

ECO

END FOSSIL FUELS NOW

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ECO has been published by Non-Governmental Environmental Groups at most international conferences since the Stockholm Environment Conference in 1972. ECO is produced cooperatively by the Climate Action Network at the UNFCCC meetings in Bonn during the SB58 meetings.

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No Climate Action without Climate Finance

We ended the first week of the Bonn session having still not formally adopted the SB58 Agenda, with the question still hanging on whether the Mitigation Work Programme will be included.

Nerves are frayed. Fingers are being pointed. Eyeballs are dried out from efforts not to blink first.

The MWP has so much potential to advance the action we urgently need to avert runaway climate breakdown: To scale up a renewable energy transformation in solar, wind and energy efficiency; to address energy access; to bring about an equitable and just transition for the phase out fossil fuels; to agree intellectual property rights waivers and real technology transfer; and much, much more.

ECO is always excited to dream big when it comes to action to address the climate crisis. We can dream all we want, but

if there's no money, then dreams are all that these plans will remain.

For most developing countries, there is a genuine challenge when it comes to financing climate action. With limited resources, many are already forced to choose between paying for mitigation and adaptation or paying to address loss and damage. Or between mitigation and schools or hospitals. This is the reality for many of our countries.

Developing countries have written their NDC climate plans. But the promised money to implement them simply hasn't materialized. Developed countries' failure to meet the already-grossly insufficient US\$100bn target, and to provide mostly loans instead of grants, means that action on mitigation is already in trouble. And trust is at breaking point.

In 2021 the Standing Committee

on Finance found that nearly \$6 trillion is needed to fund just 40% of developing countries' conditional NDCs. This poses a challenge – but it's also a huge opportunity to unleash action if the funds are provided.

Consider also that at least \$2 trillion more dollars flow every year from developing to developed countries in the form of debt repayments, repatriated multinational profits, tax evasion, intellectual property rights costs and more – much more than flows from developed to developing countries in aid and climate finance.

Which brings us back to the challenge that cuts across many current UNFCCC negotiating tracks, and not least the agenda fight on the MWP.

ECO would like to remind delegates that climate finance doesn't only make climate action fair. Climate finance is what makes climate action possible.

Northern Forests Need Protection Too

The massive and destructive forest fires in Canada are of great concern and ECO sends its thoughts and solidarity to all those affected. Alongside the vast amounts of carbon released, the impact of these fires will remain severe for a very long time with continued risk to these special ecosystems and to the Indigenous Peoples, local communities and biodiversity which depend on them. We also worry about more forest fires in the boreal zone that are expected this summer.

As noted at a side event here in Bonn, not only do tropical forests play an important role in fighting climate change but Northern forests are also important climate champions.

Boreal and temperate forests in Northern Annex 1 countries make up over 40% of the world's forested area. In contrast, only 19% of all protected forest areas are situated in Northern A1 countries. Remember that the IPCC is clear that forest protection makes up the biggest mitigation contribution from the land sector.

ECO does not understand why A1 countries are not doing more to protect their valuable forests, and is completely confused by the messaging about the Nature Restoration Law proposal in Europe. Increasing protection and restoration of nature is a no-brainer to meet the goals of the Paris Agreement and the Kunming-

Montreal Global Biodiversity Framework. ECO is truly worried by the many challenges facing Northern forests that are reducing their capacity; not only to store carbon but also to support biodiversity and provide a home and livelihoods to the many Indigenous Peoples and local communities depending on them.

So here's an idea to help these forests - one for the Global Stocktake to take note of. It is high time for Article 5 of the Paris Agreement to be operationalised to ensure attention goes well beyond REDD+ and to ensure Annex 1 countries are taking up their share of the responsibility to make sure all forests are better protected for their human and non-human inhabitants.

Mutual Exclusivity in Article 6.4: Rapid Operationalisation and High Quality

ECO was keen to attend the Article 6.4 Supervisory Body's (SB) side event on Saturday, since we have a lot of unanswered questions about the SB's ongoing work. Despite our interest in getting up to speed on recent developments, the event on Saturday ended up being somewhat disappointing.

Much of the discussion centered on promoting the future 6.4 mechanism and underscoring how it would enhance ambition, channel large sources of finance to mitigation, and deliver effectively on sustainable development. That all sounds great, but it's just words for now. ECO is keenly aware the Article 6.4 mechanism was established with the intent to offset countries' and companies' ongoing real emissions, which just might undermine ambition and ecosystem integrity, and which in no way replaces developed country mitigation and climate finance obligations. Let's also recall that the Clean Development Mechanism (CDM) and the voluntary carbon market have had less than a stellar record delivering on the same promises.

So you can imagine our surprise when

we heard many assurances at the event that the 6.4 mechanism would deliver on integrity and be rapidly operationalised. Did anyone else notice the incompatibility between high quality outcomes and fast-tracked implementation? (If you need a reminder, just look back to COP27 and the rushed recommendations on removals.) Of course, ECO would be remiss to pre-judge the SB's ongoing work, but we remain concerned by the direction of discussions in recent SB meetings, which at times seemed to forget the hard lessons of the CDM and the context of the Paris Agreement's long-term temperature goal.

The fact that there's been an unclear and inadequate stakeholder consultation process to date adds to ECO's concerns. It's great the SB now decided to set up a shiny new e-mail list to notify stakeholders of updates and calls for input, but we wonder why it took so long? In case it wasn't clear, ECO reminds the SB that this doesn't replace the need for better and more meaningful consultations. To recall our words from last week, real consultations and free prior and informed consent (FPIC) processes are not a

two week affair.

ECO gets that the SB has a lot of work and tight deadlines, but just because something unrealistic has been mandated to the SB doesn't mean integrity should be compromised to tick a box. It's no easy task, over the course of 5 meetings, to set rigorous methodological requirements on additionality, baseline-setting, and leakage, to prevent negative environmental and social risks with safeguards, as well as to address the thorny topic of removals.

Perhaps it would help to remember our days as students, especially the relief felt upon receiving a paper extension. Guess what? The SB has the privilege of being able to relive those days too: if quality and scientific rigor risk being compromised for the sake of a deadline, then request an extension! Surely the CMA will accommodate, rather than fast-tracking a hot air CDM repeat. Getting it done is not the same as getting it right. Missing a deadline is surely better for people and planet than allowing the mechanism to [ensure we miss hitting] [undermine] the goals of the Paris Agreement.

Recap: COP28 President Al Jaber's Statements on Energy in Bonn

ECO has followed COP28 President Al Jaber's statements last week like a detective on the trail of the world's juiciest gossip. ECO was happy to hear the shift in rhetoric: it's not "fossil fuel emissions" but fossil fuels which are the problem. But like any addiction, recognizing you have a problem is only the first step - so let's explore the statements made on energy:

What Al Jaber said	ECO's take
"We have just 7 years to achieve the 43% emission cuts needed to keep the Paris ambition of 1.5° within reach"	Yes. Therefore, we need an immediate end to expansion and an equitable phase out of all fossil fuels, starting immediately.
"In our response to the Global Stocktake, which must be commonly owned, ensuring a just and balanced energy transition that leaves no one behind [...]"	Agreed, with justice and equity at the core of the transition.
"A transition that promotes policies and investments that scale up renewable energy, while working towards an energy system that is free of unabated fossil fuels."	Nope, our energy system must be free of all unabated fossil fuels - oil, gas and coal. Reducing the carbon intensity of fossil fuel production is insufficient, as the vast majority of emissions associated with fossil fuels are those resulting from burning them. So it is possible to reduce carbon intensity while increasing total climate pollution. What's more, ECO thinks we cannot rely on CCS - this is a dangerous distraction from the real solutions at hand. It makes NO economic nor ecological sense and brings harm to communities. Also: renewables are just cheaper.
"The phase down of fossil fuels is inevitable."	Yes, this is a historical recognition ECO applauds - and will hold you accountable to an immediate end to expansion and start to phase down.
"The speed at which this happens depends on how quickly we can phase up zero carbon alternatives, while ensuring energy security, accessibility and affordability."	Renewables and energy efficiency are by far the cheapest options with the highest mitigation potential - so if you take your own words on affordability seriously, don't go for nuclear and other dangerous distractions. Let's be clear: there is no zero carbon ammonia or zero carbon hydrogen of any color. Zero carbon fossil fuels don't exist.
"That is why COP28 is calling for a global goal to triple renewable energy, double energy efficiency and double clean hydrogen, all by 2030."	This is a step in the right direction, but is really not enough. Globally, we need to reach a yearly installment of at least 1.5 terawatts of renewable energy from 2030 onwards to keep global temperatures to 1.5°C. And that renewable energy should be focused on energy access in the Global South rather than more energy for overconsumption in the North.