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America

Donald Trump's election as the next U.S. president was a [unexpected] [climatic][shocking] ending to a turbulent campaign that tapped into the anxiety felt by many American voters over globalisation, immigration, stagnating incomes and shrinking economic opportunities. The election revealed a deeply divided electorate: while Hillary Clinton received the most votes nationally, overwhelmingly won the youth, women and people of colour, Donald Trump won in enough states to prevail in the electoral college, thereby securing the presidency.

Understandably, delegates and reporters have questions about the implications of a Trump administration for domestic emissions reductions. ECO is confident that the rapidly expanding deployment of clean energy solutions by states, cities, and businesses across the country is enough to continue the drive to decarbonise the US energy economy, regardless of the actions that a President Trump takes — or doesn't take. But a cut back on federal policy leadership, will no doubt impair the US meeting its 2025 emissions commitments.

President-elect Trump emphasised his campaign promise to create millions of new jobs for American workers. The most effective way to do this is by embracing the renewable energy revolution. While there are divisions between Democrats and Republicans on climate policy, there has been bipartisan support for investments in clean energy as well as in climate resilience. Trump's infrastructure investment initiatives could provide a vehicle to address both of these needs.

ECO is also concerned about prospects for continued US finance and technology support for developing country mitigation and adaptation actions under a Trump administration. But what gives ECO hope is the coalition of US development, faith, environmental, and business groups has been actively engaging with both Democrats Republicans in Congress, educating them on how this assistance is not charity or a handout, but rather a smart investment with economic, environmental, and security benefits to Americans. This coalition will now work to make sure that Trump and his team understand this reality.

It's clear that countries will continue to move ahead with the commitments they made under the Paris Agreement no matter what Trump does, as these commitments are in their own national interest. An increasing number of governments understand that decisive climate action helps reduce the impacts of climate change on their people and brings many public health and economic co-benefits.

But if President Trump decides not to honour America's commitments under the Paris Agreement, he will quickly learn that this negatively impacts his ability to get support from other countries' leaders on trade, terrorism, and other issues important to him. Climate change has become a geopolitical issue of the top order, and any country perceived as not doing its fair share to confront the climate threat will suffer consequences for its standing in the world. Tuesday's US elections did nothing to change these fundamental realities.

CDM Pitfalls: The Facts

Before negotiators convened, Panama sent a signal to the carbon market world on how essential robust stakeholder consultation is. Following years of protest and controversy, Panama withdrew its approval from the Barro Blanco Clean Development Mechanism hydroelectric power project, effectively preventing it from issuing offset credits.

Barro Blanco, not only had little environmental integrity, but also serious social, environmental, and human rights consequences. ECO applauds the Panamanian decision but remains concerned for communities still affected by the ongoing "test flooding" of the reservoir.

The constant roars of airplanes overhead must be reminding negotiators of ICAO's enthusiasm for international offsets. It is urgent that any

market mechanisms learn from the Barro Blanco experience and incorporate a rights based holistic market design that moves beyond offsetting, ensures environmental integrity, genuinely furthers ambition, and works towards the Sustainable Development Goals.

ECO longs to believe that emphasis in the Paris Agreement and Article 6 on the need to respect human rights in climate action really will mean something on the ground. Specifically, this means clear guidance for local stakeholder consultation, safeguards in line with best practice among multilateral finance institutions, and a grievance process for when implementation goes wrong.

Addressing the (Im)balance

It's impossible not to notice that developed countries are very pleased with themselves for publishing their "Roadmap to the US\$100 billion" this past October. This is even more apparent from yesterday's joint statement on the roadmap.

ECO too is pleased to have the roadmap, don't get us wrong. It enhances transparency on how developed countries plan to reach the collective target of US\$100 billion per year by 2020. But ECO also expects further progress on patchy areas where more clarity is needed: mobilised private finance is one example that comes to mind.

The joint statement reiterates developed countries' commitment to "significantly increase finance for adaptation". ECO is not one to dismiss such a commitment, but by our calculations, the projected doubling of adaptation finance will leave public finance for adaptation at only 20% of the total \$100 billion in 2020 — not quite the agreed "balance" between mitigation and adaptation by anyone's standards, surely.

Looking more closely, it seems a few developed countries are — how shall we put it? — dragging down the average. Some of these countries currently provide only around 10% of their climate finance for adaptation and have made insufficient or even no commitments on how this will change by 2020. Not naming any names, but those that come to mind include a country where they love baguettes, another that boasts sushi as a national dish, one where they feast on tapas, and yet another with particular challenges as of yesterday.

ECO has suggestions: Maybe the COP decision on long-term finance needs to urge developed countries to increase their adaptation funding? And perhaps those developed countries that are serious about "significantly increasing" it may want to put a little pressure on their peers who are hampering their attempts? ECO certainly will be.

Ah, Sweet Reunion

ECO felt the sweet tinge of elation, like when you meet a good old friend, when several Parties made a strong case for common 5-year commitment periods in yesterday's APA informal. It was probably no coincidence that it was some of the most climate vulnerable countries (AOSIS, CARICOM and the Africa Group) that led the charge.

As has been emphasised many times, the NDCs currently on the table will lead to 3°C of climate catastrophe. That would spell doom for many, and leaves us with little to no choice. We need to speed up the transition considerably, starting now. Including via new and stronger NDCs from Parties in the coming few years. Failing that will lock the world in to catastrophic warming before the ink on the Paris Agreement has even dried.

ECO is perplexed that many Parties still labour under the delusion that no increase in action is needed this side of 2030. So far, many parties have been reluctant to enhance their NDC. This is rather curious as Parties advocating for 10-year commitment periods last year kept assuring, and then reassuring, ECO that such lengthy commitment periods would not lock in low ambition. ECO had even, being such a helpful soul, suggested that maybe 5-year commitment periods would be a much more reasonable approach. That way we could ensure that there is no delay in implementation, maintain political accountability and, indeed, avoid locking in a level of ambition that doesn't take into account the changing reality of climate change and the evolving economics of the solutions.

ECO expects those Parties to make good on their promises after the facilitative dialogue in 2018. This invariably concludes what we already know: we need enhanced NDCs. But to avoid unnecessary fuss in the future, ECO strongly encourages all Parties to support the intelligent and reasonable suggestion from those for whom strong ambition matters the most, and agree on common 5-year commitment periods from 2030 onwards.

To Sever Or Not To Serve: That is Not the Question

Do delegates remember when the Adaptation Fund was created in Marrakech back in 2001? Do you know much about the Fund at all? ECO thinks perhaps not, at least if judged from what various Parties said at the informal APA meeting. They claimed they did not know enough about the Fund and thus would need much more time before taking a decision on whether the Fund should continue its work under the Paris Agreement.

If it is simply a lack of knowledge, ECO can help: the Adaptation Fund covers an important part of climate finance needs, often neglected by others: small scale adaptation projects focusing on the most vulnerable people and communities, often directly implemented by developing countries who can get direct access to the Fund's resources without passing through intermediaries. Since its creation, the Adaptation Fund has proven that it can deliver results, increasing resilience in a concrete manner. As a well-functioning, fully operational fund the Adaptation Fund brings a clear benefit by helping developing countries enhance their adaptation efforts also contributing to the fulfilment of the objectives of the Paris Agreement.

If this is what you have been needing to know about the Adaptation Fund well, you're welcome. ECO is always more than happy to help. Now with this knowledge, you should be able to make a bold decision and not waste time on technical issues. It should be a no-brainer that the Adaptation Fund should serve the Paris Agreement. And this can be agreed here, as one of the deliverables of COP22. Rather than dillydallying on the if, Parties should focus on finding a systematic way to support the Fund in the future.

Different options are possible ranging from the Adaptation Fund becoming an Operating Entity of the Financial Mechanism, specific arrangements with the GCF or tapping new sources of income. The Adaptation Fund has the experience to administer innovative sources of finance with the share of proceeds from the Kyoto Protocol's Clean Development Mechanism. Similar Paris-era instruments could supply the Adaptation Fund. These options need to be explored and the technical details sorted.

And before you thought you got away easily, developed country delegates: ECO is confident you came prepared to respond to the Adaptation Fund's fundraising target of US\$80 million at COP22. No excuses!