

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

ALERT: More loss and damage ahead

ECO would like to remind developed countries that an agreement to keep global warming below 1.5°C is a must, so that devastating climate impacts can be largely avoided. So far, the average global temperature has risen by about 0.8°C—and we are already witnessing unprecedented damages!

In just the last 5 years, thousands have died and millions more have been affected by unprecedented extreme weather events, such as drought in the Eastern Horn of Africa and the Sahel region; Hurricane Sandy in the USA; typhoons in the Philippines (such as Haiyan); Cyclone Pam in Vanuatu; and recent floods and heat waves in India.

Having seen the devastation from 0.8°C warming so far, ECO wonders: Can we even bear nearly double the current temperature rise in a 1.5°C world?

In reality, the impacts of increasing temperatures will not be linear. The impacts in a 1.5°C world will be far worse than double the intensity of those that we

are currently experiencing. What will happen at 2, 3 or 4°C is unimaginable. In light of this, ECO would like to reiterate three fundamental points as we finalise the climate deal:

1. Lags in climate systems

Scientists say that even after CO₂ and other greenhouse gases stabilise, surface air temperatures and sea levels are projected to continue rising for another century or more. This means that even if we achieve the target of 100% renewable energy by 2050, further impacts on people and ecosystems will continue beyond the end of the century.

2. Loss and damage is beyond adaptation

Inadequate mitigation and insufficient adaptation have already brought us to the era of loss and damage. In spite of this, the Warsaw International Mechanism for Loss and Damage (WIM) was placed under the Cancun Adaptation Framework.

In the Paris agreement, loss and

damage must be recognised separately from adaptation. Institutions like WIM will be required to generate knowledge and develop strategies to address new challenges. Developed countries must compensate and commit to providing financial and technical support to implement solutions.

3. Pivot for climate action

For decades, developed nations neither adequately reduced emissions at home nor provided sufficient resources to developing countries to transform energy systems and build resilience.

Future mass-scale litigation by developing countries at the International Court of Justice is not out of the question. Compensation for the losses and damages caused by developed nations' inaction is a tool to hold those at fault accountable. It will also drive action on mitigation, while providing timely resources for adaptation to reduce loss and damage.

Since when did the victims have to pay?

Here's some real talk: the price of climate change-induced loss and damage is already being felt in developing countries. When Cyclone Pam damaged or destroyed 80% of structures in Vanuatu, and tore through the neighbouring Pacific Islands of Tuvalu and Kiribati—loss and damage was experienced across the whole economy. Damage was inflicted upon people's homes, offices and schools. Locals lost most of their crops and were left with only a few weeks worth of food supplies.

The costs of loss and damage are projected to be huge. The recent UNEP/AMCEN report *Africa's Adaptation Gap 2* estimates that loss and damage will cost twice as much as adaptation across Africa. Yes, delegates, you read that right—twice as much! The loss and damage finance gap is, and will

be, huge. We will need many sources of finance to fill it. This will include public finance from treasuries, contributions from financial transaction taxes, transport fuel levies, emissions trading scheme levies and much more.

ECO is particularly fond of a new source of finance that would hit those responsible for causing the climate loss and damage costs—the fossil fuel industry. A global fossil fuel extraction levy, applied at the ridiculously low price of US\$2 a tonne of CO₂e, could easily generate \$50 billion a year. The levy, and the amount generated, would obviously need to increase substantially year on year as we phase out fossil fuels. A fossil fuel extraction levy shifts the cost of fossil fuels from the victims to the industry that profits from them.

The next step: compensation

It is always heartening when language in the Geneva text relates directly to issues being faced by communities in the real world. That is exactly the case with the references to compensation and a climate displacement facility. Unfortunately, this language is also deeply controversial: any question of liability for harm in other parts of the world sends developed countries –despite having caused the main problem –running for cover.

The science can't be hidden, though. It is clear that cumulative emissions (mostly from developed countries) are the cause of the loss and damage that people across the developing world are facing today.

International law is equally clear –it is a fundamental legal principle, confirmed by the International Court of Justice, that states should not cause harm outside their jurisdiction and should respect the environment of other states and areas beyond their frontiers. The UNFCCC requires developed countries to take the lead in reducing their greenhouse emissions to a level which prevents dangerous climate change. Their failure to do this raises legal consequences because developing countries

now face climate consequences that can't be adapted to. Notwithstanding the fact that keeping global warming below 1.5°C will require action by all Parties. Developed countries must make more serious efforts to slash their emissions. They should also be offering compensation for the harm already locked in.

It's not just about the money; Parties should work creatively and cooperatively to find ways to acknowledge the devastating loss of culture, livelihoods, land, biodiversity, ecosystem services and other impacts on communities. The Warsaw International Mechanism on Loss and Damage (WIM) is ideally placed to help fill gaping holes in legal protection for those displaced or forced to migrate as a result of climate change.

The deafening silence from developed countries on the question of recompense for loss and damage is increasingly untenable. The importance of coming to a fair solution is a focus not only in the corridors of the climate negotiations but in courts and communities across the world. It is time to recognise that the Paris agreement should form part of the answer.

Legal puzzle: the pathway to a binding Paris agreement

Legal questions are challenging, but ECO knows that Parties want a binding deal as a crucial part of an adequate outcome in Paris.

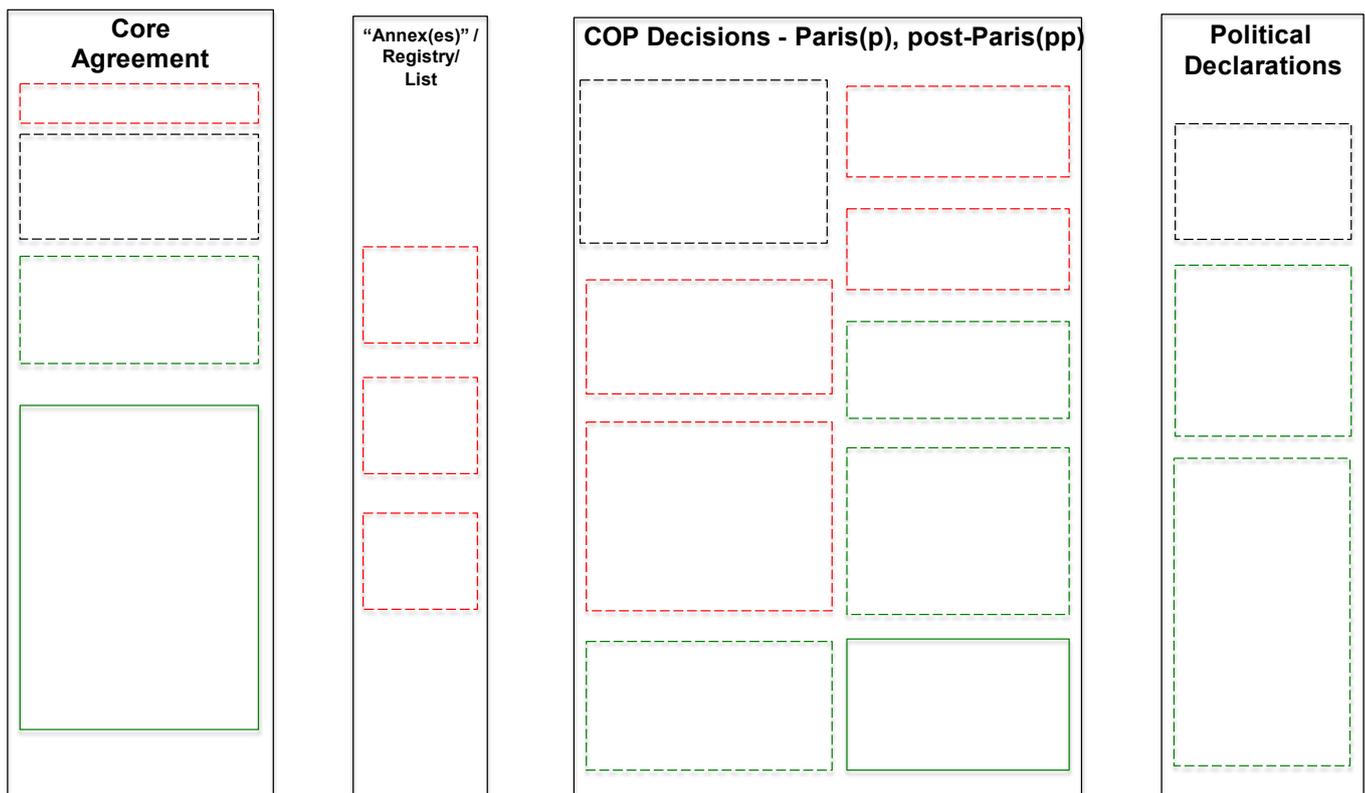
With only two days of negotiations left in Bonn – and much to reflect on when we get home – Parties may find ECO's legal puzzle challenge helpful. Think of it as a different way to think about which legal instruments should be used to address

numerous issues involved in the ADP talks.

So negotiators, ditch your daily crossword or Sudoku and give this puzzle a go instead. Do your part to ensure we achieve an agreement that has the right elements in the right place.

If you get stuck, here's a helpful hint: a long-term goal on fossil fuel phase-out and a phase-in of 100% renewables must be included.

Placement of elements



#StopFundingFossils

ECO is looking forward to the fight for the microphone over coming months as countries trumpet their exciting plans. All Parties are planning on coming to Paris with robust and ambitious new climate policies, right? After all, no one wants to show up empty handed to the party of the year!

While many questions will be asked about these shiny new announcements, like is it really new, is it really ambitious, or is it just playing tricky games with base years and accounting? Here's one easy question though: have you stopped funding the problem and finally put an end to those pesky fossil fuel subsidies?

Especially to our climate leaders in the G7 (and don't worry, we'll still bug the laggards too): you have already promised to stop propping up big oil, coal and gas. G7 nations, you won't have trouble finding better ways to invest the current US\$88 billion spent each year on fossil fuel exploration subsidies alone.

When it's your country's turn to speak in Paris, know that whatever you say will be much more meaningful if you stop digging the hole you claim to be trying to climb out of. ECO calls on all of you to #StopFundingFossils!

MEMO: Civil society isn't a burden

It'll be some time before ECO forgets the day the Secretariat decided to announce a fee for side events. That was the day money almost became an excuse to keep civil society outside of the negotiations process.

This week saw the Secretariat present their internal budget scenarios with both a 0% and 5% increase. In the 0% increase scenario, ramifications include a reduction of "opportunities for observer engagement, including the number of side events, exhibits, registrations, accreditations and alternative modes of presentation". The 0% increase scenario also prevents the fulfilment of important initiatives such as the

Lima Work Programme on Gender.

These potential negative implications that come with budget cuts must be reviewed by an external body. The Advisory Committee on Administrative and Budgetary Questions (ACABQ)—which has evaluated programme budgets for UN peacekeeping missions—is one potential option.

ECO is, with good reason, concerned about any decision that may diminish civil society participation and programme effectiveness.

Blunt reminder: No pre-2020 action without finance

The last few days have seen submissions from blocs for COP decisions on pre-2020 mitigation action (WS2). ECO's not going to pretend: it's making our hearts race. The blocs may not agree on everything in WS2, but they do agree on its importance. The Durban mandate, which launched the pre-2020 mitigation workstream, called for actions and maximum efforts by all parties.

The importance of action and effort by all Parties cannot be stressed enough. Action is important not only because climate change is such an enormous problem, but also because the co-benefits of climate action are also equally big. This is not to say that developing countries are meant to go it alone, however.

Action will not happen without finance. In reading the

submissions, ECO noticed a curious trend. Parties that have finance commitments were also the Parties that didn't once mention finance in their submissions at all. Coincidence? ECO thinks not.

Here is a blunt reminder: in workstream 2 and the pre-2020 period, climate finance is as crucial as it is elsewhere. The Technical Examination Process (TEP) has the potential to lead the on-the-ground implementation of some truly paradigm-shifting initiatives. But while developed and developing countries are both supposed to be involved with these initiatives, efforts in developing countries were always supposed to be supported by climate finance from the developed world.

Peru's INDC serving

Halfway through its COP presidency, Peru continues to set a good example with a draft INDC that takes its contribution to safe climate seriously.

With per capita emissions above the global average, Peru also has acute vulnerability to extreme climatic events, which once again shows why including adaptation measures in INDCs is essential.

Peru plans to reduce emissions by 31% by 2030 compared to "business as usual" emissions through 58 potential mitigation measures —although that unfortunately includes switching from coal to natural gas. Gas isn't as bad as coal, but nowhere near as good as renewable energy in the short and long term.

Peru is open to comments until July 17, and Peruvian civil society groups are counting on turning the public consultation into a meaningful exercise. It needs to be transparent, inclusive, participatory and well-managed.

The COP20 president, Manuel Pulgar Vidal, has been vigorously pushing for a bold INDC. The creation of a ministerial commission looks like a promising step. But unless other ministries and Peru's President commit to this venture, the chances of success diminish. Despite voluntary targets for 2020, the government has made little progress. Bold goals will need bold political backing and the necessary resources.

It's not just the economics, stupid!

Most of the work on loss and damage has focused on estimating the economic costs of climate change impacts, such as the US\$50 billion worth of losses and damages from Hurricane Sandy in the USA.

In a similar fashion, non-economic loss and damage has also been converted into market-based economic damage using contingent valuation and other techniques. These measurement efforts undermine the real value of certain items and are inherently problematic. It is important to recognise that not all loss and damage can, or even should, be converted to economic values alone.

ECO agrees with environmental economists that some loss and damage cannot be measured in numbers. Loss of human lives, species, cultural practices, symbols and ecosystems are irreconcilable no matter how much money is spent. Such losses would undermine the ability of communities to respond to stresses. Attempting to just pay for their loss is not a sustainable way to deal with climate change. Loss and damage goes beyond adaptation, but it also isn't just a way to unburden offenders of their crime. A civilised world would not allow the irrecoverable loss of invaluable lives, species and ecosystems.

More than a negotiation W(H)IM

Following the severe social and physical damages caused by Typhoon Haiyan, the Warsaw International Mechanism (WIM) on loss and damage was established at COP19. ECO appreciated last year's work by the Initial Executive Committee of the WIM on a two-year work plan (2015/2016), which was eventually approved by COP20.

However, though the loss and damage negotiations have moved forward, the operationalisation of the WIM has not taken place yet. Six months into the year, and its Executive Committee still has not been formed, due to a lack of nominations from Annex I countries. Negotiators must not leave this session without a clear sense of when the WIM will actually start its work, as its work plan--despite limitations--clearly acknowledges some of the emerging and broad challenges of loss and damage.

An urgent task is to decide upon activities to enhance understanding of how loss and damage affects particularly vulnerable segments of the population and ecosystem, and what can be done about it. The WIM should also take up work related to the impacts of loss and damage on social protection systems. ECO hopes that this come up with clear recommendations to ensure their functioning in a future containing increasingly

intense disasters.

Addressing data and knowledge gaps regarding slow-onset events is equally important. Small island states, low-lying coastal areas, and glacial areas need resources to fully address the challenge.

Promoting ways to deal with climate change-induced migration and displacement is also needed. Methods for scenario analysis and stress testing may help countries understand when global temperature increase might overwhelm them, and push them over the limits of adaptation. This could be yet another call for higher mitigation action.

Finally, designing the work plan for the 5 years after 2016 will set the next stage for the mechanism. There is a lot of work to do for the WIM, and it has to start immediately. It would be a shame if we come to Paris and have no progress to report on.

ECO wants to see the Paris legal text trigger more ambitious, longer-term work on loss and damage (while pushing for enhanced mitigation and adaptation actions). This should be supported by finance and adequate institutional arrangements for 2020 and beyond. If we get the WIM right, it will become more than just a negotiation whim!

Addressing loss and damage, or just damage control?

ECO has heard whispers that adaptation and loss and damage belong to the same family. Here it is, for the public record: loss and damage to property, territory, ecosystems, food production, lives and livelihoods are effects that would not have happened without climate change. It is something that cannot be truly adapted to.

Even if we manage to stay below 1.5°C, and invest heavily in adaptation, we are not and will not be able to adapt to all climate change impacts. How do you adapt if your island is bound to disappear under the rising sea before the end of the century? Or if you are set to experience category 5 cyclones every year? Adaptation in these cases means only coping with the situation and suffering losses along the way. Adaptation has its limits.

Affecting over 160,000 people, Cyclone Pam is a sad but telling example of what the future could bring. Warmer average ocean temperatures likely increased Cyclone Pam's strength and ferocity.

ECO reminds you that there is only one scenario to really reduce anticipated loss and damage: high mitigation and high adaptation. We also need to face reality and prepare to compensate for the loss and damage that the most vulnerable people are already facing, and will increasingly face, regardless of the climate scenario we adopt. This is a massive social injustice, as vulnerable groups have typically been the least responsible climate change.

At any rate, we will not be able to avoid climate impacts entirely, so responsibility must be taken now!

