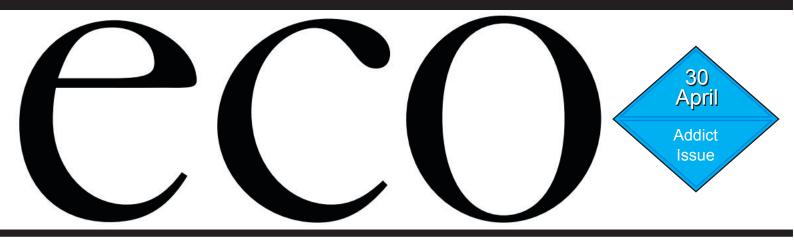
CLIMATE NEGOTIATIONS BONN APRIL-MAY 2013 NGO NEWSLETTER



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You Can't Feed Your Addiction and Break It, Too

While delegates will be discussing low emission development opportunities in today's workshop, many of your countries are still feeding their tragic addiction to fossil fuels. You say you want to keep global warming below 2°C and to keep the door open for 1.5°C, but in fact you are consuming fossil fuels as if 4 degrees was the new 2 degrees.

The International Monetary Fund tells us that this addiction is costing your taxpayers USD 1.9 trillion each year in subsidies for the fossil fuel industry (FYI, comparison, 1.9 trillion for seconds is about 60,000 years!). As shown recently by the International Energy Agency, the result of this is a continuous rise of global carbon emissions each year, while we know that emissions should in fact peak well before 2015.

The archaic, continued support for fossil fuels means that they remain artificially profitable and that low carbon alternatives such as renewable energy sources and energy efficiency are emerging much slower than they could. Let's be honest here: you are not aiming for a 2°C world. No, in fact you are undermining the development of these low carbon opportunities, which could create local jobs and steer innovation. Instead you line the pockets of the fossil fuel dealers and encourage them to invest further in a $4+^{\circ}C$ future.

Just last year, the energy industry invested 674 billion dollars for more fossil fuels! However, the Carbon Tracker Initiative has shown that national governments and global markets have created a carbon bubble that will make the real estate bubble look like a blip. If Parties are really serious about avoiding climate dangerous change, nearly 70 percent of known reserves of oil, gas and coal must remain in the ground. Further investments in fossil fuels are locking us in to a carbon-intensive development pathway and making climate action more costly, while diverting investments from existing low cost low carbon solutions.

In ECO's opinion, any new fossil fuel infrastructure puts our planet at risk. ECO therefore suggests that you stop being bipolar and start having a serious conversation here in Bonn about how to phase out fossil fuels subsidies. ECO has pointed out that this phasing out should not increase the vulnerability of people in developing countries

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On Equity: Part 1

ECO was positively surprised, during yesterday's ADP2 opening and the following workshop, hearing Parties expressing the fact that equity can't be neglected in the negotiations - a viewpoint that ECO shared long ago. Now that ECO and Parties have this common understanding on the importance of equity for the 2015 deal, let us suggest a way ahead: Parties should consider the equity spectrum approach.

Firstly, the core equity principles should be identified, such as the adequacy principle, CBDR+RC, the right to sustainable development and the precautionary principle. In the equity spectrum approach, the "equity index" would then be composed of a basket of more specific equity indicators. This basket would have to contain well-designed indicators that, taken together, measure both responsibility and capacity. It could include indicators for, inter alia, per capita income and standard of living, per capita emissions and historical responsibility, and domestic income inequality.

Once this basket of indicators is agreed, countries' mitigation pledges could be measured against this set. This would create the basis for assessing pledges in terms of their adequacy for staying below 2°C and keeping 1.5°C in reach, and in terms of a fair and equitable sharing of the mitigation burden and atmospheric space. In order to get this review done quickly, Parties should put their targets on the table by the meeting suggested by Ban Ki Moon in September 2014.

Such an approach would not preclude country groupings (like today's annexes). In fact, it would make such groupings more coherent. For example, the set of countries that is high in capacity and responsibility would change over time – an important fact, given that such countries are candidates for ambitious, legally-binding, economy-wide quantified emissions reduction targets.

Of course many other kinds of commitments are also possible, and desirable. Obvious examples include renewable energy and/or energy efficiency targets and sectoral targets, all of which could have various kinds and degrees of bindingness. Also, it should be noted that some kinds of actions for certain countries can

countries can be explicitly contingent on financial and technical support.





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Addiction continued

and therefore must happen in developed countries first.

The ADP could develop ambitious pathways for phasing out fossil fuel subsidies in developed countries and identify options to shift those subsidies to additional mitigation activities (allowing higher pledges by developed countries). Imagine all that you can do with these savings from phasing out subsidies! You could use this money to support climate actions in developing countries! Or, at the very least, buy ECO some very nice birthday presents (green's our favourite colour). For developing countries, the ADP could support work to carefully switch fossil fuel subsidies into supporting clean energy access and fostering sustainable development. The ADP could also identify and discuss ways for some developing countries to pursue fossil fuel subsidy phase-out as supported NAMAs.

Being conflicted over such a serious issue can't be good for your mental health



over the long term. Best resolve it now.

Raise the Bar or Stay Home

Even as CO2 concentrations are about to break the 400ppm threshold, fresh climate disasters are announced all over the planet, and carbon prices are collapsing because of lax targets on par with BAU, countries have apparently come to the UNFCCC ADP meeting in Bonn with nothing to offer. Developed countries seem to be looking off in the distance beyond 2020, with images of universal participation and bottom-up national pledges dancing in their heads. Mundane issues like what has to change in the next 6 years and 8 months to stay below 2 degrees are apparently the farthest thing from their minds.

Parties are in Bonn to get down to work on two tasks – raise pre-2020 ambition and craft the next legally binding agreement to reduce greenhouse gas pollution – potentially the most significant global treaty that will ever be negotiated. Delegates should be mindful of the fact that that your work this week and over the next few years will secure you a legacy you leave behind is positive or abysmal depends on your creativity, commitment, negotiating skills and sheer hard craft. In short, you will have to be prepared to pull out all the stops. Our planet deserves no less.

Although negotiating a fresh climate deal for a new decade and beyond, Parties also need to address the less sexy issue of the yawning gap between the pledges that are currently on the table and the effort required to limit global temperature rise to 2°C above preindustrial levels. Neither objective should be ignored to the detriment of the other. Take heart from the fact that the more we achieve in terms of closing the gap over the next 6 or so years, the lighter that workload will be. And it would augur badly indeed if Parties entered into a new climate agreement with a huge ambition deficit.

One place parties can start making progress this year is on international transport. After

failing to get any text in discussions under the Bali Action Plan, this year Parties can make a fresh start, by reaching agreement under the International Maritime Organization and the International Civil Aviation Organization on a fast track to implementation of market-based measures for international maritime transport and aviation that can put a price on emissions from these sectors. The ADP must take up this issue and ensure that these sectors make their fair contribution to global efforts to control emissions and generate finance for climate action in developing countries.

Action is needed on many fronts. As yesterday's opening statement by AOSIS laid out, "this is about political will." Developed countries must have the will to take real action on curbing the continual increase in global temperatures or, let's face it, a new global deal won't meet our agreed goal of staying below 2°C. So, developed country Parties, best shape up or head home.

On Equity: Part 2

The following are excerpts from a particularly incisive intervention in the ADP workshop yesterday afternoon. In case you missed it, ECO suggests you take a look. And if you didn't miss it, ECO suggests you take a look anyway, since it's a subject Parties need to work much more on:

"What is needed is a process that would allow for a proper equity review of the pledges, to be conducted in parallel with the equallycritical science review.

To that end, the Parties should launch an open, expert process to develop an equity reference framework that is suitable to the evaluation of national pledges. This framework would have to be designed to maximize both ambition and participation. Parties, when making pledges, would be guided by the knowledge that these would be evaluated within both the science and equity reviews. How to think about such an equity review? The first point is that the demands of equity have already been agreed. This is true at the level of the Convention's keystone text on CBDR & RC, and it's true of the four fundamental equity principles – ambition, responsibility, capacity, and development need – that underlie the principle of CBDR & RC and, of course, our shared vision of 'equitable access to sustainable development' as well.

None of this is going to change. Nor should it. Climate, after all, is a global commons problem. The cooperation needed to solve it can only exist if the regime – as it actually unfolds in actions on the ground – is widely seen as being not only 'fair enough,' but an actual positive driver of developmental justice around the world.

What is needed is **dynamic equity spectrum** approach. This is our key point. And here I must note that a dynamic equity spectrum approach would be entirely consistent with the principles of the Convention, and in particular with the principle of CBDR & RC.

One final point. We do not have to agree to 'a formula' to have a way forward. Reasonable men and women can disagree about the indicators appropriate to, say, capacity. And if we approach the problem in good faith, we may yet find that all plausible, dynamic approaches to CBDR & RC yield approximately the same, or at least strongly overlapping results. Which might just be good enough, at least in the short term.

To sum up, we need a solid science review, we all know it. But we need an equity review as well, and on this front it will take some time to work out the details. But we already know the key thing – will not succeed without a deal that's at least, as the Australians say, 'fair enough.' And the equity spectrum approach may just be the best way to get one."

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