

G20-Mexico

Today, Mexico takes over the G20 presidency from France. When ECO learned President Calderon wants a green legacy and that he has put “green growth” and “climate finance” on the summit agenda for Los Cabos (17-18 June 2012), we were intrigued.

As we all know, leaders make plenty of promises, but the G20 has thus far largely failed to do its homework. There is no sound and sustainable solution to the financial crisis within sight, nor have G20 leaders delivered on their promise to phase out fossil fuel subsidies.

In fact, the G20 has done little more than pay lip service to the climate crisis. Crucially, it never affirmed the need to limit warming to below the dangerous 2° C level, for climate equity, for a shared ambition to cut global emissions in half by 2050.

The one G20 work programme that moved swiftly through the system - largely unseen by civil society and without the necessary parliamentary oversight - was the Development Action Plan, launched at the G20 Seoul summit in 2010.

In the Plan the G20 commits non-G20 developing countries to an unsustainable economic growth agenda that is largely blind to the Millennium Development Goals and the climate mitigation and adaptation needs.

How can it be that the very same governments that profess a commitment to a climate transformation in Durban, instruct the multilateral development banks that they control to launch an ecologically disastrous infrastructure initiative and to prepare a food and water action plan, both of which shift responsibilities to public-private partnerships.

The Rio 2012 summit, celebrating the 20th anniversary of the signing of the Framework Convention on Climate Change, will follow on the heels of the Los Cabos G20 summit.

ECO would like to encourage the Mexican government and the other members of the G20 to further articulate their vision for “green growth” and specify how the existing G20 Programs and Action Plans can start to contribute to that objective by mobilizing the innovative sources of money required.

A difficult task? Come on, that is nothing compared to the financial mess in which we’re spiraling downward.



Yes, but it's clean coal.

CCS in the CDM: Not So Simple

The eligibility of Carbon Capture and Storage (CCS) projects in the Clean Development Mechanism was opened up for SBSTA discussion yesterday. ECO was curious to see how proponents will explain some “interesting” developments in the sector in the past year months, for example the flurry of CCS project cancellations in UK, Germany, Netherlands, Denmark, Finland, Australia and US.

For one, there is a big fight between ScottishPower and Shell with the UK Treasury because they demanded an increase of public funding from GBP1 1.5 billion for the construction of a CCS coal power plant.

Meanwhile, the Australian government had to fight in court to recover some of the public funding from the collapsed CCS Flagship project.

The Norwegian CCS company Aker Clean Carbon closed down earlier this month with the CEO saying ‘the market has disappeared’. And the EU is not on track to meet the target of 12 first-of-a-kind CCS projects by 2015.

Yet here in Durban, industry lobbyists are busy with their sales pitch: that CCS is an important mitigation technology, it will help developing countries with sustainable development, provide electricity to the poor, and most importantly, ensure deserving countries get a good share of the CDM money. And ECO dare say they do capture the imagination of many climate polluters.

Well, ECO happens to know a few things about CCS that the industry will not be in a hurry to tell you:

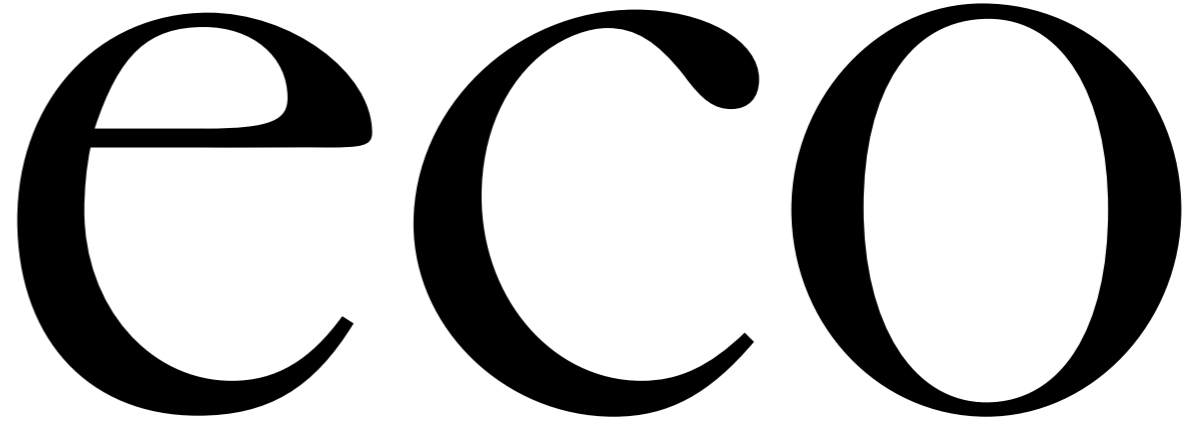
Unlike other kinds of projects accredited under the CDM, CCS brings almost no added value to the host countries. CCS is extremely energy intensive, needing up to 40% more coal to capture the CO₂, and in turn increase electricity price by as high as 91%, according to the Massachusetts Institute of Technology.

CCS will create waste sites that will need to be carefully (and expensively) monitored and managed for decades, even hundreds of years, long after the crediting period and the company made off with the profit from selling CERs.

In the World Energy Outlook 2011, the IEA projects that only 1% of the total fossil fuel capacity will be equipped with CCS by 2035. In other words, CCS is irrelevant when it comes to climate mitigation.

And by the way, host countries are also asked to take over the full liability of the CCS waste site from the company, just 20 years after site closure.

CCS in the CDM means exporting unproven and risky technologies to developing countries and giving the false impression that we now have a climate solution that justifies the proliferation of coal plants. ECO sees a failing industry desperately seeking a legitimacy in Durban that it hasn’t earned in Annex I countries.



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Pandora’s Text: Open at Your Own Risk

Yesterday the Transitional Committee reported its recommendations to the COP on the design of the Green Climate Fund. No Group or Party thought the design document (called the ‘draft instrument’) was perfect. But in the spirit of compromise, the vast majority of Parties, including the EU, AOSIS and the LDC Group, supported approval of the governing instrument. As expected, the United States called for further work to address the concerns it raised when it blocked consensus in the last meeting of the Transitional Committee. Many other countries joined the fray, raising their own concerns about issues such as legal personality, national designated authorities, relationship to the COP, and the role of the private sector. But most of those judged it best not to open the text, in spite of their concerns.

The concerns raised by countries are important, and efforts should be made to address them, but it is clear that renegotiating the draft instrument would risk unraveling the sensitive compromise struck by the

Transitional Committee. As many Parties noted, there will have to be a cover decision adopting the instrument and finalizing transitional arrangements required to start the fund. The cover decision could be used to resolve some of the outstanding concerns, and the GCF Board asked to resolve others. But as Singapore warned, there are also dangers in using the cover decision to try to open up all the compromises worked out over the past year in the TC.

Everyone agrees that the operationalization of the Green Climate Fund must take place in Durban. ECO supports an open, inclusive and transparent process that can manage outstanding concerns, and establish a fund that will be effective in meeting the needs of poor people in developing countries on the front-lines of climate change. ECO hopes that all countries also agree that any efforts needed to resolve these remaining concerns won’t detract attention from the vital work of deciding where the finance will come from to fill it over time.

Africa for Integrity

At this African COP, it is great to see the African Group putting forward a number of proposals aiming to bring environmental integrity back to the Kyoto Protocol. This follows the call from a significant number of Parties in Tuesday’s KP contact group that loopholes must be closed and issues of environmental integrity addressed.

On the issue of hot air, the African Group is proposing that the carry-over of surplus AAUs from the first to the second commitment period be limited to 1% of each party’s assigned amount for the first com-

mitment period, and that parties be able to sell the carried-over amount, with 50% of the revenue to be transferred to the Adaptation Fund. In the LULUCF negotiations, the group has tabled a proposal to lower the free credits countries get from managing their forests. While this doesn’t fully solve the issue of unaccounted emissions in LULUCF, as a compromise proposal it is a step in the right direction.

Though these proposals may not be perfect, ECO acknowledges these important efforts by the African Group to develop com-

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Scoping the Review

After the somewhat worrying opening informal on the first periodic Review, ECO wants to remind Parties that the world needs a Review which delivers something meaningful and effective.

An effective Review will be one that helps increase ambition, holds the increase in global average temperature to less than 2° C and retains the potential to strengthen the long term global goal to 1.5°.

ECO believes the Review should focus on the adequacy of the long-term global goal, and the overall progress towards achieving it. A limited scope, as agreed in Cancun, gives the Review the best shot at producing strong, independent, objective results to help leverage the increased mitigation action the world so desperately needs.

We deeply sympathize with the frustration Parties are feeling over the broad lack of mitigation ambition in the climate talks. But the Review should be used to assess adequacy of collective mitigation commitments.

There are other existing fora for reviewing the means of implementation, mostly in the AWG-LCA track where a finance review is carried out.

There are many ways to manage the Review, and it is essential to recall its purpose: ensuring that governments commit to mitigation targets according to science and decide ambitious actions at COP 21 in 2015.

The focus for the moment is not the institutional setup, but we should make sure that the Review is not hijacked nor that it becomes an item on the bottom of the agenda. We need stronger results than that. ECO cautions Parties that overloading the Review’s scope might just make it sink.

A Submission on Ambition: Mitigation for Developed Countries

In order to assure staying below 2° C, and keep 1.5° C alive, developed countries must increase their targets to more than 40% below 1990 levels by 2020. Delegates, you may remember agreeing at Cancun that developed country targets should be within the 25-40% range, and you may also remember agreeing to consider ways to increase your ambition. You've neglected to undertake that consideration yet – so ECO is providing these useful pointers:

Country	Unconditional pledge on the table	Conditional pledge (upper end)	What they need to put on the table at Durban	Rationale
Australia	5% below 2000 levels by 2020 (4% below 1990)	25% below 2000 levels by 2020	25% below 2000 levels by 2020	Australia has set conditions for moving its target from 5% to 15% to 25%. The conditions for the 15% target have been met, according to government briefings ¹ . Australia should move to 25% immediately and unilaterally, as this is the best way to achieve the objective/condition it has announced for setting 25% - namely a global deal to stay below 450 ppm.
Belarus		10% below 1990 levels by 2020	35% below 1990 levels by 2020	10% reductions by 2020 would hardly be an achievement, but rather the result of increasing emissions in the country without any really significant actions towards reductions. It's time for Belarus to stop deceiving themselves and others, putting unrealistic GDP growth in emissions forecasts and exploiting the "economy in transition" status.
Canada		-17 below 2005 / +3% above 1990	25% below 1990 by 2020	The Canadian Government was the only party to leave Copenhagen and weaken their GHG reductions target. Worse is that the Canadian government has no plan in place to meet its current (very unambitious) target. -25% below 1990 is the minimum amount that Canada needs to do and still be within the IPCC's indicative range. Furthermore, economic modeling by Toronto Dominion Bank has shown that Canada can reach that target while maintaining a healthy economy and strong job creation
European Union	20% below 1990 levels by 2020	30% below 1990 levels by 2020	30% below 1990 levels by 2020	Emission reductions in the EU in 2009 were already 17.3% below the 1990, so the 20% target for 2020 is practically met. And as if this wasn't easy enough, simply implementing the EU's existing renewable energy and energy efficiency targets would result in domestic emission reductions of 25% in 2020 as acknowledged by the European Commission in the 2050 Low Carbon Roadmap in March 2011.
Japan		25% below 1990 levels by 2020	Confirm and keep 25% GHG below 1990 levels by 2020 and 80% by 2050. Process for Low Carbon Development Strategy	Japan has not confirmed and legalized the mid-term and long-term reduction targets. After the earthquake and nuclear accident, there is tremendous pressure to withdraw the mid-term target. Passing the climate change bill would confirm and legalize the target. The bill also includes language for a long-term plan which works as a Low Carbon Development Strategy.
New Zealand	10% below 1990 levels by 2020	20% below 1990 levels by 2020	40% by 2020	Write the low carbon development plan that you agreed in Durban developed countries should do. Listen to nearly a quarter of a million New Zealanders who have called on the Government to adopt a 40% target and match Denmark. Convert your emissions trading scheme into a credible tool for cutting emissions rather than a covert means of corporate welfare.
Norway	30% below 1990 by 2020	40% below 1990 by 2020	40% by 2020, with REDD funding in addition to mitigation target	Going to 40% in Durban would be an important contribution towards a new legally binding treaty.

¹ <http://www.climateinstitute.org.au/our-publications/reports/762-foi-request-documents-regarding-australian-emission-reduction-targets>
 Conditions for the three targets: <http://www.climateinstitute.org.au/images/reports/FOI/41%20background%20target%20conditions%20-%20where%20do%20we%20stand%20december%202009.pdf>

Update made during CPH, which said that the 25% conditions had not been met, but is silent on 15%:
<http://www.climateinstitute.org.au/images/reports/FOI/44%20global%20mitigation%20pledges%20-%20update%20december%202009.pdf>

Russia	-15% below 1990 by 2020	-25% below 1990 by 2020	-25% by 2020 -- without LULUCF and AAU carry-over. -40% by 2020 with LULUCF	In 2009, Russian greenhouse gas emissions without LULUCF were -35%, with LULUCF Russia was at -59% from 1990 levels! Excluding contributions from LULUCF and AAU carry over, Russian government scenarios vary from -14% by 2020 (based on unrealistically fast economic growth with old technologies), to a more reasonable scenario with greenhouse gas emissions at -28% at 2020, that could be achieved through concerted energy savings and energy efficiency.
Ukraine		20% below 1990 levels by 2020	57% below 1990 levels by 2020 no AAUs carry over to 2 nd Commitment period or post-Kyoto agreement.	Unconditional pledge on the table includes huge amount of new hot air into the system. Ukraine's business as usual scenario for 2020 will be as much as 54% below 1990 levels.
United States	No unconditional pledge, business as usual	17% below 2000 levels (3% below 1990)	25-40% range below 1990 levels by 2020	As the US is about half of A1 emissions, to achieve overall A1 reductions of 25-40%, the US target needs to be at least in the range. However, the political difficulties for the Obama administration mean there is currently no prospect that the US will increase its ambition. It's important to note that the US conditional current pledge is so weak that momentum to achieve it may already have been met even without comprehensive climate policies, due to the recession, new vehicle emissions standards and rising relative cost of coal-fired electricity. ²

Stepping Forward on Loss and Damage

The updated emission gap report from UNEP also reveals the ambition gap, and this has clear implications. If countries do not step up their individual and collective efforts, loss and damage from climate change impacts will dominate the world's agenda more and more.

During yesterday's informal group on loss and damage, there was a good spirit in the room when the chair sent Parties off with a text for a draft decision for loss and damage in Monday's informal. ECO hopes that the outlined activities will be a useful way forward to advance understanding between Parties on this important matter. In designing expert meetings and workshops, Parties should assure that all stakeholders have the chance to contribute.

However, Parties should not lose sight of the goal. COP 18 needs to take substantive steps and bring the international response to loss and damage to another level, (e.g., through establishing a mechanism. Hence, any decision in Durban should articulate this goal. Loss and damage due to climate change is only going to get worse given the lack of ambition by developed countries to

reduce their emissions. Parties need to make it clear that they will substantially advance the international response on loss and damage at COP 18, for example in the form of a mechanism). The way forward has to come through an essential set of activities along with a schedule, allowing for careful considerations of potential steps at COP18. The public will welcome Parties taking serious action against the adverse impacts of climate change.

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promises that go towards environmental integrity while periodic review and amendment could strengthen ambition in midterm.

According to the recently released UNEP gigatonne gap report, the AAU loophole is estimated to be 8-11 gigatonnes and the LULUCF loophole could potentially increase emissions by up to 6 gigatonnes between 2012 and 2020. It is essential to close these and other loopholes if the Kyoto Protocol is actually to deliver for the climate.



P. cynaroides (King Protea)



#1 POLAND
THE COAL-ISH EU PRESIDENCY

#2 CANADA
UNCLEAR ON THE CONCEPT: CBDR