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eco

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COATIMUNDI ISSUE

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The UK Raises the Bar

Developed country leadership on moving to a zero carbon economy is in short supply. The positions adopted by many Annex I parties give the impression that they are dragging their heels rather than picking up their pace and embracing a greener future.

So the call by the UK's powerful Committee on Climate Change for the UK to cut its emissions by 60% by 2030 on 1990 levels – and with the use of offsets "only at the margin" – is indeed a ray of sunshine.

The Committee is a statutory body under the UK's groundbreaking Climate Change Act to advise on targets and monitor progress towards them. The Act sets a legally binding target to cut emissions by at least 80% by 2050, spanned by binding five-year carbon budgets.

A reduction of 60% by 2030 (and at least 50% by 2025), the Committee says, is achievable and affordable, with costs to the UK economy of less than 1% of GDP. In fact, the UK stands to benefit from a major drive on energy efficiency and developing new green industries based firmly on renewable energy sources.

There are also some strong pointers on EU ambition for 2020 and beyond. The Committee wants the EU to move to its long-promised 30% target as soon as possible. But in the meantime, the UK should move ahead unilaterally, at least for those sectors not covered by the EU emissions trading scheme.

The EU is also considering targets for 2030 as part of a 'road map' exercise due to report in the spring of 2011. The Committee also sets the bar here, calling for the EU to set a goal of around 55% below 1990 levels by 2030.

Here in Cancun, Parties are considering text which would require developed countries to implement Zero Carbon Action Plans – clear long-term frameworks to guide the transition to a green economy and avoid lock-in to high-carbon infrastructure.

Another key benefit will be to build trust that at least some Annex I Parties are taking concrete steps to deliver on their short and long-term targets. On this showing, the UK Climate Change Act is proving to be a pretty good model to follow.

Of course, the UK government now needs to act on the Committee's advice. When he came to power in May, Prime Minister David Cameron pledged that his government will be the 'greenest ever'.

What better way to prove it than by deciding a strong, early acceptance of the Committee's recommendations? After all, in the runup to the election he committed to implementing them.

With new, strong policies to meet these targets, the UK would fully embark on the path to a green economy and reduce reliance on fossil fuel imports. This will also give a clear and powerful signal to other developed nations that a zero carbon economy is nothing to be afraid of, and every bit an enormous opportunity for the future.

Splendid Progress on Article 6

There is one place this week where we can truly say that Parties have shown high ambition and flexibility.

A draft COP decision has been reached on Article 6, which focuses on public education and raising awareness of climate change.

ECO is delighted to see that all of the youth constituency's asks were included in the text, particularly non-formal education, youth participation in decision-making and funding for education programmes.

Particular credit goes to the G77+China, and especially the Dominican Republic, for their leadership.

After a slow start in the contact group, the Dominican Republic, reacting to the large youth presence in the room, intervened to urge more flexibility to give young people the decision they deserved. As a result, drafting the COP decision was concluded in short order.

The SBI Chair remarked that this is the first contact group ever to achieve a COP decision in 90 minutes, and presented a gold star to the contact group chair.

However, all this hard work could still be lost if the COP does not approve the draft SBI decision.

But ECO senses that Parties have had sufficient education on Article 6 to see it is in their best interests.

When finally approved, the high level of ambition and willingness to compromise in the Article 6 contact group can set a strong marker for other parts of the negotiations over the remainder of this week.

Adaptation: End Game

It's vital this week to make progress on mitigation matters. But don't forget that for a large proportion of the world's population, adaptation is vital too – and the slower large emitters move on mitigation, the greater the importance of adaptation.

There are two key issues that should progress this week. Current emission pledges are steering us towards a world where temperatures could, within this century, reach 4o C above pre-industrial levels.

The implications are dire: there will be unavoidable impacts resulting from environmental changes that cannot be prevented nor adapted to. They include sea-level rise, glacial retreat, ocean acidification, large scale loss of biodiversity, and land and forest degradation.

These impacts will leave the world's poorest and most vulnerable communities with destroyed homes, livelihoods and natural resources, and lead to large areas of the world becoming uninhabitable.

These are two key issues that have eluded agreement so far in the adaptation negotiations. First, this week Parties must agree a mandate for work towards enhanced understanding of loss and damage, with a work programme, including workshops, to develop the modalities of the mechanism, leading toward approval at COP17.

Another key issue is to ensure that the text only refers to adaptation to the adverse effects of climate change. We welcome the removal of response measures in Chapter II (Adaptation) of the LCA Chair's most recent text (CRP.2). Response measures relates to the adverse impacts of climate change mitigation, for example, decreased GDP in oil producing countries as a result of decreased oil consumption following a shift to low carbon economies. This should not soak up funds needed to protect those who are most at risk from climate change.

Because of the clear difference between these two issues, it is not appropriate to include response measures in adaptation – especially as they are already addressed appropriately in the mitigation text (Chapter III, Section F). Developed countries will not deliver adaptation funding for the Adaptation Framework unless response measures are kept out of the adaptation text.

In this area of the negotiations at least, the right choices will produce a simple and direct way to protect all people, especially those most exposed to dangerous climate change.

World Bank to Coal: 'I Just Can't Quit You!'

As the World Bank Group positions itself to play a central role in delivering climate finance, the incoherence in its lending practices scream out for attention.

Despite increasing its renewable energy lending, the institution spent more on coal in 2010 than renewable energy and energy efficiency combined. The Bank's continued commitment to coal – the most energy intensive and destructive fuel source on the planet – is a black mark on its record that no amount of rosy public relations spin can scrub off.

If the World Bank believes it can credibly deliver climate finance, it must make a strong and credible commitment to clean up its act. And now it has the perfect opportunity to demonstrate that by revising its Energy Strategy to phase out fossil fuels, ensure energy access for the poor, and guarantee that all large scale hydropower lending meets stringent requirements.

A strong strategy guiding its energy investments for years to come will send an important signal that the Bank is serious about delivering on its commitment to climate finance.

Without a strong energy strategy however, it is clear that the Bank should not serve even a trustee role in future climate finance. Beneath its glossy brochures and hearty speeches, a large portion of its energy sector lending is going to destructive coal projects. The world is changing rapidly and the Bank is not keeping up. If it genuinely wants to help build the 21st century clean energy economy, it must heal the wounds it has inflicted in the past.

And the World Bank can make the strongest statement of all by quitting coal for good.

– Photos by Kyle Gracey

Saudi Arabia, Wikileaks and Climate Diplomacy

For those with time to look beyond the boundaries of the Moon Palace and Cancun Messe, you may have come across a story about Wikileaks giving greater transparency to some internal US cables. Among those relating to climate was the observation by the US ambassador to Saudi Arabia.

'Saudi officials are very concerned that a climate change treaty would significantly reduce their income just as they face significant costs to diversify their economy,' he wrote. 'The King is particularly sensitive to avoid Saudi Arabia being singled out as the bad actor, particularly on environmental issues.'

Saudi Arabia faces real challenge in diversifying its economy away from pumping black liquids from under its sands. It's easier to graduate to new products similar to those already in production than to make leaps into completely new lines of business. Furthermore, oil is a particularly difficult sector to diversify from. And the nation has a young population, which creates job creation challenges that addiction to oil export doesn't address.

In the face of these difficulties, Saudi Arabia is making real efforts to diversify its economy. Even those most devoted to oil can see how the rest of the world is moving towards a low carbon future, although not at all as quickly as ECO, or any climate scientist, knows they should.

The Kingdom is making some exciting moves, such as founding King Abdullah University of Science and Technology, which will build the ranks of scientists and engineers. This also is leading to a stronger RD&D base, including climate modeling and "the stresses arising [on Red Sea coral reef systems] from natural as well as anthropogenic factors including . . ..global climate change." (Clearly the university gets it, even if the negotiators here don't). And importantly, the country is also investing heavily in solar research.

So if the Kingdom of Saudi Arabia is trying to develop a low-carbon and economically-diverse future, why is it working just as hard to hold the world back from making progress on climate change?

The Wikileaks cables also record the the view of the US ambassador that 'Saudi officials have suggested that they need to find a way to climb down gracefully from the country's tough negotiating position. More sustained engagement in coordination with other governments, particularly if pitched as an effort to develop partnership, may help them do so.'

If Saudi Arabia is so concerned about criticism yet keen to develop in new ways, ECO respectfully offers a few ideas for changing their stance in the negotiations here and now and leave its negative reputation on climate issues in the past. To this end, the Kingdom could:

* See the global transition to a global low carbon future as an opportunity. By investing its existing fossil wealth wisely, the Kingdom has much to offer,

* Develop a long-term vision of its post-oil future as a low-carbon economy, drawing on its incredible solar resource. And it should work in partnership with other countries to realize that vision.

* Stop linking response measures/spillover effects to adaptation. Such distasteful negotiating tactics do not make friends and can endanger lives.

* Support bringing pledges from the Copenhagen Accord into the UNFCCC as the basis for further discussion through 2011.

* Stop blocking the 1.5o C review proposed by AOSIS as well as other initiatives to increase mitigation ambition. That way, among other important things, Saudi Arabia's stunning coral reefs and highly productive (and carbon sequestering) mangrove forests and seagrasses can survive the oil age.

Climate Action Network Side Event

Essential elements of a Cancun balanced package
Focus on REDD & LULUCF

Room Jaguar, Cancun Messe
Tuesday 7 December
18:30 - 20:00

Key Findings of the *Emissions Gap Report*

United Nations Environment Programme
November 2010

* Studies show that emission levels of approximately 44 gigatonnes of carbon dioxide equivalent (GtCO2e) (range: 39-44 GtCO2e*) in 2020 would be consistent with a "likely" chance of limiting global warming to 2° C.

* Under business-as-usual projections, global emissions could reach 56 GtCO2e (range: 54-60 GtCO2e) in 2020, leaving a gap of 12 GtCO2e.

* If the lowest-ambition pledges were implemented in a "lenient" fashion**, emissions could be lowered slightly to 53 GtCO2e (range: 52-57 GtCO2e), leaving a significant gap of 9 GtCO2e.

* The gap could be reduced substantially by policy options being discussed in the negotiations:

+ By countries moving to higher ambition, conditional pledges

+ By the negotiations adopting rules that avoid a net increase in emissions from (a) "lenient" accounting of land use, land-use change and forestry activities and (b) the use of surplus emission units

* If the above policy options were to be implemented, emissions in 2020 could be lowered to 49 GtCO2e (range: 47-51 GtCO2e), reducing the size of the gap to 5 GtCO2e. This is approximately equal to the annual global emissions from all the world's cars, buses and transport in 2005 – But this is also almost 60 per cent of the way towards reaching the 2° C target.

* It will also be important to avoid increasing the gap by "double counting" of offsets.

* Studies show that it is feasible to bridge the remaining gap through more ambitious domestic actions, some of which could be supported by international climate finance.

* With or without a gap, current studies indicate that steep emission reductions are needed post 2020 in order to keep our chances of limiting warming to2° C or 1.5°C.

Range here refers to the "majority of results", i.e. their 20th and 80th percentile.

"Lenient" in this report is used to refer to the situation in which LULUCF accounting rules and the use of surplus emission units result in a net increase in emissions.

http://www.unep.org/publications/ebooks/emissionsgapreport/

Surplus AAU Solutions

This is not the first time ECO has commented on the surplus of assigned amount units (AAU) present from the first Kyoto commitment period, and how the overflow could deliver a body blow to the future aggregate actions of annex B countries if carried over to the second commitment period. So far this issue has not seen much progress at all in the AWG-KP.

However, the Chair's new revised KP text proposal contains interesting options which might bring us quite far in solving the AAU loophole crisis, which threatens the future environmental integrity of the Kyoto protocol.

Option 2 on Article 3, para 13 and 13bis shows a smart way of ensuring that this surplus does not contaminate the domestic aggregate reductions of Annex B countries. This is done by allowing the AAU surplus to be exclusively used by countries which have registered such surpluses, and only where their emissions are higher than their AAUs for the second commitment period. This option also does away with the risk of 'AAU laundering' where second commitment period AAUs are sold off and the first commitment period surplus is used for compliance.

However, there still is a risk that this option might encourage countries with AAU surpluses to stall their climate action. ECO once again suggests that the surplus for domestic compliance also have a discount applied to limit the availability. This could be achieved by combining option 1 in the chair's text with option 2.

ECO in particular invites the EU to remove the gag from its mouth and speak out in an ambitious way. Wasn't the EU one of the parties demanding more environmental integrity in the Kyoto Protocol as condition of signing on to a second commitment period? Bonjour Bruxelles, it's crunch time!

Finally, let's also not forget the bigger picture and learn from the past. Vast amounts of surplus AAUs could continue to occur in the second commitment period if the current low pledges of developed countries are not improved significantly. To further minimize the negative impact on environmental integrity, all countries should commit to climate friendly investments of the revenues from the sales of second commitment period AAUs through transparent and internationally monitored Green Investment Schemes. The existence of a complex problem does not negate possible solutions. Instead, it accelerates the need for them.

"Climate Elephant" by Daniel Dancer -- New Delhi, India
3,000 students and teachers at the Ryan International School in New Delhi along with volunteers from the Indian Youth Climate Network joined aerial artist Daniel Dancer to form an enormous elephant with rising seas below to ask world leaders to not ignore the "elephant in the room" -- climate change. Credit: DDancer/artforthesky.com

CCS in the CDM: No Way Forward

In Saturday morning's session on carbon capture and sequestration (CCS), ECO was shocked that the the option for keeping CCS out of the Clean Development Mechanism was absent from the text being forwarded to the CMP for a decision.

CCS has many problems and is some time away from being operational for large power stations. And yet the door is opening to let it into the CDM by mandating a work programme. Could this be because the best way to accomplish enhanced oil recovery (EOR) is by pumping CO2 into the ground?

The inclusion of CCS is likely to give a perverse incentive to increase emissions and result in fairy tales in CDM project proposals. For example, it might be claimed that 'by injecting CO2 into the ground, emissions will be reduced and a clean, state of the art technology will be transferred to a developing country.' But what this actually means is, 'by injecting CO2, we can squeeze even more oil out of the ground and even though the safety of CCS has not been established, if there are problems it won't be in our backyard'.

ECO has long had a view that CCS does not belong in the CDM. It should be pointed out that according to the Marrakesh Accords, the inclusion of a new project type requires a showing that it is environmentally safe and sound. CCS is still in the demonstration phase and its safety has not been fully established, especially on long time scales. Furthermore, CCS is likely to be prohibitively expensive. And extra financing through the sale of carbon credits isn't enough to increase the financial viability of such projects to the level needed.

In many cases, CCS in the CDM could actually be a foil for continuing to pump oil out of the ground. Just like an addicted smoker, we can't seem to break our dirty habit.

Fossil of the Day

No Fossils

'He knows if you've been
bad or good
So be good for goodness sake!'