

eco



Eco has been published by Non-Governmental Environmental Groups at major international conferences since the Stockholm Environment Conference in 1972. This issue is produced co-operatively by CAN groups attending the climate negotiations in Poznań, December 2008.

Missing: Billions of Tonnes of CO₂*

To paraphrase Oscar Wilde: "To get the LULUCF accounting rules wrong once may be regarded as a misfortune, to carry these short-comings over to REDD looks like carelessness."

ECO is concerned that Annex I Parties want to see more loopholes in the LULUCF sector, where emissions are ignored and removals counted. Transferring the same rules to REDD will seriously undermine the integrity of the process.

ECO has learnt lessons from the first commitment period in developing the rules for LULUCF that we wanted to share. One: that Annex I LULUCF rules should be negotiated before rather than after the Annex I targets are set. This will limit the gaming of the level of effort of the targets.

Two: that the LULUCF accounting rules must be considered with respect to how to limit warming to well below 2°C. Emissions from this sector have to be reduced.

Three: with respect to the setting of emission targets Parties need to understand the scale of likely credits from LULUCF activities, to understand how much of this is additional to what would otherwise have happened and to quantify the effects of these factors in setting

targets for industrial emissions.

The desire to maintain the ongoing loopholes and the creation of more, does not bode well for negotiations on reducing emissions from deforestation and forest degradation in developing countries. The key issues on methodologies are addressing how to account for and reduce the conversion of primary natural and peatland forest ecosystems to plantation monocultures and through industrial logging. If loopholes are created here, the atmosphere will see more emissions, indigenous peoples rights wont be respected and the effectiveness of any positive incentives in developing countries will be severely restricted.

Finally, if developing countries have to address forest degradation, the same should apply to developed countries.

ECO urges Parties to address these outstanding methodological issues in a way which does not undermine the environmental of the Kyoto Protocol and accounts for emissions from the conversion of natural forests to plantations within developing countries.

Finally, we leave you with another Oscar Wilde thought: "These days man knows the price of everything, but the value of nothing."
*If found please return to the umbrella rack

New Zealand Sheepish on Climate Deal

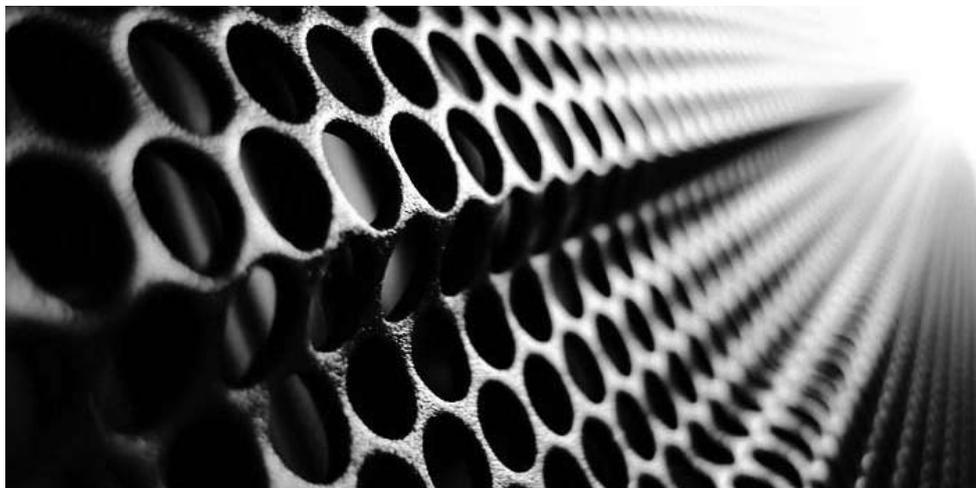
Contrary to past political rhetoric, New Zealand has never been a leader on climate change. The country's greenhouse gas emissions have increased by 26% since 1990 under both Labour and National Governments. Past UN climate meetings have seen the New Zealand delegation resist proposed emission targets claiming them to be "too demanding" and it continued to drag its feet in Bali over the recommended target range.

But under the newly elected National Party Government, New Zealand's fairly average performance is likely get a lot worse. Responding to calls to reduce domestic emissions by 30% [from 1990 levels?] by 2020 – in line with the reduction range necessary for developed countries to adequately play their part – new Prime Minister John Key said "this reduction is not achievable within the timeframe given.... We are better to set more realistic targets and be serious about achieving them. It will be a huge task to halt the growth in emissions and get them on a downward track."

The new Government's first actions on climate do not bode well either. So far, Prime Minister Key has suspended the newly installed Emission Trading Scheme, the moratorium on the building of new fossil fuelled power stations as well as scrapping a planned NZ \$1 billion home insulation and energy conservation package. He has even reversed the ban on incandescent light bulbs.

New Zealand has previously argued that it is not prepared to tackle its rising emissions resulting from the dramatic intensification of its agricultural sector. Emissions from this sector – which already constitute 49% of overall emissions from New Zealand, - are likely to rise to 40% above 1990 levels by 2010.

The Government is showing that it is deaf to the climate crisis message and the need for
–continued on back page, col. 2



Secret Annex I loophole repository, in the event of their being removed from the text

Spring Cleaning the CDM

At this conference, Eco has repeatedly drawn attention to the fact that the CDM in its current structure is failing to meet its objectives and is in fact damaging the environmental integrity of the Kyoto Protocol. More than half of the projects may actually be non-additional. Approval of non-additional projects means that emissions in industrialised countries will be “offset” with fake emission reductions in developing countries, that is, global emissions will increase.

The solution to these problems is to substantially restructure or replace the CDM in the post-2012 regime. However, there is also urgent action required to limit the negative effects of the current CDM and enhance its sustainable development benefits. Eco therefore urges the CMP to quickly take the following decisions with regard to the current functioning of the CDM.

To lessen the proportion of non-additionality projects registered under the CDM, it is imperative to remove the current conflict of interest where the validators are selected and paid by the project participants. In the future, this should be done by the UNFCCC secretariat or another appropriate UNFCCC body. In addition, the current arbitrary assessment of the additionality of CDM projects (see previous Eco article) should be replaced by a set of more objective rules, such as clear definitions of “common practice” and of what constitutes a “barrier.”

In addition, the CMP should decide that all CDM projects must meet the social and environmental standards laid out in the CDM Gold Standard. The assessment of the sustainable development contribution of a project should be undertaken by an independent insti-

tution, such as, for example, the validators (if selected and paid by UNFCCC).

The role of the CDM Executive Board should be changed so that a permanent professional body reporting to the EB is responsible for the day-to-day operation of the CDM. The current structure, where a part-time EB meets every one or two months for a couple of days to discuss dozens of requests for project reviews and numerous proposals for methodologies is inadequate. Moreover, the CMP should adopt a code of conduct for CDM Executive Board members that clarifies what constitutes a conflict of interest and ensures that Board members do not participate in discussion and decisions where they may have a conflict of interest. Finally, the CMP should require that CDM Executive Board members do not work for a Designated National Authority (DNA), a validator or for an institution engaged in the CDM market.

The CMP should withdraw the methodologies for crediting the destruction of the industrial gases HFC-23 and N₂O (methodologies AM0001, AM0021, AM0028, AM0034, and AM0051). Crediting of HFC-23 is creating a perverse incentive to increase production of HCFC-22, being phased out under the Montreal Protocol. Crediting of N₂O reductions is causing significant levels of carbon leakage through shifts of adipic acid production from industrialized to developing countries.

In addition, Annex I buyer countries should commit to prioritize credits from projects with clear sustainable development benefits as well as projects from Least Developed and sub-Saharan African countries.



Calculating additionality for CDM projects can be problematic

The Two Brains of the IEA

The IEA claims to be concerned about the world's future. They have presented their concerns in a new report, entitled “World Energy Outlook”: which not unreasonably states that, unless we change direction, global temperatures will increase by as much as 6°C; their ‘low-carbon technology’ pathways were presented to the plenary earlier this week.

So what is the logical outcome of the urgent need to curb the growth in greenhouse gas emissions? According to the IEA, investment in the oil industry should be kept at the same level as today!

Indeed, they claim that falling production in existing oilfields means that the world needs a capacity of roughly four times the present production of Saudi Arabia by 2030 to keep production at today's level!

Following on from this, as today's oil producing countries can't supply this kind of quantity, the IEA tells us that production from lowest-cost countries will be essential. And we all know what social and economic effects this can cause.

According to the IEA's own statistics, CO₂ emissions from the oil sector is responsible for 38.5% of the global total. But if oil consumption is to remain the same, how are emission reductions to be achieved?

To be fair, the IEA mentions that major improvements in energy efficiency; rapid switching to renewables; and other low-carbon technologies are required.

They also tell us that households, businesses and motorists will have to change the way they use energy; low-carbon technologies must be developed; and that removing subsidies on energy consumption could make a major contribution to curbing demand and emissions growth. High international oil prices will push in the same direction i.e. curb emissions growth. However, this will happen at the expense of economic growth and of living standards in consumer countries, both rich and poor.

What the IEA fails to recognise is that if oil production continues to increase at the rate they suggest, warming will occur, at the expense of the lifestyles of billions of mainly poor people around the world. And they ignore the fact that switching to a renewables-based economy will still deliver sufficient energy.

On Monday the IEA presented their analysis of what they believe to be needed. While the more rational elements of their report make it clear that new directions are possible, with their other brain they run completely counter to this.

Canada: 2020 Lite

Back in the good ol' days of Nairobi and Bali, Canada had company whenever it was being bad.. Sure, Canada was bad, but the U.S. was worse!

These days, it's getting lonely at the bottom. Thanks to the U.S. election, Canada is becoming the developed world's leading climate laggard. Canada is light on action and light on its targets.

Consider Exhibit A: Canada's LCA submission, released over the weekend, continues a dishonest misrepresentation of the national target – hiding the fact that its target of a “20% reduction by 2020” is based on 2006 levels, which is less than a 3% reduction from the 1990 base year.

And while Canada's submission is quick to point out the “paramount” role of the private sector in delivering the funding we need, there's not a word about new public financing.

Let's move on to Exhibit B: words of

wisdom from Canada's new environment minister. In a series of media interviews over the weekend, Minister Prentice questioned the foundations of the Kyoto Protocol.

First, he left open the possibility of “intensity targets” instead of hard caps for Canada's post-2012 target. Canada remains the only country to have ratified the Kyoto Protocol and then ignored it – the country is now almost 30% over its Kyoto target.

Prentice noted that “all the countries” have to make “an equality of effort”. Just in case anyone thinks Canada has forgotten the principle of ‘common but differentiated responsibilities’, and he said that he doesn't “necessarily mean that everybody has to have exactly the same targets.” What a relief!

Just for good measure, he wrapped up by noting that Canada is really big and really cold. He missed the point that targets are

set relative to historical levels. To the best of our knowledge, Canada has not become any larger since 1990, and it has actually become hotter, due to something called global warming.

On a positive note, Canadians emphatically disagree with their government's utter lack of action on climate change. A poll released last week found that 78% of Canadians want their country's emissions target to be based on science in order to avoid dangerous climate change, even if that means some costs. A resounding 83% of Canadians agreed that “Canada should commit to strong action on global warming without waiting for other countries.”

As Canadian Environment Minister Prentice arrives at his first international climate meeting this week, ECO has some simple advice for the rookie Canuck: end the embarrassment – show some leadership.



Enjoying the climate in Ottawa

NAPAs: Dying for Dollars?

The Bali Action Plan has put adaptation on a par with mitigation for the Copenhagen COP. However, most of the focus on adaptation since then has been on the post-2012 period. Parties are forgetting that climate impacts are already harming people and ecosystems in the most vulnerable parts of the world, and that they already agreed to address the most urgent adaptation needs in many of those places.

Back at COP7 in 2001 as part of the Marrakech Accords, Parties set up the Least Developed Countries Fund (LDCF) to support the development of National Adaptation Programmes of Action (NAPAs) in all forty-nine LDCs. The Fund provided approximately USD 200,000 to each LDC to identify possible adaptation projects in a broadly consultative manner and then prioritise those projects on the basis of "urgent and immediate" needs.

So far 38 NAPAs have been submitted and the remainder are due to be completed soon. Most have identified projects to address urgent adaptation needs in agriculture, water management and coastal zone protection. Some have also identified community based adaptation projects for especially vulnerable communities. Unfortunately, LDCF at present contains only USD 175 million, while the total cost of funding all the projects contained in the existing NAPAs is around USD 1.6 Billion.

Important as it is to discuss routes to the many tens of billions of dollars a year needed for adaptation in the post 2012 regime, Parties must not forget their clear opportunity to kick-start urgently needed action through country-driven and clearly prioritised projects in the NAPAs. Of the hundreds of critical projects in the 38 NAPAs, so far, only one project -- in Bhutan -- has been funded!

We call upon the Annex 1 Ministers to deliver 2 Billion Dollars to the LDCF and the Adaptation Fund over the next 3 years, in order to implement the full range of urgent and immediate adaptation actions in the LDCs. The in-coming government of US President-elect Obama also could show genuine change from the Bush regime by offering to contribute a significant part of the 2 Billion Dollars to the LDCF. (He would be safe with Congress -- it is a UNFCCC Fund and has nothing to do with the Kyoto Protocol.)

Such an action would provide an extremely positive kick-start to the much larger adaptation funding needs in the Copenhagen Agreement of post 2012.

Ukraine – More is Not Less!

The Ukrainian delegation is planning to announce its 2020 target: 20% emission reductions on 1990 levels by 2020, and 50% by 2050. Sounds good, but in fact, current Ukrainian emissions are around 55% below 1990 levels! So the 20% reduction target would allow Ukraine to increase emissions by 77% between now and 2020!

ECO would like to remind the Ukrainian delegation that emission reduction targets

should mean reduction of emissions and not the opposite. Being one of the most energy inefficient economies in the world, and in the top twenty of the biggest carbon polluters, Ukraine can and must peak its emissions by 2020.

ECO believes that the Ukrainian delegation should review its position, and come up with a new one, which actually contributes to the equitable and fair global deal we all need.

Concrete Reductions

World Wildlife Fund (WWF) has just released a report on greenhouse gas reductions for the global cement industry. The report demonstrated that if nothing is done, by 2050, emissions from cement will account for a quarter of the world's carbon budget. By increasing efficiency, phasing out old inefficient plants, and increasing the lifetime of buildings, emissions from the cement sector can be cut by 75

per cent. This will require will strong regulations in all countries.

In the European Union, this would be best achieved by applying the 'polluter pays' principle, through the auctioning of emission allowances. The WWF report is a message of hope and a call for commitment -- the cement industry should not benefit from any free allowances.



At least the use of concrete in footwear has been reduced

– New Zealand, from page 1

urgent emissions reduction but is all ears for meeting the demands of its intensive agricultural sector no matter what the cost to the Kyoto-plus negotiations.

Here in Posnan, it is being relatively silent on the 25-40% range but it's keeping bad company as fellow Umbrellas are pushing back on the issue again. New Zealand might want to speak up before being found guilty by association.

Mieszko

When it comes to Australia, Mieszko is plain confused. On the one hand the Aussie delegation in Poznan continues to oppose a 25-40% reduction framework for 2020. On the other hand, Oz Foreign Minister Stephen Smith told Sky News the other day that his country was "at the forefront of a comprehensive international community response to dangerous climate change". So once again Mieszko has to ask a question -- does the delegation know the meaning of the expression "dangerous climate change"? Or is it that they just don't get Sky TV here?

And so to Kuwait and Qatar. Apparently they have been telling the world that they are "particularly vulnerable" countries. Mieszko has a suggestion to them: why don't they build dikes? Made out of dollar bills.

Still in the Middle East -- which delegate of which major Mediterranean Arab country host to an ancient civilisation was driving a 4x4 gas-guzzler round and round Poznan looking for a parking space, when someone mentioned climate? Surely he didn't reply "This isn't about the environment, it's about getting money from the North"?

Finally Mieszko understands there has been a party. For a certain chief negotiator. Who is leaving. No names, but "walks like a duck, talks like a duck" might ring some bells. Mieszko suspects his replacement might finally be prepared to talk turkey.