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Lame Danes Win Fossil for Undermining Ambition



Oh, Denmark! In a not too distant past, Denmark was an inspiration to many—setting ambitious targets and rolling out renewables such as wind energy. But today we are not talking about great Danes, we are talking about lame Danes. That's because today the Danish government is aiming to cut climate targets and shrink climate finance contributions.

As negotiators in Paris worked to deliver a durable and ambitious climate regime, Danish Environment Minister Lars Christian Lilleholt declared his preference to scrap Denmark's ambitious carbon reduction target of 40% by 2020. This signalled his government's intent to put the handbrake on Denmark's ambition, even as other countries around the world take the opposite approach and gear up to accelerate the transition to a renewable energy future.

While looking to cut their own ambition, the Danish government seemed to want to restrict the ambition of developing countries as well. The new government has a steady stranglehold on climate finance—squeezing the budget from an initial 500 million Danish Krone, which is around 72 million US dollars, to only a projected 39 million US dollars next year. Skammeligt!

The new minority Liberal government of Denmark came into power in July and clearly thought there was too much climate leadership going on. So they decided to dial it down—waaaaaay down.

Phasing Out Ambition?

Whispers echo around Le Bourget about a group of countries trying to phase out ambition in the finance text. Yes, you read it here first. As ECO was beginning to believe countries had finally caught onto the importance of phasing out financial support for dirty fossil fuels, we're hit with an unpleasant surprise.

The key text for phasing out international support for dirty energy (which Parties call high emissions investments) has just come under fire by some countries, including Saudi Arabia and Argentina. Esteemed delegates, ECO is shocked as you are. With the urgency of the climate crisis, can we really afford to continue fuelling the fossil fuel industry that's driving our climate to destruction?

ECO thinks not. If Parties really want to increase climate ambition through finance, they should stand firm and commit their governments to joining the global divestment movement.

Take note Saudi Arabia, Argentina and their supporters: Governments and institutions all over the world are speeding ahead to shift financial investments away from dirty energy. Soberepared to fight off a tide of climate action.

Memo to other Parties: Keep up the fight and lead by example. Your citizens, businesses and investors will thank you for it—not to mention future generations.

We must divest from fossil fuels.

The Core of Article 6

ECO is worried that the lengthy conversations about future contributors to climate finance may be helping developed countries avoid provisions today for more adequate and predictable support. Because, with time running out, ECO is fearful that Article 6 may be reduced to little more than a compromise on differentiation, a bit on ex-ante information (the draft para on this, let's face it, is just re-hashing stuff from previous COP decisions), language on ex-post transparency, and perhaps a reference to the global stocktake.

This would be unfortunate. ECO has always seen Article 6 as one that an ambitious agreement needs in order to ensure future financial support for those countries that need it. Para 10 (option 2) does exactly that. The text suggests the periodic setting, review and adjustment of collective goals for the provision of support. ECO would love to see these few words, originally inserted by the G77 in October 2015, become the operational core of Article 6. Setting such collective goals, for instance, in 5-year cycles, perhaps backed by individual countries' plans outlining how they will contribute, would greatly increase predictability. It would enhance adequacy, too, if such goals were linked to support requirements hinted at by developing countries in their current and future INDCs.

And yes, differentiation needs to be fixed. If ECO had its way, of course, Annex 2 countries would be required to enhance the implementation of their obligations. And other countries with comparable levels of historic responsibility and economic capability would indeed be in a position to complement such efforts.

Feeding the Climate Talks

Once upon a time, ECO thought Parties recognised the impact of climate change on food security and the importance of letting people know that they might starve if they don't address warming. Unsurprisingly (given that the IPCC's latest report speaks to this issue), 60% of the INDCs mention 'food security'. So, it's disappointing for ECO to learn that while food 'production and distribution' has popped up in the agreement 3 times, food 'security' is absent from the operative text. Perhaps Parties need a refresher on the difference between food security and food production?

World Bank and FAO reports clearly state that hunger is not a problem of food quantity, but of regular access to enough nutritious food. And access is different from distribution. It refers to having sufficient resources at all time to obtain appropriate foods for a nutritious diet whereas distribution refers to being able to transport food from one place to another. Really, Parties: emphasising 'food production and distribution' is so old fashioned that it's a throwback to the 1990s.

Integrating Integrity

There are wide ambition and resilience gaps between where we are and where we need to be to ensure a liveable world for ourselves and our descendants. There is scant room for false starts, such as project implementations that won't deliver on their promise. Or worse, projects that do more harm than good.

How can we avoid such pitfalls? The answer lies with that special ingredient, Environmental Integrity. ECO looks at the results of some early implementations and finds much room for improvement. First, implementations must not conflate the environment with just emissions reduction, but instead consider the whole dimension of biodiversity and ecosystems. Second, they must add the social dimension.

ECO thinks that considering Environmental Integrity when devising

Unstructured Indecision

ECO is distraught that the 2013-2015 review, which included the 'Structured Expert Dialogue' (SED), could not come to a conclusion after its three years of work. Saudi Arabia (speaking for the Arab Group, China and India) tried to secure agreement only on procedural conclusions, instead of the actual substance within the Joint Contact Group. What's more, Saudi Arabia objected to the draft decision taken. This prevented the group from actually recommending appropriate actions on the key messages highlighted in the SED.

ECO also noted that this draft decision still contained many brackets: three options remained on whether the Long Term Goal should be strengthened from below a 2°C goal to 1.5°C. Not allowing a text going forward on such a substantive process and serious matter, not delivering on the mandate of the review to which everyone agreed to, is a serious signal.

Now it is up to the COP Presidency to take the result of three years of intensive work in its own hands and ensure that the SED's conclusions are made more visible in the UNFCCC negotiations next week. ECO calls

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on Parties to agree to procedural conclusions and the draft decision in COP, even though they might not share the same position on all the issues being addressed.

ECO has heard rumors that the Paris Agreement can't reference food

security because it is a sector—as in agriculture, forestry, and fisheries. ECO is happy to state that this is not the case. As per the recently released SDGs, food security is now a global development goal: Goal 2 aims to end hunger, achieve food security and improved nutrition, and promote sustainable agriculture. On the other hand, food production is a sector.

Lastly, ECO is aware that 'food production' is mentioned in Article 2 of the UNFCCC. So, why repeat it? ECO has heard that some Parties are afraid to introduce a new concept in the Paris Agreement. Be assured that food security as a concept was agreed and defined at the World Food Summit in 1996 so it is UN agreed language that Parties can use.

ECO therefore calls on Parties to enter the 21st century and anchor food security in the Paris Agreement. It is time to recognise that ending hunger is not simply a matter of production and distribution – but a question of dignity.

implementations would help to solve important problems. Though some might question the meaning of 'Environmental Integrity', ECO suggests you look no further than the concept's context within bodies such as the Sustainable Development Goals and Green Climate Fund. Both embrace Environmental Integrity within their objectives and guiding principles.

For the Paris agreement, we recommend the perfect location: the inclusion of Environmental Integrity in Article 2.2 as an overarching principle. This article shows us a clear way forward. And why stop at Environmental Integrity? The Parties need to understand Environmental Integrity in a broader context to achieve real transformational change. This broader context includes human rights, gender equality, indigenous peoples' rights, intergenerational equity, a just transition and decent work, food security and ecosystem integrity.

The Not-So-Golden Ratio

What does Notre Dame de Paris have in common with the Green Climate Fund? Sadly nothing. The golden ratio, so beautifully on display in the cathedral's architecture, is nowhere to be found when fossil fuel subsidies are compared to Green Climate Fund pledges.

Ratios have been on ECO's mind ever since a stroll to Notre Dame. So ECO despaired when it discovered a ratio that was totally out of whack. Analysis released yesterday shows that the ratio of fossil fuel subsidies to Green Climate Fund pledges from 8 key countries is 40 to 1!

You read that right. Australia, Canada, France, Germany, Italy, Japan, the United Kingdom and the United States provide a total of roughly US\$80 billion per year to support fossil fuel production, but have only pledged a combined total of \$2 billion per year to the Green Climate Fund.

That ratio unsettling. It also pushes the climate talks in exactly the opposite direction of progress. While finance negotiators wander the halls looking for more finance to offer up, billions of dollars are being sucked away to support dirty fossil fuels.

It's time to #StopFundingFossils and start funding the solutions!