ECO

NO CLIMATE JUSTICE WITHOUT HUMAN RIGHTS

eco@climatenetwork.org • www.climatenetwork.org/eco-newsletter • November 18, 2022

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Editorial: Andres Fuentes

Cover Decision: A Disastrous Second Date

ECO asked the Egyptian Presidency to stop, be brave, and ask for a date, but what a disaster its second cover decision date has turned out to be. Much like a date that drags on for hours, the lengthy text (8400 words and 20 pages!) had us nearly falling asleep. And after the hesitation of the last few days left us wondering if the Presidency was ghosting us, we were disappointed when Egypt showed up unable to define the relationship, demonstrating no clear vision with this text. This needs to change. Unlike a teenager in their first relationship, ECO expects the COP presidency to take real responsibility.

When ECO called for bold moves from the Presidency, we weren't expecting cover decision language comparable to a poorly executed french kiss from someone who had been smoking fossil fuels. As a bare minimum the COP27 must not backslide from the Glasgow language on 1.5°C and fossil fuels. The G20 communiqué has opened an opportunity in particular to commit high emitting economies to 1.5°C, and opens the way to agree an ambitious and historic loss and damage finance facility outcome at this COP27.

ECO hears that by the time you get your hands on this, we might already have a new text. For the next one ECO has high expectations. Much like with the global commitment to keeping 1.5°C alive, if the Presidency wants to save this relationship it needs to take action now.

Put it in the Text: Keep it in the Ground

We can't leave COP27 without a decision text committing nations to equitably phasing out all oil, gas, and coal–the perpetrators of the climate emergency. Luckily, the race is on to name and shame fossil fuels in the final decision text.

First out the gate was the EU and AILAC which went beyond the Glasgow decision text to call for the phase out of all fossil fuels–not just coal, but also oil and gas. The UK also called for transitioning away from fossil fuels.

Tuvalu made a similar clarion call for the decision text to explicitly include an unqualified phase out of all fossil fuels. No ifs, buts, or ands. These are the sole calls for text that aligns with the 1.5°C goal and firmly rejects false solutions like carbon capture which prolong the continued use of fossil fuels.

In a surprising set of announcements, India called for phasing down unabated fossil fuels. The US made a breakthrough move of supporting India's call to phase down all unabated oil, gas, and coal. Norway followed suit. This represents the first time in COP history that major countries have recognized the need to end the world's fossil fuel dependence.

But we need these calls to be firmly announced in black and white in the final decision text. Shamefully, the draft decision text elements contain no reference to oil and gas and woefully backslides on even Glasgow's baby step commitments on transitioning off dirty energy. The text retains weasel language that commits to phasing out unabated coal and, to add insult to injury, also allows for "rationalized" "inefficient" fossil fuel subsidies to persist.

We cannot backslide on Glasgow's commitments. We need a decision text that recognizes all fossil fuels are the problem; anything less is climate denial. All eyes are on the Egyptian presidency to stop blocking this wave of nations that want to commit to phasing down the culprit of the climate emergency.

And this emerging bloc also can't stop at this minimal ambition. It is unacceptable to limit a phaseout to 'unabated' fossil fuels, language that opens a polluters' Pandora's box of false solutions such as large scale offset action to keep fossils in the mix, carbon capture or fossil hydrogen – all of which only prolong devastating damage . We need words that reflect the reality that our fossil fuel addiction condemns us to an unlivable planet and an unjust world.

The Lone 'Emperor'

Once upon a time, some empires rose and spread out through the world. They came to lands which already had rich histories and cultures. They came when the rivers were clear and the forests were dense and they saw opportunity in the wealth of the land. So, they took the land and fractured the people. They stole the wealth and burned the forests. They poisoned the rivers and the skies and they continued to do so until the seas rose, the skies turned red, the lands dried and storms became angrier. All this, whilst they continued to become rich. Now is the time to support those who are suffering from these impacts they did not cause. Now is the time for a Loss and Damage Finance Fund/Facility (the name doesn't matter, the principles do - new, additional, adequate, predictable, needs-, grants-based) as requested by the G77 and China.

The last two dystopian weeks (plus three decades) the people have been shouting for finance to address Loss and Damage and have united as never before. Our friends from the EU who are listening and engaging but publicly toeing the same line as the lone US. The US remains the biggest obstacle to this long-sought climate justice. The people and the majority of the world are united… the people are watching, the people will not forget. On which side of history will you stand?

Ready to End Dodgy Deals (REDD+)

Do you ever feel some countries sound like a broken record? Yesterday, ECO had that feeling…

Once again, some countries have been pushing to include REDD+ under the Article 6.2 mechanism in the cover decision text. But old REDD+ credits aren't new ITMOs, and no exceptions should be made for skipping the reporting and review process.

ECO wants to join the broken record party with this old tune: *"Just because … you have a license to drive a car… doesn't mean… you can drive a plane…".* And it looks like some new countries also want to jump in that plane!

ECO also knows that additionality and permanence for avoided deforestation are hard to prove, and that the climate crisis makes permanence dodgy at best. So, here's a new song for you:

"REDD, REDD whine, it's up to you,
All I can do, I've done
Memories won't go, memories won't go
…. please let me be alone,
It's tearing apart ambition in article 6".

The ICJAO is Hope

Remember when you went to the desert and got lost and then some friendly wise owls advised you on how to go back…you may ask, owls in the desert? Yes! The owls are the International Court of Justice Advisory Opinion and you are lost.

Today we see leadership and hope as a group of champion countries, led by the small, vulnerable and ambitious island nation of Vanuatu, brings the world's biggest problem to the highest global court! There is no climate justice without human rights. Vanuatu is seeking an Advisory Opinion from the International Court of Justice to clarify the legal obligation of states to protect the rights of present and future generations against the adverse effects of climate change.

Encourage your governments to VOTE YES at the UNGA when this resolution is tabled! This will spur ambition and action for the next COP. This will be our beacon of truth to ensure states live up to the meaning of the Paris Agreement. With hope, the people united will never be defeated.

All Ready But No Money

Three years after Parties established the Santiago Network as an answer to the WIM review (pointing to a lack of progress to deliver action on support for loss and damage) negotiators agreed on its terms of reference earlier this week. The Santiago Network is now ready to catalyze technical assistance for developing countries, enhancing capacity to address loss and damage.

As ECO could hear the applause of negotiators celebrating, we couldn't help but wonder: have they talked to their colleagues recently? Because in the (closed) rooms right next to them, developed countries continue blocking the establishment of a Loss and Damage Finance Facility. Dear negotiations, don't be mistaken. Just like there is no point in hanging venue maps without actual information or having water dispensers without actual water, there is no point in operationalizing a Santiago Network without actual support: new and additional money at scale to address loss and damage and a dedicated facility to channel these funds.

ECO can live with being lost and thirsty but we will not accept yet another COP outcome that ignores the loss of lives and livelihoods, and other human rights harms that loss and damage is causing all over the globe. COP27 will not deliver real solutions for people affected by the climate crisis without the establishment of a Loss and Damage Finance Facility.

Don't Gas COP27

As the COP comes to a close, one of the key issues is how fossil fuels will feature in the final text.
ECO joins campaigners and activists in demanding a decision text which calls for an equitable phase out of coal, oil and gas, without loophole language like "unabated" and "inefficient" which weaken the phase out requirements.

The decision will have important ramifications for Africa where activists have issued a clear message: "Don't Gas Africa". They join African leaders like Ruto in Kenya who called for a rapid and just transition and committed to 100% clean energy by 2030 powered by renewables.

Despite these calls, a small group of gas exporting ministers have colluded with the oil and gas industry to pretend that gas expansion is necessary for Africa's energy access, development, and transition. In reality, the opposite is true.

The best way to deliver energy access to the 650 million Africans already being failed by fossil fuels is to rapidly scale up our commitment to renewable energy solutions. The worst way would be to invest in new fossil infrastructure which takes decades to come online, is predominately for export purposes, and doesn't serve rural communities.

The best way to deliver development for Africans is to focus on building out distributed renewable energy systems which put energy ownership in the hands of communities and local businesses. The worst way would be to invest further in new fossil mega projects which reserve profits for the elite few and worsen the same climate crisis which undermines every aspect of real development, such as in our people's health and livelihoods.

The best way to deliver a transition for Africans is to invest now in the future of renewables and embrace the opportunity we have to leapfrog the past. The worst way would be to double down on new fossil fuel projects which will only pull investment away from renewables, make further fossil fuel expansion cheaper, and lock Africa into holding stranded assets for the coming years. We urge African leaders to join Tuvalu, India, US, UK, EU, AILAC, and Norway to phase down all oil, gas, and coal.

We wouldn't tell an African that the best way to call a loved one is to build a fixed line telephone. And we wouldn't say the best way for an African to get to work is to ride a donkey. So why now are we pretending the best way for an African to get energy access is the fossil fuels of the previous century? We don't just a have a right to development – we have a right to a better development. Let's make sure the final text ensures that.

70% Are Loans That Should Be Paid Back

Monday's ministerial dialogue on climate finance was a hoot (isn't it always?!). India, Costa Rica, Vanuatu, Jordan, Bangladesh, and other LDCs demanded a more meaningful definition of climate finance be set forth. The current "definition" is more vague than a convention center venue map, allowing loans to be counted at their face value instead of their grant equivalence. This is misleading (almost as bad as the upside-down map outside zone C) and over-inflates figures for achieving the promised US$100 billion.

As discussions on the NCQG (that's the New Collective Quantified Goal to you and me, folks) ramp up, let's take a minute to reflect on how sturdy the $100 bn foundation really is. Developed countries are saying they reached $83 bn in 2020, of which $68 bn was public finance. Ministers from Nigeria and Uganda referred to the recent Oxfam report that estimates the "true value" to be between just $21 bn to $24 bn , a third of what developed countries are reporting.

To make matters worse, 70% of the public finance is in the form of loans that must be paid back. Even more concerning is the increase in non-concessional loans with higher interest rates. These financial instruments are MDBs' guilty pleasure, representing a 'have your cake and eat it too' situation for them. ECO finds it unacceptable that non-concessional loans are counted as part of the $100 bn. Flooding someone's house and then lending them the moolah for damp-proofing ain't gonna fly.

Half of the World Bank's climate finance today is for adaptation, with 80% of that adaptation finance being provided through loans (and half of those loans are non-concessional). It is unjust that developing countries – that have contributed negligible emissions – must pay back money spent on adaptation and resilience. Non-concessional loans are being provided even to countries considered at risk of debt distress by the IMF. An issue that will worsen as interest rates increase in the international capital market.

ECO asks for enhanced transparency and accountability from the World Bank and other development banks. This is vital to building and maintaining trust in financial reports to the UNFCCC. ECO voices the concerns of ministers from developing countries who stated that we need a real increase in public and grant-based resources for adaptation and resilience, which is essential now and for the NCQG.

ECO woke up today…

……and realised that on mitigation and finance, there were many changes in the text and new commitments by key nations emerging Thursday night.

Amazingly, the proposal by the Small Island state Tuvalu that all countries will phase out all fossil fuel production and consumption to achieve 100% renewable energy by mid-century was agreed to. It immediately tripled efforts to maintain the 1.5°C survival target domestically and for richer countries to enhance finance significantly to developing countries for mitigation and adaptation. Only Saudi Arabia, Russia, Iran, USA and certain EU members like Hungary and Poland looked grumpy. Any attempt to change this global convergence failed - the Egyptian President acted brilliantly and threatened to byline them all. And then an avalanche of new announcements by all the other nations unfolded in an unprecedented wave of solidarity.

Brazil promised a zero deforestation law for the Amazon next year, supported by Congo and Indonesia to do the same. China and India followed by legislating a full phase out law for fossil fuels domestically. Although they favoured 2060, that is a great move away from their initial long-term net-zero target of 2070. The EU, UK, Australia, Canada and even other fossil fuel exporters like Norway, Colombia, UAE, Kuwait and others agreed to stop any new fossil projects as, urged by the IEA. Even more brilliant was the shift by the US - they were seen in a huddle with the Saudis, China, and India studying reports by Oil Change International - and stating in the plenary "...in this wave of enthusiastic progress, we will not stand in the way and will bring to Congress a bill to go even further. To be announced in Dubai. We now understand what 1.5°C and a carbon budget mean and we will legislate a managed phase-out of all existing fossil fuel projects."

The EU and UK, announced updated NDCs to a 65% GHG reduction by 2030 while India earned praise by promising to be the first country in the world to reach 50% solar energy supported by China to do the same with wind by 2035. ECO could not believe it and thought it was dreaming.

Almost all countries announced support for the poorest countries with full energy access for the people in compliance with all SDGs.

In a breakout session by all major fossil fuel producers, they announced that they will start implementing a 2% tax on all fossil fuel companies' profits and raise an upstream levy on all fossil fuels mined. All earmarked to help poor countries and communities for adaptation, loss and damage and mitigation.

The show was not over. The major countries harbouring the most billionaires agreed to seriously work towards a wealth tax for the (super) rich and close all tax havens which might deliver hundreds of billions of dollars annually (ECO reported about these ideas earlier).

But then the brutal reality hit. ECO actually woke up. It had all been a dream. Still ECO believes that all of that — or at least major parts of that, since ECO remains humble and realistic, would make a good mitigation and finance agreement here in Egypt.

We have eight years to cut CO2 and other GHG by up to 50%. Read the IPCC reports, the SPM if you have limited attention spans. Governments, if you are serious about 1.5°C, you certainly cannot do without these measures. In the remaining hours we are all **TUUUVALUUU!!**

2.1.c: The Third Rule for not Being Wiped Out is to Implement the Third Rule

Today ECO will tell you a story.

Eight billion people sitting together in one very big, but fragile boat that they all love very much. The boat – although still beautiful – was riddled with holes (GHG-emissions). Water had already flooded the living quarters of the people in the bottom deck. All the scientists on board warned in unison: "Unless the holes are repaired; the entire boat, everyone and everything on it will be wiped out!". Unsurprisingly, the people on the boat were not happy about this.

Long, long ago (2015) in a faraway land (France) people from all parts of the boat gathered to find a solution. Once they agreed, they gave the solution a name: Article 2. It contains three rules:

First rule (art 2.1a) is that everyone (according to CBRD-RC) will contribute to mending the holes in the boat (mitigation). Agreeing that all the holes must be mended before 2050 (art 4.1).

Second rule (art 2.1b) is that everyone would have to contribute to bailing the water already flooding the boat out (adaptation and L&D).

Third rule (art 2.1c) combining art 2.1c and 4.1, it simply says that **everyone must stop drilling more f**ing holes in the boat!**

The beauty of the third rule is that unlike the first two, its implementation doesn't require climate finance. Ahh.. some parties say. Our concern is that if we implement art 2.1c some of the money that is directed away from fossil investments might be counted as "mobilised climate finance", thus making even less climate finance available. ECO is dumbfounded.

When the third rule is finally implemented it will only tell private finance what not to invest in (fossil fuels). It does not tell investors what to invest in instead, a huge difference. When the investors themselves are making decisions, developed country parties can have no valid grounds to count the private financial flows as "mobilised". To ensure full agreement on this issue, ECO recommends that a future article 2.1c agenda item should address this.

ECO hears a final objection to implementing article 2.1c. With skyrocketing energy prices, fossil extraction that was previously unsustainable and uneconomical now appears profitable. To those parties ECO can only repeat the third rule: **everyone must stop drilling more f**ing holes in the boat!**