CLIMATE NEGOTIATIONS TIANJIN, CHINA OCTOBER 2010 NGO NEWSLETTER



ECO has been published by Non-Governmental Environmental Groups at major international conferences since the Stockholm Environment Conference in 1972. This issue is produced co-operatively by the Climate Action Network at the UNFCCC meetings in Tianjin in October 2010. ECO email: eco@sunlightdata.com – ECO website: http://climatenetwork.org/eco-newsletters – Editorial/Production: Fred Heutte

The Cancun Building Blocks

Whilst parties are coming to the realisation that we need to move on from 'nothing is agreed until everything is agreed', there is not much movement yet toward 'nothing is agreed until enough is agreed'. For those who don't yet have a firm grasp on what 'enough' is, have no fear. ECO is here to show the way.

'Enough' is a set of outcomes that doesn't just harvest the low hanging fruit but also cracks some serious political nuts and builds essential trust, so that next year negotiations don't go around in the same circles as this year . . . and the year before that, and . . .

'Enough' clarifies the road ahead: what it is that Parties are negotiating towards (a Fair, Ambitious and legally Binding agreement), by when (COP 17 in South Africa) and through which milestones.

So here are some highlights from the Cancun Building Blocks which will be unveiled by the Climate Action Network at its side event today:

• Agree a shared vision that keeps below 1.50 C warming, links it to the short and long term actions of Parties, and outlines key principles for global cooperation.

• Establish a new climate fund along with a governance structure that is transparent, regionally balanced and ensures the COP decides policies, programme priorities and eligibility criteria. Agree on a process to secure sufficient scale and sources of finance.

• Establish an adaptation framework along with its institutions, goals and principles and a mandate to agree a mechanism on loss and damage.

• Put in place a technology executive committee and provide a mandate to agree measurable objectives and plans.

• Agree to stop deforestation and degradation of natural forests and related emissions completely by 2020, and ensure sufficient finance to meet this goal.

• Implement the roll-out of a capacity building program.

• Acknowledge the gigatonne gap between current pledges and science-based targets, and ensure the gap will be closed in the process going forward.

• Agree a mandate to negotiate by COP17 individual emission reduction commitments for industrialised countries that match an aggregate reduction target of more than 40% below 1990 levels by 2020.

• Agree that each developed country will produce a Zero Carbon Action Plan by 2012.

• Minimise loopholes by adopting LULUCF rules that deliver emission reductions from the forestry and land use sectors; market mechanism rules that prevent double counting of emission reductions or finance; and banking rules that minimise damage from 'hot air' (surplus AAUs).

• Agree on producing climate-resilient Low Carbon Action Plans for developing countries, and establish a mechanism to match NAMAs with support. Mandate SBI and SBSTA to develop MRV guidelines for

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Climate Action Network Special Side Event Cancun Building Blocks Wednesday, Oct. 6 - 18:00-19:30 Room Yinchuan

Fast-Start Disclosure

ECO is in shock! Are we really witnessing a race to the top for the transparency of fast start finance?

After months of pestering developed countries about fast-start disclosure, the United States – a country not known for its climate leadership – says it will disclose so much information that the Dutch fast start finance website will put up 'under construction' signs.

Todd Stern stated at the finance meeting in Geneva that the US would undertake a 'very detailed document', much to the shock (and possibly horror) of its Umbrella Group colleagues.

ECO understands the US will proudly announce that much of its fast-start finance is 'new and additional'. That's easy to do when your previous climate finance contributions are close to zero. On the other hand, this doesn't help the comparison of additionality of different rich country contributions. Only a fair common baseline across all contributing countries will allow that. What's actually additional gets even more complicated because the US seems ready to double-count funds for its G8 Food Security commitment towards its fast start package.

If the EU wants to call itself a climate finance leader, a common baseline to measure 'new and additional' is a real test of its conviction, and would pressure other rich countries to follow suit. That's the race to the top these talks actually need. ECO would like to remind parties that disclosure and transparency is the first step towards creating accountability and confidence.

Whilst the EU worries about being put in the shade by the US report, they have an

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- *Building Blocks, continued from page 1* adoption in COP17.

• Commission at COP 16 a technical paper to explore the mitigation required to keep warming below 1.5° C, and outline a process to negotiate how that effort will be shared between countries.

• Agree a clear mandate that ensures that we get a full fair, ambitious and binding (FAB) deal at COP 17 in South Africa – one that includes the second commitment period of the Kyoto Protocol. It is this clear pathway forward, with an agreed destination and an agreed route, that will make agreement at Cancun possible.

Meaningful progress in each area, agreement to work toward a legally binding deal, work plans agreed on each key area, and a long term vision for future negotiations, will deliver a successful and balanced package.

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opportunity to reclaim their leadership on climate finance by agreeing internally a fair and common baseline for additionality and proposing it for adoption by all parties in Cancun. ECO understands the EU has considered a common baseline proposal to be included in the EU Fast Start Finance report which could nudge the US to the same starting position. We'll know when that report is finalised by mid-November.

Finally, developed countries have no leg to stand on regarding MRV of actions if they cannot be transparent in their support. We will know more in Cancun about US and EU commitment to transparency of both sources and uses of their fast start finance, and that will be the time to check in on whether the Brollies have taken heed as well. So stay tuned to your fast start finance channel right here in ECO!

Just another day in the corridors . . .

There is more than a touch of irony that on the same day the Secretariat released a compilation of Party submissions on ways to enhance the engagement of observer organizations, those same groups were kept out of all AWG-LCA drafting groups.

ECO hears the reasoning for closed sessions is that negotiators will speak more freely and make better progress without representatives of civil society in the room. This is not entirely convincing, but ECO will certainly be looking for demonstrable signs of progress the rest of this week in Tianjin.

Another Look at Closing the Gigatonne Gap

In narrowing the negotiating text here in Tianjin, delegates should focus on a shared vision of limiting global temperature rise to 1.5° C and atmospheric concentrations of carbon dioxide of no more than 350 ppm.

Anything above these levels would result in a host of severe impacts, including the inundation of low-lying island nations, the complete loss of coral reefs and summer Arctic sea ice, as well as the potential triggering of irreversible feedbacks adding massively to climate disruption.

For this reason, more than 110 countries support reducing carbon dioxide to 350 ppm. A shared vision that accomplishes anything less would surely consign future generations to ecological and economic catastrophe.

As indicated by several scientific assessments, emission reduction pledges made at Copenhagen fall far short of the action needed to limit temperature rise to 2° C, much less to 1.5° C/350 ppm. Even viewed in the most optimistic light, the Copenhagen Accord would increase global temperatures by more than 3° C and push carbon dioxide levels past 650 ppm, a recipe for disaster.

To provide a 50/50 chance of limiting warming to an average of 2° C above preindustrial levels, emissions by 2020 should be no more than 44 gigatonnes (Gt) CO2e globally. For the safer 1.5° C/350 ppm target, global emissions would need to be no greater than 40 Gt.

The Copenhagen Accord pledges, on the other hand, would end up at 48 to 55 Gt in 2020, so there is your 'gigatonne gap'. And it's not a pretty sight. Parties must formally acknowledge this gap in Cancun and adopt a firm process to close it. The laws of physics and chemistry will not bend to fit political convenience.

There are many potential measures to close the gigatonne gap, including increased emission reduction commitments by developed countries, dealing with excessive use of AAUs, capping emissions from bunkers, closing loopholes in greenhouse gas accounting, and additional financing to facilitate greater emissions reductions from developing countries.

Because there is a shrinking window of time to address the climate crisis, expressly acknowledging the need to close the gigatonne gap is critical, and bold action will be needed to meaningfully address the climate crisis. There is no more time to lose.

A Question of Balance

Eco is confused. There seem to be a number of different definitions of 'balance', a word that has become high fashion in the halls of the Tianjin conference centre.

But what is balance? Is it 'allow me' or 'after you'? There have been a range of so-called 'balanced options' put forth in these negotiations. A lot of times, though, it seems to be more about sequencing than balancing. Some examples:

- Transparency before Finance
- Architecture before Ambition
- Higher Ambition before NAMAs
- Kyoto before LCA
- Rules before Targets

Instead, 'balance' should mean getting something you want, but also something of what you don't want, in order to move forward. But consider other comparisons that are also coming into play, such as:

- Profits before Science
- Coal before Floods

ECO would like to gently remind Parties that if one 'balances' the actions on climate change actually taken recently by countries against the number of major climate impacts felt this year, the scales do not tip in favour of an outcome that resembles any sort of equilibrium.

Walking the KP Talk

ECO often chastises parties for too much talk and not enough action. However, yesterday's vexed AWG-KP contact group on legal matters showed that sometimes refusing to talk blocks forward progress. If we are ever going to secure a second commitment period of the Kyoto Protocol – the only legally binding targets and timetables within reach – countries will need to talk about the legal steps to get there.

Therefore, we just don't understand the refusal of the African Group, Bolivia, Brazil, China, India and Saudi Arabia to discuss legal matters in the KP (well, we do understand the Saudis and we simply don't agree). Such inflexibility makes a second KP commitment period that much harder to secure.

ECO has heard many developing countries say they don't want to kill the KP, and we surely want it to live too. In fact, lessons from the first commitment period ought to be reflected in amendments that make it even stronger. Inserting numbers in an Annex is crucial, but should not be the totality of the discussion. Let the legal talks and ambitious emission cuts begin!

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