

ECO



ECO has been published by Non-Governmental Environmental Groups at major international conferences since the Stockholm Environment Conference in 1972. ECO is produced co-operatively by the Climate Action Network at the UNFCCC meetings in Bonn, June 2011.

ECO email: administration@climatenetwork.org – ECO website: <http://climatenetwork.org/eco-newsletters> – Editorial/Production: Joshua Darrach

Expectations For Bonn

Friends, delegates:

We find ourselves at a crucial time. A record increase in greenhouse gas emissions last year, to the highest carbon output in history, puts **your** target of keeping warming below 2 degrees in jeopardy. It puts the more important temperature threshold of 1.5 degrees – the limit needed to keep the sovereignty of many small island states intact – in even more grave danger.

Parties, delegates, this is your moment. The threat of climate change has never been more evident; just ask the hundreds of millions of people in South Asia and sub-Saharan Africa who are already experiencing a food crisis.

Fatih Birol, chief economist of the IEA, says that disaster can be averted, if governments heed the warning. "If we have bold, decisive and urgent action, very soon, we still have a chance of succeeding."

The decisive action you must take, delegates, is to be productive at this Bonn intersessional, set yourselves a workplan for this year, that allows substantial progress to be made at Durban. This work includes the following:

Advance the Adaptation Committee so that it becomes a driver for promoting coherence on adaptation under the UNFCCC. Agree on a Work Programme on Loss and Damage in Bonn and a further phase of the Nairobi Work Programme. Also advance modalities and guidelines for national adaptation planning that follow an inclusive and integrated approach, taking into consideration vulnerable groups, communities and ecosystems.

Bonn must take concrete steps to close the gigatonne gap. The first baby step towards that end is for developed and developing countries to clarify their pledges, including their assumptions on LULUCF, AAU carry over and carbon offsets, so that we know what amount of GHGs the atmosphere will see in 2020.

Ambition in the LULUCF sector can be increased by measures that include incentivizing

emissions reductions below historical levels to add to overall effort and assist with deep, early cuts and increased targets. Parties must also move to address the bioenergy / biofuels emissions accounting loophole, ensuring that all bioenergy emissions are accounted for, either in the energy or LULUCF sector.

Parties must also talk about conditions that countries have attached to the high end of their pledged ranges – how will we know when these conditions have been met? All that done, what do developed country Parties propose to do about the fact that their pledges are (far) below the 25-40% range and in some cases even below

Kyoto 1 targets.

Developing countries should be invited to make submissions on key factors underlying their BAU projections as well as the level and form of international climate finance needed to implement NAMAs that are conditional on such finance.

REDD+ negotiations need to start promptly in Bonn on all of the subjects that were mandated in Cancun. By the end of the year, the COP needs to be able to decide on a mechanism for REDD+ that delivers adequate, predictable and sustainable

- Continued on Page 2

Australian World Environment Day Rally



Yesterday Australia witnessed huge rallies across the country – of people actually calling for a new tax. Rallying to support the Gillard Government's plan to introduce a carbon tax in July next year – tens of thousands of people in Sydney, Melbourne, Adelaide, Perth, Canberra, Brisbane and Hobart (I bet some of you didn't

know that Australia even had that many cities!) – said YES to a carbon tax. This undermines the concerted campaign from big coal, and a certain opposition party running a relentlessly negative campaign. With luck this will add upwards pressure on the starting price of carbon when the tax is introduced in July 2012.

The Adaptation Cocktail

- *Continued From Page 1*

The adaptation agenda is fully packed, and there are a number of crucial issues to move forward in order to deliver a good outcome in Durban. Coming to Bonn and feeling the summer sun on their skin, delegates should imagine they were to mix the ideal adaptation cocktail, which would provide refreshment as well as substantial taste. Of course, some alcohol to get the spirits high may also be allowed. So here are some key ingredients for the recipe of a cocktail which delegates may enjoy consuming next Friday before they go home:

Advance the Adaptation Committee to promote coherence on adaptation under the UNFCCC, as well as identify key gaps related to adaptation finance within the financial mechanism, and provide recommendations for further action directly to the COP. A number of around 20 members seems reasonable compared to similar bodies. Members of the Committee should be adaptation and development experts and include non-governmental stakeholders such as civil society and research organisations with relevant expertise and experience.

Agree on a Work Programme on "Loss and Damage" that will provide the basis for substantial progress in Durban and that eventually will enable the establishment of a mechanism to be presented to COP 18 for its adoption, resulting in the scaling-up of disaster risk reduction and risk management, the establishment of an international climate risk insurance mechanism, and a rehabilitation mechanism to deal with long-term climate Loss and Damage.

Advance modalities for national adaptation planning. Modalities and guidelines should follow an inclusive and integrated approach, taking into consideration vulnerable groups, communities and ecosystems. They ought to be flexible so that they acknowledge national circumstances and facilitate the use of already existing strategies. It should be agreed in Bonn to launch a "call for submissions" on the modalities and guidelines, and to request the Secretariat to organise a workshop before Durban.

Also, a further phase of the Nairobi Work Programme should be agreed upon to ensure dissemination of knowledge on impacts, vulnerability and adaptation practices reaching local levels of government, civil society and communities.

Finally, delegates should ensure that adaptation is adequately reflected in the modalities of the overall review of the Cancun Agreements.

Oh one last thing - we recommend resisting the temptation to add ingredients, which would water down the cocktail - "response measures". This can nullify all the achievements you have made in mixing this great cocktail.

And, in conclusion, imagine this great prospect: the more progress you achieve here in Bonn, the more time you may have in Durban to enjoy the beautiful South African beaches.

finance. The Cancun agreement also requires SBSTA to provide guidance on reference levels, measuring, reporting and verification of carbon, and information systems for safeguards.

Finance will be a crucial outcome from the African COP – and progress here in Bonn is essential. A process must be established under the LCA to consider sources of public finance and to review the scale and nature of financing required in order to decide on a workplan by Durban on the budgetary contributions and innovative sources of public finance.

During the next two weeks, negotiators must also work towards fixing the work programme of the TEC and the CTCN, and progressing access to adaptation and mitigation technologies progresses in the next two weeks. Discussions must begin on how the components of the technology mechanism will ensure accountability and transparency of the TEC and CTCN functioning and ensure effectiveness.

There is a lot that ECO could say on MRV. For now we have one main message: Get your act together! You need to determine the structure, timing, and content (biennial reports anyone?) of the workshops and submissions on the alphabet soup that is MRV/IAR/ICA, as well as determine how REDD safeguards will be ensured; and put together a plan for finishing key aspects of all this work in time for Durban.

Delegates, this Bonn meeting is crucial – and you can make strides here to address the urgency. But if you think you can get done all that is needed in the two weeks here at Bonn, and be ready to make meaningful decisions at Durban – the decisions that you foreshadowed/promised in Cancun – you need to think again. A two week negotiating session in September will be crucial to getting enough done. ECO hears that this may be in doubt due to budgeting constraints. Now is the time to dig into your petty cash and make a September session happen.

Would delegates complain if their ticket price to come to the Bonn session has a small surcharge to cover the allowances for the aviation emissions? How about if the money that is collected was destined for climate finance? Well, the inclusion of international aviation into the EU's Emissions Trading Scheme (ETS) precisely does that. The aviation industry, at least in the US and China, is complaining to the Courts and lobbying their governments to use their influence to stop the EU's leadership decision to include aviation emissions within their Emissions Trading Scheme.

Frustrated with endless delays in discussions on how to regulate aviation emissions at ICAO, the EU acted on its own, including airlines in their Emissions Trading Scheme beginning in 2012. All flights flying in and out of Europe will have to start paying emission allowances and be subject to a declining cap. But the EU gave an incentive to other countries: if they create "equivalent measures" to reduce airline emissions from international flights in their own countries, their airlines flying into Europe won't be subject to the ETS.

Sadly, countries are not taking them up on their challenge. Instead, the US airline industry is suing to dispute the scheme. US airlines have also gone to their pals in the US Congress and

Climate Financing Finally Taking Off?

are pleading with the Obama Administration to come to their rescue. NGOs in the US have called on the government

to defend Europe's right to reduce emissions and be on the side of environmental integrity, not pollution from aircraft.

In an unfortunate alignment of interests, Chinese airlines have now said they will challenge the scheme as well. The BASIC countries' statement also indicated that they are uncomfortable with the EU action, on the grounds that it's unilateral and does not adhere to the CBDR-principle as laid down in the Convention. However, the door is still open for the BASIC to deal with aviation and maritime emissions within the UNFCCC-framework. A global system is preferable, but the EU is on the right track and its actions illustrate how to make this work at a global level. The AGF report last year introduced the concept of "no net incidence" on developing countries that can ensure that a global system of international transportation emissions measures can fulfill the principle of CBDR.

ECO believes a multilateral approach would be the best approach to these inherently global sectors, is a global approach under a multilateral regime that reconciles the principles of non-discrimination that prevails in these sectors (IMO and ICAO) with the principles of the

climate convention, including CBDR.

In the absence of a global regime, the EU should be congratulated on its efforts to fulfill its KP Article 2.2 responsibilities to regulate aviation emissions under its jurisdiction. However, this is only the second-best solution – the best approach would be global, while respecting CBDR.

The UNFCCC should support ways to control the rapidly growing emissions from these global sectors, respecting the principles of the various regimes, while ensuring they play a role in financing global climate action, and that there is no net incidence or burden on developing countries. Aviation emissions are projected to nearly triple in the next few decades. The EU is doing its part to address this rapidly growing problem. If Parties want a global solution, then they must start here in Bonn, placing bunkers squarely on the agenda, with a goal of arriving at a decision in Durban on international transportation emissions and finance.

All parties, particularly those expressing reservations about the approach taken by the EU, should work vigorously towards an agreed outcome in Durban that ensures these global sectors make the biggest possible contribution to emissions reductions and global climate resilient and low carbon development.