

ECO



ECO has been published by Non-Governmental Environmental Groups at major international conferences since the Stockholm Environment Conference in 1972. ECO is produced co-operatively by the Climate Action Network at the UNFCCC meetings in Bonn, Germany during the June SB42/ADP 2.9 meeting. ECO email: administration@climatenetwork.org • ECO website: www.climatenetwork.org/eco-newsletters • Editorial/Production: Linh Do

Reminder to self: things to keep in mind when setting a path toward a safer world

We are entering the last week of negotiations for this session, and everyone has a lot on their plates. But on the mitigation front, assistance is at hand for you, dear delegates, to help you capture all the right elements. So grab a piece of paper, a napkin or open up the notes function on your phone and jot down your own simple checklist.

First, think Long Term. A Long Term Goal (LTG) must be in the text of the Paris agreement. While many options remain in the text, the main thing for Parties to remember is that a LTG must be consistent with 1.5°C to put us on the pathway towards a safer world. And it must have a clear objective, let's say: **"phase out fossil fuel emissions and phase in 100% renewable energy by 2050."** This would put us on track to minimise risks and allow climate resilience while ensuring a sustainable future for all.

Second, remember the number 5. A LTG is

essential, but there's a value to having renewed commitments every 5 years. That way, Parties can compare their planned actions on a common temporal scale, while preventing the dreaded lock-in of low ambition and cooperation. Advice from life: people and relationships (and markets!) change over time. So it makes sense to have a renewal of commitments that equitably reflect the reality of changing markets and national circumstances.

Numéro Trois, close the gap: Pre-2020 mitigation action was the focus of two key technical events at this session. But now that those events are done, let's move on to the political part. It's exciting that things are happening quickly in WS2. A couple of proposals for elements of a COP decision on pre-2020 mitigation action have been floating around. Parties can settle on both elements and process by Thursday. Doing so will lay the basis for an ambitious and actionable COP decision in Paris,

and a process going beyond 2020, until the gap is closed.

But ECO is expecting more. The decision must in various ways show how the pre-2020 ambition gap will be closed, lest we start the post-2020 regime off on the wrong foot, staring into a deep cumulative gap.

Guidance to the Convention's technical and financial bodies on prioritising work to close the gap is needed. This comes on top of outlining new and clearer mandates for the Technical Examination Process (TEP) and high level engagement, ensuring that cooperation on mitigation action in developed and developing countries can take off, be scaled up, and replicated.

And fear not: there are plenty more ideas at your disposal. So now that you have some notes, you will always be ready!

Adaptation: A Merry-Go-Round of Information and Action

ECO is thrilled that many countries are calling for more attention to adaptation and its political parity with mitigation. With climate impacts already causing human suffering, and with even more severe threats in the horizon, this is essential.

As countries invest more in adaptation planning (using tools like National Adaptation Plans), some are choosing to communicate their plans and needs by including an adaptation component in their INDCs. Yet, even with these encouraging prospects, there is something missing (even more than predictable, adequate finance from rich countries).

So what's missing? It's this: How will we know how much adaptation is taking place and whether it is enough to protect the vulnerable? And where more support is needed? How will support be matched to adaptation needs? Simple: cycles of national adaptation contributions –synchronised with cycles of other contributions, like mitigation and finance.

Regular cycles of communicating planned adaptation action will enable countries to share their priorities and support needs, in addition to facilitating learning. And that's critical because very country will need to adapt. It will also ground the finance discussion, based on support needs identified from the ground up. And regular cycles will keep that information up to date –creating a merry-go-round of knowledge.

A global conversation about adaptation action will ensure that Parties consider progress towards a global goal for adaptation. ECO sees this goal as a vision of

a world where despite climate change, adaptation action ensures that all people and ecosystems are protected, food security and sustainable development are supported, and adequate finance is provided.

Despite all these benefits, there are concerns that cycles of adaptation contributions will become new obligations that poor countries cannot shoulder. But here's a better way to look at it: contributions would be drawn from existing planning efforts, like NAPs, with support for their preparation to be provided to vulnerable countries that need it. And rest assured, a country's plans or contributions would not be legally binding. Regular cycles of adaptation communication aren't about measuring and verifying developing countries' adaptation efforts against a benchmark. They're about setting a process that ramps up adaptation action and matches needs with support.

Finally, cycles of adaptation contribution won't be the only information communicated. Cycles on mitigation, adaptation and finance (including periodic setting of targets for the provision of support toward a target specifically on adaptation) can benefit from synchronicity. This way, a gap in global mitigation ambition will signal a need for greater adaptation action, a heightened focus on expected loss and damage, and a greater scale of predictable finance to address those needs.

Whether ambition, or lack of it, takes us above 3°C or keeps us to no more than 1.5°C –and whether the right countries provide the needed finance –will make a big difference to our world.

Will Parties Deny the Science?

In Cancun, when Parties agreed to periodically review mitigation ambition on the basis of climate science, ECO welcomed this opportunity to ground the climate negotiations in science.

During the past two years, experts provided valuable information and addressed Parties' lingering questions on recent scientific findings. These discussions resulted in several key messages of particular relevance for the negotiations. The Structured Expert Dialogue concluded that climate change is a matter of survival and that impacts increase significantly between 1.5°C and 2°C. That's already enough to keep us on our toes in the fight against climate change. To add further support to our cause, a report prepared by UN Human Rights experts emphasised that the long term global goal is a matter of human rights, especially for many of the most vulnerable communities. It's hard to imagine a more relevant argument for a 1.5°C target or a better message on which to build the Paris agreement.

However, rumour has it that a couple of Parties are now actively rejecting the notion that the COP should consider this valuable information. And this is despite the COP having a clear mandate to do so. We're as shocked as you.

Quick reminder to the Parties: you cannot legitimately question the conclusions of the 2013-2015 Review. Each and every UNFCCC Party endorsed these messages when you adopted the outcomes of the IPCC Fifth Assessment Report last year.

Since Cancun, the COP repeatedly emphasised that it should, as a result of the first review, take appropriate action. Refusing to adopt a meaningful decision on the basis of this first review would certainly constitute the most inappropriate outcome possible. The only logical conclusion to be drawn from the Structured Expert Dialogue is that 2°C of warming would result in extreme and dangerous impacts—and 2°C of warming is clearly not acceptable in light of the ultimate objective of the Convention.

ECO wonders whether Parties have considered the message they would send to the world if they refuse to recognise the relevance of climate science for the negotiations towards the Paris Agreement. To prevent damaging the credibility of the ongoing process, it is crucial that Parties actually deliver on their mandate to prepare a decision that builds on the 2013-2015 Review and that can effectively inform the negotiations towards COP21.

Debunking the aviation target

The aviation industry is still trying to pass itself off as a climate leader with its target of "carbon neutral growth" from 2020 onwards.

But ECO wants to pull back the curtain on this tricky target. In fact, the industry is proposing to allow emissions to grow freely until 2020 and from 2020 onwards. This will continue to grow emissions while offsetting the increase over its 2020 levels.

In other words, the aviation industry is proposing a free ride to pollute until 2020, and then a "license for continued unlimited growth", to be addressed through potentially dodgy offsets. Obviously, such a target is well short of what we need to keep temperatures under a 2°C, much less the 1.5°C limit that we need. In fact, with a projected growth of 270% by 2050, aviation emissions could account for up to 15% of all global CO₂ emissions.

To make matters worse, these aviation emissions are predominantly due to travel by those who are better off. Yet, it will inflict an increasingly negative climate impact on the most vulnerable countries and people. How can we ensure that the aviation debt is repaid? Make the aviation sector pay an adequate contribution to adaptation and loss and damage finance mechanisms. There are a lot of ways to achieve this. The current text encourages the UN

International Civil Aviation Organisation (ICAO) to introduce a levy on international aviation, designed in a way that takes into account the needs of developing countries. This suggestion makes sense when you consider that fuel for international aviation is tax free, thanks to deals made between industry and governments more than half a century ago. One estimate indicates the global airline industry's tax exemption is as much as €60 billion per year. A global levy could capture part of this windfall and channel it more equitably.

We should also keep an eye on ICAO's proposed market-based mechanism to enforce 2020 carbon neutral growth. An option under consideration is to introduce a levy on offsets or allowances purchased under the scheme. This could be used for adaptation finance, to support loss and damage, to facilitate developing countries' ability to track and report their aviation emissions, or some combination of the above.

The time has come for an agreement that calls for ICAO (and IMO, the maritime equivalent) to set targets in line with a 1.5°C scenario. This long overdue agreement would pave the way for aviation to compensate for the undeniable climate damage that it has and will continue to inflict on the most vulnerable.

Drilling for innovative finance: carbon prices that mean more than false solutions

Dear big fossil fuel companies,

We hear that some of you have had an epiphany and have written to governments and the UN, calling for a strong carbon price. Well, it's your lucky day! All the way from the UNFCCC to your board rooms, there is a proposal that will no doubt prick up your ears. A global fossil fuel extraction levy (also known as a Carbon Majors Levy) would be an effective way to implement a carbon price. If it were implemented at the low, low price of \$2 per tonne of CO₂e, it would raise roughly \$50bn each year. Obviously, such a low price would have to increase each year, as you will no doubt agree that we need to phase out fossil fuels, while climate finance needs are clearly only going to increase.

Given your call for a carbon price, dear fossil fuel companies, ECO is certain that you would agree that such a fossil fuel extraction levy should apply to each tonne of coal, barrel of oil and cubic meter of natural gas. After all, the pollution emitted from these fossil fuels is causing climate change, and that means you're profiting from causing climate damage. ECO can only imagine that your call for a carbon price has altruistic motives—not some sugar coated agenda to keep business as usual (take note, gas proponents!). Surely, it's your sincere wish to meet the "polluter pays" principle and reverse the unfairness of forcing the poor to pay for climate damage. And, surely, you would never use poor countries' need for energy and their right to develop to justify "false carbon price" solutions to the climate crisis that really just mean more profit for you at their expense. Surely...

Now, dear UNFCCC delegates, if you're afraid that this idea is just too groundbreaking and you doubt the altruistic motives of the fossil fuel industry, you needn't worry. In establishing a global fossil fuel extraction levy, you'd just

be following the lead of others. It's the source of finance for the International Oil Pollution Compensation Funds, which provide compensation for pollution damage resulting from spills from oil tankers. And really, based on recent correspondence from the fossil fuel industry, ECO is sure these companies will welcome the idea of the global fossil fuel extraction levy with open arms.

Let's talk frameworks

Tomorrow will bring another round of discussions about the Framework for Various Approaches. 'Round' being the operative word, as things seem to have been going around (and 'round') in circles. Some countries are keen (maybe too keen?) to engage, while others are not willing to talk at all—at least until the ADP discussions conclude. Parties should take advantage of the time available in Bonn to share their views and come to an agreement on key principles.

With the plethora of carbon markets popping up like mushrooms (some palatable and some highly toxic to environmental integrity), it will be important for the UNFCCC to establish *common standards* for these markets. Applying common standards will ensure that vital principles, such as avoidance of double counting, markets as supplemental to national mitigation plans, and environmental integrity, are upheld. And this way, regardless of the carbon market approaches pursued, emissions reductions can be real, additional, permanent and verified, based on credible baselines.