

ECO



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Did Anyone see the Elephants in the (Workshop) Room?

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While ECO found it extremely pleasant to hear Chile, Ethiopia, Vietnam, Kenya, Bolivia and Cote d'Ivoire's plans to contribute to global climate action during yesterday's workshop on Non Annex 1 mitigation action, ECO wonders why some of the big emitters from the developing world tried to hide under their desks. You can't hide an elephant... or its emissions. ECO knows that some of these countries have big plans, and would like to see more information about their targets and their plans. Take some countries with high emissions from deforestation. Brazil and Indonesia made short interventions in Bangkok, but we were expecting some more information in Bonn. Especially given the news that reached ECO about the proposals to "reform" the Brazilian Forest Code and the message from a large amount of Brazilian scientists that the proposed

amendments would make it difficult if not impossible for Brazil to achieve the pledges it has inscribed into the famous INF documents. And ECO still misses news about the target of DRC, and wonders why the government's ambition to reduce emissions from deforestation to zero below 2030 has not been submitted to the UNFCCC. Similarly, it would be quite interesting to get more information from countries like Nigeria, Iran, Venezuela, Turkey, Saudi Arabia, Malaysia, and Thailand, who are all part of the biggest emitters.

Obviously, if all these countries, led by Argentina, would send their pledges to the UNFCCC, that would make an important contribution to closing the gigatonne gap, as ECO learned from a presentation by AOSIS, showing that developing countries also have a contribution to make in the fight against the gap.

Clarification on all these plans will allow Parties to look at the real contribution of current developing country plans, and would allow a discussion on what more can be done, by looking into what other supported action could be taken. Which makes a discussion on innovative sources for long term climate financing all the more important. Perhaps some of the suggestions made at the end of the workshop, including the development of formats and guidelines, and an initiative to ensure Parties learn from each others' experiences and good practices could help.

Inventories look daunting but they are vitally national policy making, NAMA design, tracking energy use which helps with national budgets etc. Also the suggestion for the secretariat to develop a technical paper on developing countries action could help the negotiations to move forward. The elephant caravan left from Bangkok, but all the elephants have yet to show up. They cannot hide forever. We hope they show up by Durban.

Does Anyone Think that There is No Gap?

Hearing no objection it is so decided. So can ECO take it then, that, thanks to the challenging question by the European Union in Thursday's workshop on developed country mitigation pledges, there is universal agreement that there is a gap? Fine.

So let's move to the next step: looking at ways to increase ambition (to close the said gap), which was among the agreed purposes of the workshop, yet tacitly but plainly avoided by most developed country presenters. The European Union, at least, made a good faith attempt on the issue,

and, yes, including more gases and sectors is among the things to look at. Yet ECO missed a slide explaining what the MRV-able conditions the EU has to move to (at least!) to reach a 30% target. Instead, we were slightly amused when told that even the 20% target would be hard work. ECO reminds Parties that current EU legislation allows for more than half of the effort needed between 2013 and 2020 to be covered by carbon offsets instead of domestic action. That would also mean that with current emission levels (-16% below

1990 levels), no more domestic action is needed until 2020.

Yet, ECO's readers will recall the story of the one-eyed man being king among the blind among the blind. Canada merrily implied that its pathetic target be comparable to the EU's (considering that Canada is suggesting an increase over 1990 levels), and smartly dodged the question by a delegate how a target that is even weaker than its current Kyoto target could possibly constitute progress towards meeting the 1.5°C/2°C challenge. Canada's Southern neighbours had, likewise, not much to offer, except maybe the notion that one needn't be worried about the gap now because the review could maybe fix it later. ECO wonders if the US understands that leaving

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CDM “Appeal” for Justice!

Over the past few days, many Parties have acknowledged the need for greater public participation in the UNFCCC process – now it is time to translate words into actions. Parties are currently negotiating who should have the right to appeal against decisions of the Clean Development Mechanism (CDM) Executive Board.

ECO was quite content with the CMP5 mandate to establish procedures for considering appeals from “stakeholders directly involved” in the design, approval or implementation of CDM activities or proposed CDM activities. Why? Because obviously, such an appeals procedure would be available to indigenous peoples and local communities that are adversely affected (displacement, loss of livelihood) and civil society groups that monitor CDM projects. Duh! Of course, the thought of adversely affected communities having the right to appeal a project scared the heck out of project developers. They put their lobbying machine into high gear to push for the exclusion of civil society by limiting the appeals procedure to project developers with rejected projects!

Since its inception the CDM has come under intense criticism for violating the rights of indigenous peoples and local communities affected by CDM projects. Now the CDM has an opportunity to be more accountable, by developing an appeals procedure that gives civil society (and most importantly, directly affected peoples and communities) a voice. ECO is dismayed by the fact that this is even being questioned.

At a moment when Parties are considering denying project-affected peoples and communities the right to appeal flawed CDM projects, ECO believes that it is time for a quick reality check. For example, indigenous peoples and local communities (clearly the stakeholders with the most to lose) often complain that they are not properly consulted as part of the local stakeholder consultation, a legal requirement in the CDM validation process. And they have absolutely no recourse. Excluding these directly affected stakeholders from the appeals procedure would deny them their human rights to public participation and access to justice. But what’s worse, it would create further opportunities for gaming, fraud, and

corruption by project participants, and disincentives to promote compliance with the CDM procedures.

To help ensure that social and environmental impacts of CDM projects are effectively addressed, ECO insists that it is essential to include indigenous peoples, local communities, and civil society groups in the definition of “stakeholders directly involved” in CDM activities. This is not an invitation to a flood of appeals against every single CDM project. This is a call for a legitimate process that provides a means of recourse in cases where rules related to environmental integrity and public participation were breached, or DOEs or project participants have violated the CDM rules. My dear delegates, this is a call for justice.

the gap unaddressed now, will require very, very steep reductions to make up for the delay, and if the US will be the country to champion that.

Delegates planning to attend today’s spin-off groups on developed country mitigation might want to keep in mind the conclusion by the co-chairs at the end of the workshop: that there is a gap, that there is some resolve to address it, and that further work needs to be done. ECO couldn’t agree more and suggests a four step approach for today’s informal sessions: (1) Developed countries make clear what their net domestic emissions will be in 2020; (2) Parties agree to close the loopholes by Durban, e.g. on hot air and carbon offset use, and have Parties not use bogus LULUCF projections meant to hide emissions but use historic reference levels and cover all emissions (see separate article in this issue); (3) Developed countries move to the high end of their pledges, by Durban, as a first important step; and (4) begin addressing the remaining gigatonne gap, by recognising its size and a firm resolve in Durban to close it through a fair sharing of the globally needed mitigation effort, based on responsibility for emissions and capability to cut them.

And now: it is so decided!



NGOs and Delegates attending CAN's Durban Expectations Side Event Thursday night.

Series Part 3: Ukraine Needs Realistic Goal Posts Urgently!

As an economy in transition, Ukraine, a member of the Umbrella Group, is a country with a special status in the UNFCCC framework. Nevertheless, this special treatment cannot extend to the setting of 2020 targets. Experts from the International Institute of Applied Systems Analysis (IIASA) analyzed and compared the pledged emissions reduction targets of all Annex I countries. IIASA concluded that Ukraine's emissions reduction pledge of 20% below 1990 levels by 2020 was highly inadequate, since Ukraine's business as usual scenario for 2020 will be as much as 54% below 1990 levels. Moreover, such a target means that Ukraine expects a huge amount of new hot air for trading. One should characterize Ukraine's proposal not as an actual emissions reduction target, but a "no emission reduction measures necessary" target.

Experts have estimated that Ukraine could easily take a target of at least 57% below 1990 levels by 2020, with the added benefit of actually making money! With its National Climate Mitigation Strategy not yet in place, Ukraine should perhaps use this opportunity to develop a mitigation strategy that is not only realistic and economically viable but also delivers for the climate. ECO would be very interested to hear a presentation from Ukraine about its national climate change policies and assumptions and conditions related to a 2020 target. Such a presentation was notably missing in the workshops in Bangkok and Bonn.

While it is obviously one of the Ukraine's priorities to see a continuation of its current special status, it should understand that it cannot also have its other demands met, like full carry-over of AAUs or continuing with a way-above business as usual scenario target.

NGO Party Tonight!

*Join us at the Piano Bar in the
Maritim Hotel, at 8:00pm.
Bring your badge and dancing
shoes!*

The Adaptation Committee: A Direct Link to the COP is Crucial!

Good news, everybody! ECO is pleased to see that negotiations on the Adaptation Committee have started and that there are a number of convergences. Important elements for its procedures will be broad expertise, openness to observers, and a clear mandate to strengthen adaptation under the Convention. ECO also suggests that non-governmental stakeholders should be members to the Committee to harness their expertise.

In ECO's view, making the Adaptation Committee the driver for more coherence on adaptation under the Convention and for raising the profile of the issue will require direct reporting to the COP (with no detour through the SBs), which some developed countries question. There are good arguments for a direct link. Regarding effectiveness and efficiency, direct reporting of the Committee to the COP is one less loop to go through, than if it reports to SBI/SBSTA and then subsequently to the COP. But there are also legal arguments. According to article 7.2(i) of the Convention, the COP

can establish subsidiary bodies where deemed necessary, in addition to the SBI and SBSTA, which were created by the Convention itself. It has been done so in the past, when inter alia the LEG, the CGE and the EGTT were created, but without automatic hierarchy under SBI/SBSTA. The COP established the Adaptation Committee through the Cancún decision, so it can be regarded as another subsidiary body according to Art. 7.2(i). In terms of the LEG, the founding decision stipulates explicitly that it would report to SBI and SBSTA, but the Cancún decision on the Committee, on contrary, does not even mention the SBI or SBSTA. Since the Committee has been founded by a COP decision, reporting to the COP is the logical step to take. Another argument is that some of its provisions ask it to directly provide information for consideration by the COP. Taking these together, ECO is strongly convinced that the correct decision on this is clear, and will be taken in order to not be an obstacle in operationalising the Adaptation Committee in Durban.

NAMA Dreaming / Dreaming of NAMAs

Do you sometimes wake up at night, thinking: I wish I knew what a credited NAMA was...? (If you do, you've clearly been here far too long - ECO recommends a cup of herbal tea and a walk along the Rhine.) Sadly, you are not alone. The wonderfully fuzzy clouds called NAMAs (Nationally Appropriate Mitigation Actions) are taking shape without anyone really knowing how the three oft-mentioned types of NAMAs should co-exist. By this ECO means: 'unilateral' NAMAs, mitigation action implemented solely by developing countries; 'supported' NAMAs, mitigation action financially supported by donor countries; and 'credited' NAMAs, actions that, like the CDM, result in some form of trade-able carbon credits. Seems distinct enough, but upon further reflection, ECO has some nagging questions about credited NAMAs:

- What role do parties envisage for the new market-based mechanisms in a NAMA framework?

- What role will CDM play? Will new mechanisms be complementary to CDM or will they replace CDM?

- Who will ensure the quality and accounting of offsets coming from any new market mechanisms?

Some things we already know: The different NAMAs have to be clearly defined to avoid double counting of the emission reductions and the finance provided. A governance structure is required to ensure sound MRV so that we can truly move towards closing the perilous emissions gap we are facing. It is essential that new mechanisms will not lead to greater offsetting opportunities for developed countries. Clearly, there is a lot to figure out before we will know if NAMAs are going to be a troubling dream that resolves by morning or a nightmare we never wake up from.

By the way, do you ever wonder (sometime in the hazy night) how "Low Carbon Development Plans" relate to NAMAs?!

Historical Landmark in German Energy Policy

ECO clearly missed a presentation by Germany in Thursday's workshop on developed country mitigation. Germany could have taken the opportunity to present its package of wide reaching energy and infrastructure legislative proposals, presented this Monday, as a response to the nuclear disaster in Fukushima.

While these negotiations rarely deal with nuclear energy, delegates would surely have been intrigued to witness what could become a historical turn in energy policy taking place in a leading industrial country. One that, if planned and executed carefully, could become a development model for many other countries struggling with their dependence on increasingly expensive, climate change causing fossil fuels or nuclear energy with its risks and dirty and dangerous legacy. Because, ECO notes, the government has confirmed that phasing out nuclear energy will not alter the country's resolve to cut its

greenhouse gas emissions by 40% by 2020 and by 80-95% by 2050. Not replacing the nuclear threat with a new climate threat is ambitious, but possible, as numerous experts from all sides have confirmed. ECO hopes that dirty industry and its buddies in government aren't going to screw it up.

The most prominent piece is the accelerated phase out of nuclear power plants, with the 8 oldest plants not going online anymore at all, and the remaining ones shutting down one by one more gradually until 2022. Earlier phase out, such as in 2017, would have been possible, but nonetheless the legislative proposals, which have now been presented to the German Parliament represent a significant shift.

The renewable energy act is confirming the principles of a long-term guaranteed feed in tariff and grid priority for renewable electricity. ECO has learned that this means the ambition to meet 35% of German power demand from renewable electricity by 2020 is therefore not a cap, but a minimum floor, from which to build beyond 2020. The dynamic development of renewable energies in Germany is a result of that policy.

The grid infrastructure laws are

attempting the ambitious goal of increasing public participation and acceptance while reducing the length of the permitting procedures. Most proposals are sound but it remains to be seen how successfully they can be implemented.

The laws on energy efficiency could be much more ambitious and goals more binding. However, the conservative liberal coalition in Germany has set up a multi-billion support programme for efficiency measures, e.g. in the building sector.

All these proposals are slowly but surely exploring the practical possibility for a paradigm change in the systems of electricity generation, distribution and consumption.

Some industry lobbyists are, together with the four big utilities, warning that a "deindustrialization of Germany" is imminent. However, the overwhelming majority of studies show that a whole new industry – with substantial positive growth and labor market impacts – is emerging. The economic benefits of such a transformation will hopefully be understood by other sectors (e.g. transport) as a signal that the chances and rewards associated with such transition to a low carbon future are tremendous.

LULUCF Rules... Which Rules?

It is tough to spot the actual emissions reduced through the current thicket of different Annex I country pledge formats. And many countries suggest to further obscure the actual impact by including complex means of accounting for sources and sinks from land use, land use change and forestry (LULUCF).

In the Annex I mitigation workshop on Thursday, AOSIS highlighted the potential contribution of lax LULUCF rules to the gigatonne gap, as described by UNEP. The Secretariat's recent paper on the assumptions and conditions of Annex I Parties' targets begins to clarify the extent

to which Annex I countries will rely on the LULUCF sector to comply with their targets.

However, the question remains: which LULUCF rules are we talking about? These rules for the 2nd commitment period have not yet been decided! ECO seconds the statement made by St. Lucia on Thursday that there is a pressing need for much greater transparency regarding what assumptions Parties are using in their LULUCF accounting, and encouraging the use of common methodologies.

Targets without clear LULUCF accounting rules are like a box of chocolates – you never know what you are going to get. To remedy this situation, ECO thinks Annex I Parties should take the suggestion that Colombia made in Bangkok – to submit tables showing what

their commitments would be under different accounting options, including the different options on the table for LULUCF. These tables would make the role of this sector clearer to everyone. They would also illustrate clearly which countries are relying on their forests to help meet their targets, and which Parties are expecting to use delayed accounting for wood products or the exclusion of emissions from natural disturbances in their accounting.

It is impossible to make informed decisions on targets until it is clear what rules underpin them. With the kind of clarity and transparency Colombia has requested, Parties may be able to complete the task of decision-making that they failed to finish in Cancún.



First Week Roundup!

June 6:

Fossil of the Day
1st Place - Saudi Arabia!

June 8:

Fossil of the Day
1st Place - United States!
2nd Place - Papua New Guinea!

June 9:

Fossil of the Day
1st Place - Canada!
2nd Place - Canada!
3rd Place - Canada!