ECO

NO CLIMATE JUSTICE WITHOUT HUMAN RIGHTS

eco@climatenetwork.org • www.climatenetwork.org/eco-newsletter • November 11, 2022

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 Sharm el Sheikh, Egypt during the COP27 meetings.

Editorial: Andres Fuentes

In Need of a Fossil Fuel/Financial Advisor? Dial A-O-S-I-S

"Where is the money?!" cried John Kerry, US Special Envoy for Climate on Finance Day. "We need vast amounts. Not millions here and there."

ECO thinks this is a very important question. And drawing attention to the huge climate finance needs of developing countries, and the paltry millions in climate finance contributions (taken from previous pledges) we have seen so far at COP27, is equally valid.

Perhaps some parties have not been listening attentively to fellow negotiators or the leaders' statements in the opening to COP27. If they had listened to AOSIS they would have heard the answer loud and clear.

From the outset of the COP we heard Prime Minister of Barbados Mia Mottley call attention to the vast amounts of profits hoarded by the fossil fuel industry. And heard Prime Minister of Antigua and Barbuda Gaston Browne say that fossil fuel companies should pay a "global carbon tax" on profits as a source of funding for loss and damage, and call for an end to fossil fuel subsidies. We have heard negotiators drawing attention to this burning issue.

The profits from the 3rd quarter of 2022 (July-September), which are the most recent reported, of six large international Oil & Gas companies are as follows: Saudi Aramco: US$42.4 billion, Exxon: $20 bn, Chevron: $11.2 bn, Total: $9.9 bn, Shell $9.5 bn, BP $8.2 bn. Many other of the big oil and gas companies, Gazprom, Petrobras, Eni, Equinor, Kuweit Oil, Sinopec, QatarGas, Rosneft, Petronas, India Oil to name a few, have not yet report their net profits for the 3rd quarter:

In addition to a tax on profits, another proposal is for a levy on the extraction of each tonne of coal, barrel of oil, or cubic litre of gas. According to an analysis from 2019, such a charge, sometimes called a "climate damages tax" could raise $300 bn per year by 2050. This could raise more money than a tax on profits and gets to the root cause of the climate crisis: the extraction of fossil fuels. Based on research by Carbon Tracker in 2021, oil and gas companies are planning to spend $1tn by 2030 on new fossil fuel projects that would take us beyond 1.5C warming.

As Prime Minister Gaston Browne put it; "Profligate producers of fossil fuels have benefited from extortionate profits at the expense of human civilization. While they are profiting, the planet is burning."

Egypt: no protesters allowed, but a very warm welcome to fossil fuel lobbyists.

The fact that thousands of delegates, civil society and the world media have converged in a seaside resort town for an important climate conference while tens of thousands of prisoners of conscience are languishing in jails is a different level of dystopia that deserves calling out. We know there can be no climate justice without human rights.

Even more enraging? We now learned there are 600 fossil fuel lobbyists roaming the venue - 25% more than at last year's COP. It is outrageous that civic spaces remain severely restricted while those destroying the planet are being welcomed and courted in a climate conference.

And what's with all the whispers about tapped phones and blocked websites? Here we are trying to focus on the extremely important substance of the climate talks- on loss and damage, climate finance and adaptation which - with all due credit- is at the front and centre of these talks.

We'd be happier without having to worry if the official COP27 app is 'listening to us' or bumping into security personnel around every corner or having them barge into closed meetings unannounced and in some cases even disrupting meetings and having to be escorted out by UN security.

As if that wasn't enough, the lack of water, wifi and affordable food have added to the list of woes. Free Coca-Cola now cannot make up for the parched first few days as water coolers ran dry and the lines at the food stalls snaked through the venue. Not to mention hiking half a mile away to find the nearest restroom only to encounter another long line of restless delegates.

If we thought the daylight robbery on hotel prices was a thing of the past, many complained that hotels insisted on extra charges as a condition for check-in taking advantage of jet-lagged and bleary-eyed travelers who could do little to protest and just gave in.

It's time to get this COP going in the right direction and deliver on climate justice and human rights for all.

On Decarb Day, the Carbon Capture Hype is Full of Gas

Carbon capture: really good at capturing public dollars. But emissions? Not so much.

That's why we at ECO are so concerned about the platform being given to fossil fuel companies today at Decarbonization Day to peddle their dangerous distractions.

Fossil fuel companies are pretending that by relying on risky and expensive techno fixes like carbon capture and storage we can keep digging up fossil fuels. But they're lying to everyone.

As a climate mitigation technology it just doesn't work. Eco notes that despite decades of research and tens of billions in subsidies, carbon capture's track record is of expensive failure after expensive failure.

Even if it did work, it's not a climate solution. Carbon capture does nothing about the 80% of emissions that come when the oil and gas gets burned. Sinking billions of dollars into clawing back a fraction of emissions from already expensive, polluting fossil fuel facilities is absurd and unnecessary — it is always more efficient and more effective to invest in renewables and energy efficiency.

It's no surprise that the most recent IPCC report ranked carbon capture and storage the highest cost and least effective mitigation option. There's also a reason that carbon capture doesn't show up even once in the new UN guidelines on net zero plans.

And CCS projects also pose significant new risks to people and the environment, by providing a lifeline to a polluting industry that is threatening ecosystems and human health. Only last week the Netherlands' highest court ruled that the largest CCS storage project in the EU may have to be halted because it did not meet European environmental guidelines. At the same time, peoples' movements from Manila to California are rising up against CCS projects.

Of course, oil and gas companies know all this. They're not interested in carbon capture and storage as a way to take climate action - for them, it's a greenwashing scheme to protect their business as usual of digging up fossil fuels. It's also used to dig up even more when used as 'enhanced oil recovery'. The dangerous dash for gas is being falsely justified with CCS. It's also a way for these companies to rake in even more fossil fuel subsidies (public money that should be going for instance to loss and damage, not the wealthiest companies).

It's a similar story when it comes to so-called blue hydrogen. Blue hydrogen is fossil hydrogen with the promise of carbon capture. But again, it's a false promise. Burning blue hydrogen is even worse than burning coal or fossil gas directly. Like with CCS, fossil fuel companies are using hydrogen as an excuse to lock in more fossil gas infrastructure

The fossil fuel industry is championing these escape hatches in the halls of COP27 - and their lobbying is working. These false solutions are showing up in NDCs, in country statements, in 'net zero' commitments and in the negotiating rooms, including the global stocktake. They're showing up in Article 6.4 which opens the door for dangerous loopholes that would undermine the integrity of the Paris Agreement.

You can't tackle climate change by cheating. And we cannot win the fight against climate change without getting off of fossil fuels.

Shifting the Trillions - Bring Back Article 2.1c!

It's been seven years! In Paris, all countries agreed to shift finance flows to be consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. Despite this pledge, countries have done the opposite. Fossil fuel subsidies have continued to increase and 2.1c has been kept away from the agenda.

Since the Paris Agreement was adopted, G20 governments have continued to finance more than US$77 billion dollars annually in fossil fuels – three times the support they provide to clean energy. These high emitting countries use multilateral development banks (MDBs), bilateral development finance institutions (DFIs), and export credit agencies (ECAs) to support the expansion of projects that are making us poorer and more vulnerable to the climate crisis.

We need political courage. The Paris Agreement has called for a new global paradigm of how finance flows both domestically and internationally, echoed in many of the contributions at the world leaders summit. And yet we see countries coming to COP27 to sign new, dangerous, fossil finance deals. This must stop. There is no space for exceptions.

The trillions (trillions!), are there. ECO is calling for a process that helps identify what's blocking us from aligning financial flows, both public and private, with a real zero future and keeping the global warming below the 1.5°C limit. 2.1c is a crucial element in that discussion and ECO can't believe that it has thus far been left off the agenda.

So… shift the trillions…

In Glasgow we started a discussion to phase down fossil fuels. We now need to move faster. We need to phase out all the harmful financial flows, including those going into fossil fuels and harmful industrial agriculture, that are literally setting the world on fire.

We indeed need to shift all the trillions to the green pathway, which does not include gas or any other fossil fuel, despite what the EU taxonomy may say. ECO sees increasing the cost of harmful capital flows that are not consistent with the global pathway towards low greenhouse gas emissions and climate-resilient development, as a crucial step towards fulfilling article 2.1c of the Paris Agreement.

It's not rocket science – and does not have to happen overnight – but we need to start that discussion now at COP27, not put it off in what seems like perpetuity. And so, we need a permanent agenda item on article 2.1c that will discuss this shift in a properly balanced manner. One that does not undermine or distract from climate finance negotiations.

While delivering billions…

ECO reiterates that delivering on the commitments under climate finance are essential to regain trust of developing. Countries can do this by delivering on their $100bn commitment. Although Article 2.1c offers opportunities to generate new flows of climate finance to this end. The global shift in financial flows does not get donors off the hook – as greening the finance is one thing, but channelling proper funding to developing countries, especially the most vulnerable ones, is something else. The New Collective Quantified Goal and new Loss and Damage Finance Facility must still be finalised and deliver on their objectives, to prove that developed countries are acting in good faith.

The finance must flow to developing countries in line with obligations and in full spirit of solidarity, cooperation, historical responsibility and equity. ECO highlights that the eventual cost of financial inaction now will be much higher than the trillions of dollars required for operationalization of both NCQG and LDFF.