to use the wrong tool to achieve a perfectly reasonable goal it can be both inefficient and dangerous.

As we scanned the feedback from the Periodic Review discussions this morning, the parallel seemed obvious. Here we have a number of Parties with legitimate concerns on reviewing the adequacy and efficiency of finance, technology, adaptation and capacity building, but using the wrong tool to assess progress. The net result thus far has been deadlock.

It would be far better to use the Review tool as it was intended in Cancun – to assess progress towards achieving the long term goal, consider strengthening the goal, and assess aggregate steps toward achieving the goal. This is the best way to ensure an efficient and ultimately meaningful outcome by 2015.

And what of the other legitimate concerns? Why not open the UNFCCC toolkit and use another, more suitable device. For those seeking to review the progress of individual Parties in meeting emission reduction targets, why not use the process of international assessment and review (IAR)? For those seeking to assess finance, why not use the Standing Committee? If social and economic impacts of climate change are the concern, use AR5 as an input by all means, but there really is no need to put this in the scope.

The old adage goes, "A good workman never blames his tools". But he also recognizes that a smart workman always picks the best tool for the job. It's time to get this process right and pick the best available tools.

Everything Becomes Possible With a Plan

ECO has travelled to all sorts of places while tracking the climate talks. Its passport and encyclopedia-like mind are full of memories, not only about long working hours, sleep deprivation and open-ended meetings, but also about impressive monuments in many of the countries it visited.

The most beautiful man-made marvels like the Great Wall of China, Plaza de Francia in Panama, and la Sagrada Familia in Barcelona were impossible until their inventors had a plan. The implementation of those plans took decades, and the plans constituted of sub-plans and as the masterpieces progressed, the plans were updated.

In Cancun, countries finally agreed that they need to prepare long-term plans. Low Carbon Development Strategies (LCDS) were decided for developed countries, and developing countries were encouraged to develop them as well. That's a good place also to build in climate resilience to the already-inevitable impacts of climate change.

In Durban, countries need to start agreeing what the elements of those plans will be. Building on provisions of the Bali Action Plan on adaptation, mitigation, actions and MRV, countries must raise ambition for the following:

- * Realistic and achievable emissions reductions for developed countries and a trajectory to achieve near-zero emissions by 2050, with indicative decadal targets. For developing countries, nationally-appropriate actions

- * Define sector-specific policies and measures

- * Clearly identify strategies and policies that will guide the plan into implementation

- * Outline measures to reach goals, to facilitate accountability

- * Include R&D and technology plans that serve the Plans

- * Outline measures that prevent double counting of credits

LCDSs can be an effective way of increasing the ambition for mitigation by all. In developed countries, such long-term strategic plans can help avoid lock-in to higher cost emissions reduction pathways. They can choose infrastructure and technologies that are low carbon and cost effective as well as identify hidden potential, showing increased action by developing countries towards their low carbon development.

In developing countries, LCDSs allow them to tap into sectoral potential and identify areas that can be submitted for NAMAs and for capacity building, technology and financial support (although of course such plans must be a

prerequisite for accessing NAMA support), as well as encourage them to leapfrog polluting development pathways.

LCDS are also crucial to assessing the potential for NAMAs and sectors in which states can implement them. It will help unlock potential for mitigation in developed and developing countries and encourage communication and collaboration between ministries.

LCDS are also a great option for developed countries that are hindered from having national climate policies due to political circumstances, such as the US.

Thus, LCDSs lead to diversifying the economy via decarbonization, allowing countries to have plentiful opportunities for development, which for example is quite promising for oil producing states such as Saudi Arabia.

We are not yet on a pathway for peaking by 2015, as science requires. Countries have not yet reached agreement on our global emissions reductions goal by 2050, but some have begun from the bottom up, compiling and implementing their long term plans.

A recently released WWF paper outlines 8 case studies from developed and developing countries that have activated LCDS and how these states have been benefiting. The host of COP17, South Africa, is leading the way with development via low carbon growth.

With their National Climate Change Response Strategy, South Africa has laid out measures needed for implementation and making the low carbon growth effective. These include tax incentives, fiscal subsidies, renewable energy, energy efficiency targets coupled with appropriate standards, and market based mechanisms.

As promising as these efforts are, there are still many gaps within this strategy, including the incorporation of Carbon Capture & Storage (CCS) as part of the renewable energy flagship program, which would allow emissions to rise too high for too long.

In 2009, the UK developed an LCDS, the Low Carbon Transition Plan (LCTP), which identified the priority of energy efficiency policies and increased the use of renewable energy for heat and transport. The plan identified gaps in inclusion of international aviation and shipping emissions -- gaps that still desperately remain to be treated.

LCDSs have demonstrated positive approaches towards low carbon growth and increased ambition. As well as emphasizing potential opportunity areas, these plans may also expose the remaining gaps that still need tackling within countries. This step is crucial in developing LCDS and progressing domestically

to shape activities and behavioral patterns.

Durban can make decisions that lead to setting common guidelines and enabling support for preparation of plans. Including timelines and the key elements of such plans will enable all countries to achieve their collective climate masterpiece.

Water, Climate and the Future

According to the IPCC, water is the primary means through which climate impacts will be felt by humans and the environment. Over the past two years, water issues have garnered increasing attention at the UNFCCC negotiations, and rightly so.

Water is recognized in Article 4.1(e) of the Convention and Paragraph 14 of the Cancun Agreements. Recently, the SBSTA agreed to organize a technical workshop on water.

However, so far, water is addressed almost exclusively in the context of adaptation. There is a growing need to include water issues in discussions on mitigation as well.

Improved management of water resources can have a significant impact on GHG emissions. The water industry in the UK consumes 3% of energy produced, and in India as much as 6% of total national emissions come from pumping water for irrigation.

Additionally, the water sector deals with other greenhouse gases such as CH₄ and NO₂ during wastewater treatment which could provide additional mitigation.

A number of mitigation strategies will have significant impacts on water resource quality and distribution.

For instance, the pumping of CO₂ underground through CCS could impair groundwater quality, and the increased production of biofuels will require careful management of water supplies.

Reforestation, while beneficial for managing emissions, could significantly alter regional hydrological cycles and exacerbate drought if not done properly.

Meanwhile, oceans help absorb about a quarter of emissions, but are becoming more acidic as a result of high CO₂ levels in the atmosphere.

The link between mitigation and water resources should be considered with higher priority within the negotiations, and a review of water resources in the context of mitigation should be considered in the 2013-2015 report.

Creating a thematic focus for water under the Nairobi Work Programme could further strengthen understanding and improve climate policies that relate to water issues within both adaptation and mitigation.

Fossil Fuel Subsidies: A 3-Point Plan for Durban

While ECO has cheered the high level commitments by the G20 and APEC to phase out fossil fuel subsidies, actual progress has been slow. In Durban, Parties have a number of politically realistic opportunities to advance action on fossil fuel subsidies. Eliminating fossil fuel subsidies can contribute to closing the gigatonne gap and help achieve the emissions reductions necessary to stay below 2° C, or even 1.5°. It can also provide Annex II Parties with new innovative sources of income that could be used for climate finance. Parties can and must move forward in the next few days with a three point action plan.

1. Strengthen Reporting. The status of fossil fuel subsidies should be reported as part of a country's national communication, the purpose of which should be to simply increase transparency. The task in Durban is to agree to revise national communications guidelines for both developed and developing countries, respectively, and recognizing the need to enhance fossil fuel subsidy reporting as part of those revisions. Of course, there are also a number of other benefits from revising the guidelines.

2. Close the Gigatonne Gap. Fossil fuel subsidies increase greenhouse gas emissions. As part of a decision on paragraphs 36-38 of the Cancun Agreements, Parties should launch a process to close the gap. Consideration of the phasing out of fossil fuel subsidies needs to be part of those deliberations and should remain clearly reflected in the text.

3. Expand Sources of Climate Finance. The OECD has estimated that US \$45 to \$75 billion a year has been spent on fossil fuel subsidies in its member countries in recent years, while the IEA in its 2011 *World Energy Outlook* identifies US \$400 billion globally in consumption subsidies. In a time of financial crisis, these resources could be much better used promoting climate friendly initiatives and energy access for all.

In Durban, Parties must agree on a work programme for innovative sources of long-term finance, which should include consideration of the shifting of fossil fuel subsidies as a possible source.

This three-point plan would be an excellent outcome for Durban, and more importantly, for the climate. Parties, let's get started phasing out fossil fuel subsidies!

Canadian Youth Stand for the Future

Early yesterday afternoon, Canada's Environment Minister strolled onto the stage of the plenary, ready to deliver yet another disappointing speech on behalf of the polluters of Canada.

Canada's climate policy, the most offensive and obstructive here at COP17, would have been given the chance to shine if it weren't for one thing: six Canadian youth stood up and turned their backs on their Environment Minister, just as the Canadian government has turned their backs on them.

The minister rambled on, keeping with his consistent pattern of ignoring the message youth were conveying to him: start negotiating on behalf of our interests rather

than those of the tar sands. Saturated with unconventional crude, tar sands oil production uses massive amounts of energy and water, and also produces exorbitant amount of greenhouse gas emissions.

Canada's stance, defending the interests in the tar sands, makes action from Canadian youth necessary and urgent. There is no other option -- all other avenues for meaningful dialogue have been exhausted.

The Environment Minister says he's here to defend the tar sands, but has never claimed he's here to defend future generations. Youth are here to make their voices heard, and only through collective action can real change be made.

Global Climate Fund and Adaptation Fund

There are definite consequences from the recent decline in the price for Certified Emission Reductions (CERs). One is 20% lower estimates of revenues for the Adaptation Fund going forward until the end of 2012.

In 2010, the first year of fast-start finance, around US \$80 million was contributed. This is in addition to revenues from the CERs by Spain, Sweden and Germany, but no new pledges were made in 2011.

And what about the other developed countries sitting on the Adaptation Fund Board -- Japan, UK, Norway, France, Switzerland, Finland.

They have worked towards and achieved strong fiduciary standards, but still have not put significant money into the AF.

At the same time more and more developing countries express their interest in implementing projects through direct access.

The first pledges into the GCF yesterday are a signal of its importance in the future. But the emergence of the Green Climate Fund in no way undermines the importance of the AF for adaptation funding in the coming years.

It will take some time until the GCF's rules are designed and it becomes functional, so for AF can certainly co-exist with the GCF in the future financial landscape.

The focus of the AF on urgent concrete adaptation projects and programmes and its special attention to the needs of the most

vulnerable communities remains as important as ever, especially since the GCF will have a more programmatic sector approach. No one should turn their back on the AF, and developed countries should ensure that the AF doesn't dry up by pledging further contributions and take measures to increase CER prices.



**#1 UNITED STATES
LEGALLY BINDING
COMMITMENTS BY ... WHEN?**

ECO would like to clarify that the 2nd place fossil for the EU was based on a misinterpretation, since the EU's proposal to move para 18 and 19 of the finance text into the preamble was understood as a proposal to delete it.

www.climatenetwork.org/fossil-of-the-day