

ECO



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Farewell Bonn, Hello... Who Knows?

At the time ECO went to press, we'd heard all sorts of rumors about where the next intersessional might be: Panama, Bangkok, Mars? But despite this week's lunar eclipse, our thoughts are firmly earthbound. ECO is confident that parties can see the sense in holding another intersessional, including workshops, technical negotiations, and the resumed sessions of the two AWGs. But, dear delegates, please leave behind the tedious haggling-over-the-agenda sessions. An additional meeting must be used productively so that Durban has a better chance of delivering the basis for a fair, ambitious and binding agreement.

First, developed countries must acknowledge there is no alternative to a Kyoto Protocol second commitment period. Period.

We deplore the current stance taken by Japan, Canada and Russia. The hypocrisy is staggering. Japan presided over the COP that produced the KP. Russia's support for the KP brought the treaty into force.

Canada deftly launched the negotiations for a second commitment period (CP2) in Montreal. Where are those climate ambitions now?

The rest of the pack – the EU, Australia, New Zealand, Norway and Switzerland – used Bonn to elaborate their conditions for joining a KP CP2. We expect these countries to declare their full support for extending Kyoto's commitments beyond 2012, and to come to Durban with pledges that top their current commitments. The world shouldn't accept anything less!

The unvarnished truth, however, is that what is on the table now is not going to deliver a safe climate. Even the US has acknowledged that developed countries need to decarbonise their economies by 2050, based on low-carbon development strategies; as agreed in Cancún. These low carbon development strategies should contain a 2050 decarbonization goal, a plan to get there, and initial reduction targets of more than 40% by 2020, based on common accounting rules and

enhanced national communications and biennial reporting as essential ingredients.

A second piece of the puzzle should be tackled by developing countries.

As AOSIS noted in their workshop presentation, developing countries also have a role to play in closing the gigatonne gap. ECO looks to all developing countries who have not yet submitted pledges to the UNFCCC or have not elaborated their plans further, including Argentina, Brazil, Indonesia, DRC, Nigeria, Iran, Venezuela, Turkey, Saudi Arabia, Malaysia, and Thailand. It's not on their shoulders alone. But they need to make it clear how they can reach their ambitions through a mix of supported and unsupported actions.

The third major element of the Durban package is finance.

Finance negotiators have been hard at work on designing the Green Climate Fund and the Standing Committee. But all too many are missing the big picture: that the best-designed financial institutions in the world will be quite useless without substantial finance to govern. Concrete decisions must be made at COP17 to move us firmly onto a pathway to increase climate finance so as to reach \$100bn per year by 2020, as committed by developed countries in Cancún.

Here in Bonn, the US has worked furiously to block much-needed discussions on all sources of finance, from budgetary contributions to supplementary innovative financing options such as bunkers, FTTs and SDRs. Discussion is also needed on common but differentiated responsibility for climate finance, no net incidence and compensation. We're relieved to see some countries are asking for workshops to pave the way to a appropriately ramped-up 2013-2020 climate finance plan; all developed countries need to come to Durban prepared to put forward their mid-term financing commitments from 2013 onwards.

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Parties now share a common understanding of the Gigatonne Gap that exists between the 2°C target they agreed in Cancún. What now exists on the table, not to mention the pledges to agree to a review in 2013-15, is to consider a lowering of the target to 1.5°C. What is needed now is action on all fronts to close the gap. ECO has a few suggestions for homework, en route to Durban.

- Many developed country pledges are at least two years old, and these pledges need to be re-evaluated in light of more recent science and environmental integrity. Then these Parties will be ready to come to COP17 with enhanced pledges, free of loopholes (that are only self-serving in the short-term) and ready to turn them into QELROs.

- Parties should keep the Secretariat updated on changes to their pledges or their underlying assumptions, so that the technical papers can be kept up-to-date and we can continually refine our understanding of how big the remaining gap is.

- Developed country Parties need to implement their agreement in Cancún to develop low-carbon development strategies. Becoming a near-zero economy by 2050 is not something that can be done without good strategic planning to allow for a just transition.

- Parties need to shift from talking about the role of LULUCF rules as a large loophole in the Kyoto Protocol, to agreeing on a decision on an accounting system – **common across all** developed countries – that has environmental integrity, and that captures the substantial missing emissions from bioenergy, in Durban.

- Rules for any new market and non-market mechanisms shouldn't diminish already low levels of ambition nor allow double counting, but rather ensure additional emissions reductions and funding flows. In many cases, regulation rather than markets *will result in the desired changes and avoid the dangers of lock-in that "flexibility" can hide in the short term.* The remaining carbon budget to reach a 1.5 or 2°C goal is highly limited and transformation to a low carbon economy should be the aim of all.

- Rules are needed to minimize environmental damage from Kyoto's infamous "hot air." These emissions can only serve to increase warming and so are inherently in conflict with avoiding dangerous climate change.

ECO hopes that Parties will do their homework so that they are able to come to Durban ready to reach agreement on a package of commitments and actions that keeps the 2°C – never mind the needed 1.5°C – goal within reach.

To CP2 or Not to CP2 - That is the Question

ECO seems to spend half its day dreaming up ways to bring the EU into the leadership role we know it can deliver. This is not to say we do not spend the other half bemoaning the naysayers, and as all faithful readers know, ECO will continue to pinch, kick and slap those slackers along the road to Durban, in order to ensure a balanced package.

But ECO would like to make a special appeal to the EU. Two years after Copenhagen, Europe finds itself in a central position where it could regain a global leadership role to shape the direction of the global climate change regime: to CP2 or not to CP2 - that is the question. Unfortunately, Europe is dithering, failing to see the value and huge leverage from such a brave move, and missing an opportunity to shape the future deal.

Agreeing to CP2 requires Europe to do nothing dramatic – remember that its targets

already extend to 2020, well beyond the period of CP2 (which of course needs to be 5 years!). The EU also has good reason to increase its domestic target unilaterally, but this decision should be delinked from the international negotiations.

ECO is frustrated that the primary motive for the EU to not move on CP2 is that it will look weak without back up; the politics of emotion are trumping Europe's long term political, economic and security interests. Asking whether others will act is the wrong approach, as it's all really about the EU's fundamental interests.

The KP is a signature piece of European foreign policy, which it backed despite the withdrawal of the US under the Bush administration. Europe heavily invested in the KP financially: it spent at least €40 billion of European energy consumers'

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Finally, Durban must launch negotiations on a complementary legally binding agreement to Kyoto.

This agreement should address the major elements of the Bali Accord: comparable mitigation commitments by the United States, expanded financial commitments by developed countries, and developing country action. Virtually every country says they support a legally binding agreement; in Durban, they must rise above their well-known differences on the exact form of such an agreement and commit to turning those words into action.

Ludwig in Bonn

Whilst apologizing to a distinguished Middle Eastern delegate for the unfortunate incident involving Ludwig's ear trumpet, Ludwig learnt of startling progress. In Durban, the UNFCCC will be relaunched as the UN Convention on Response Measures (UNRM).

The UNRM will be based in Riyadh and permanently chaired by the Kingdom of Saudi Arabia. Apart from its main business of response measures, it will have two closed informal groups. One will be on developed country ambition, chaired by the USA and Japan. This will be undermined in perpetuity by a second group on LULUCF and carried forward emission allowances, chaired by the Russian Federation.

Owing to the unfortunate incident with the ear trumpet, for which he is seeking compensation, Ludwig was unable to hear much more. However, the words 'observers,' 'AOSIS', 'Maritim coffee' and 'banned' sounded familiar.



Check out the VOICE blog for updates from CAN's Southern Capacity Building Fellows
<http://climatenetwork.org/blog/campaign/623>

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money purchasing international carbon credits. Failure to realize the political value of the CP2 would provoke global outcry and blame, whilst laggards sit back in satisfaction.

Europe needs Kyoto because otherwise it risks walking naked into the negotiating chamber, having thrown away its best levers to bring the US and others into line, calling their bluff. There is no magic institutional structure waiting to be discovered that is not already contained inside – or is compatible with – a reformed version of the KP. The main problem many countries have with Kyoto is not its flaws (as they claim), but because it holds them to account in delivering real greenhouse gas emissions reductions.

Europe's actions have already driven a global revolution in renewable energy investment which now outstrips annual new fossil fuel powered investments. So, Europe, there is no reason to shrink from pursuing your fundamental interests because of fears of being considered weak. To CP2 or not to CP2 – that should **not** be the question.

Adaptation: Good Start, But No Time to Relax

ECO is pleased that adaptation negotiators managed to progress on some issues over the last two weeks. Of course, an outcome in Durban which really scales up adaptation action for the sake of those whose livelihoods are threatened by the effects of climate change will require much more progress, including on finance sources and the Green Climate Fund.

A progressive outcome in Durban is still possible. The negotiations on the Adaptation Committee have advanced considerably towards a text that looks like a draft decision, and ECO is pleased to see that Parties seem to agree on the potential advantage of drawing on expertise of non-governmental stakeholders by allowing observers access to the meetings. However, it is not yet sure whether the Adaptation Committee will become the strong body that is required for improving coherence on adaptation under the Convention, including in relation to the financial mechanism.

ECO is also happy that the Nairobi Work Programme negotiations agreed on conclusions which outline some concrete next steps. And while ECO is in solidarity with everyone affected by climate change, ECO won't shed a tear that the issue of response measures was kept out of the NWP – it really doesn't belong there! On National Adaptation Plans, ECO thinks that the negotiations were an acceptable start, although agreement on more substance should have been made. But the

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Tags: UN, global warming hoax, oil profits, Saudi rule

DATE: 18 June 2011

SUBJECT: Saudi Success at UN Climate Talks

SUMMARY: All Saudi objectives for UN climate talks met. Time for a raise?

1. Plan is on track. The resumed UN climate talks (6 June – 17 June 2011) made little progress. Our delegation skillfully prevented real discussions from being launched on all fronts. G77 and China at our behest again challenged the Cancún agreements through discussion of the agenda for 2011. Thinking they were defending their real interests LOL. Our US ally's lack of ambition and Congressional squabbling further undermines confidence in the UN.
2. The central issue of compensation to our royalty for a drop in oil prices to below \$100 per barrel was seriously debated in several meetings. We believe that negotiations on Long-term Cooperative Action and the Bali Action Plan pledge of a legally binding outcome can logically only be concluded with a new protocol on response measures as a counter-balance to the Kyoto Protocol. This meeting brought us one step closer to that goal.
3. So far we have been able to drag many Arab countries behind us even though it is not in their national interest. Nevertheless, some are waking up, and having a mind of their own. We need to think about how to deal with this. Unfortunately, our really bad reputation for always blocking progress may have prevented our neighbor Qatar from getting COP18 which now looks set to be in South Korea (we hope they did not notice our role in this).
4. In discussions on Loss and Damage and the Nairobi Work Programme, we have done our utmost to include loss and damage to our oil revenues due to "the adverse effects due to the implementation of response measures". Unfortunately, we could not convince the other Parties to follow our ideas, so we maybe need to open our pockets. However, we have managed to slow down the process. We also are asking for money from long-term sources to help us adapt to a world with less oil revenue.
5. In the LCA legal options informal, we successfully torpedoed another AOSIS proposal, this time for a legal options paper. This builds on the success of last year's Bonn session when we nixed their request for a technical paper on 1.5°C, hee hee.
6. We have poked a few more gaping holes into the FCCC. We single-handedly played countries off against each other and reduced their ambition (and avoided tabling ours). The resulting gigatonne gap is larger than we ever dreamed of! We also undermined environmental integrity of the flexible mechanisms by having CCS included in the CDM. And just in case talks on the Kyoto Protocol continue, we feel we could shoot yet another hole in the KP in the form of a commitment period gap. These holes will suck the life out of the so-called carbon market.
7. We continue to encourage other rich countries to jump ship and not agree to a second commitment period for the Kyoto Protocol. So far Japan has been our most effective partner on this front, but Canada and Russia are coming along nicely. We could thank Japan by extending them good terms on the next LNG contract.
8. Bonn, despite its small town feel, is an expensive cosmopolitan city. The invaluable services of our delegation to the Kingdom might lead you to take a favorable view on the request in my memo dated 15 December 2009, reporting on the signing of the Copenhagen Accord, by rewarding this humble delegation with a 100% raise.

will to compromise allowed at least some steps to be taken.

Given the importance of addressing loss and damage from adverse effects, ECO had hoped for more progress in filling the work programme decided in Cancún with more substance. In order to provide significant recommendations to COP 18 (wherever it will take place), it is essential to start agreeing on real text as soon as possible. Distraction and delay tactics by some Parties, among them quite vulnerable countries, appear appalling. Response measures popped up once again, although the Cancún decision clearly limits the work programme to adverse effects. As ECO went to press SBI had still not resolved this issue. To be absolutely clear: response

measures must not be covered under the work programme on Loss and Damage.

Finally, ECO would like to say farewell to adaptation negotiators and to remind them of the next milestones which must be reached in order to consolidate substance and to further progress on the road to Durban: submission deadlines for National Adaptation Plans by August 15th, and for NWP and loss and damage on September 19th 2011, and possibly some workshops. ECO wishes all participants a good summer break and hopes that their work on the submissions will be not wiped out by weather calamities (unfortunately this sometimes seems necessary to remind negotiators of the threats that we are all confronted with in the face of climate change).



Week 1

6 June

1st - Saudi Arabia

8 June

1st - USA

2nd - Papua New Guinea

9 June

1st - Canada

2nd - Canada

3rd - Canada

11 June

1st - Japan

2nd - Well, we aren't sure?

Week 2

13 June

1st - Saudi Arabia

2nd - Qatar

14 June

1st - India

16 June

1st - Japan

2nd - Antigua & Barbuda and Saudi Arabia

Overall Winners!

1st - Saudi Arabia

2nd - Canada & Japan

3rd - USA & India