Decision 1/CP.18: Close the Ambition Gap!!

What do the Beijing and Manila floods, US drought and hurricanes, and record low Arctic summer sea ice cover tell us? That climate impacts are a reality and, particularly with respect to sea ice, are happening faster than we thought. Report after report tells us that current mitigation pledges are insufficient. It is clear that a work programme on increasing ambition in the short term must be adopted in Doha, so that emissions remain within a trajectory compatible with a 2°C/1.5°C limit. We need a Doha COP decision on closing that gap!! (Of course, that is not the only decision we need from Doha – others being the adoption of the Kyoto second commitment period amendment, a timetable and milestones for the 2015 deal negotiations and so on – ECO’s point is simply that near-term ambition is critical: do something!)

In the interest of ensuring Parties have time to take in the sights of Doha, ECO has graciously done some of the work for you – with this list you could even forward draft decision text from Bangkok! The COP decision on closing the gap must include:

- **Strong and early action on short-lived climate forcers** – particularly Black Carbon. Doesn’t Black Carbon sound scary – well it is, and getting rid of it has major benefits. A recent UNEP report concluded that ambitious actions to cut Black Carbon and Tropospheric Ozone could reduce global warming by about 0.5°C by 2050 and even 0.7°C in the Arctic, with additional benefits related to health and food security. Parties should agree text that requests appropriate fora for these emissions to take urgent action.

- **HFCs** – This is a process laden with abbreviations – so why don’t we get rid of one and accelerate the phase out of HFCs?? Parties should request that the Montreal Protocol agree to phase out production and consumption of these gases as a matter of urgency at MOP25, while all Annex I Parties should also commit to an immediate ban on the use of HFC-23 offsets for compliance with Kyoto Protocol targets. Alternative technologies to HFCs should be made accessible to developing countries in a cost-effective manner. Overall, up to 1.3 Gt CO₂ could be saved annually by 2020, and we’d all be one abbreviation lighter.

- **Removal of fossil fuel subsidies** – There is no better example of the idiom “killing two birds with one stone” than phasing out fossil fuel subsidies – which can contribute to both reducing emissions and act as a source of climate finance (with no disrespect for our friends at the CBD – we are, of course, referring to metaphorical birds). Subsidy removal in Annex I countries should be prioritized both for its mitigation and financial gap filling potential. Plans for carefully supporting removal of subsidies in developing countries should be developed in the near term. A COP18 decision must establish the enabling conditions to achieve fossil fuel subsidy removal, including a timeline for phase out, identification of ways for some developing countries to pursue fossil fuel subsidy phase-out as a supported NAMA, continued on page 2.

Transparency Through 2 Individuals Representing More Than 700 Organisations!

ECO recognises the progress made in the SBI last year on observer participation – but wonders why only two seats per constituency were assigned to NGOs in yesterday’s roundtable on the vision for the ADP. A matter of meeting room size? A matter of willingness? ECO doesn’t want to think the latter is the reason... The morning KP session that took place in Conference Room 2, with capacity for 250, was standing-room only (but there was standing room) – so there’s definitely room for more.

Observers play vital and varied roles in the climate negotiations – you know that, right? We’re working to find fair and ambitious solutions to address the greatest collective challenge we are facing today – you know that, too. NGOs represent the interests of the general public that may not be fully covered or understood by governmental delegations, bring new ideas to the table and help ensure transparency on Parties’ positioning, thereby strengthening accountability to the public and to other groups. And importantly, through their memberships and communications, NGOs help to increase public awareness of the issues being negotiated. Does ECO have to repeat the same thing over and over?

Apparently yes: The Convention itself commits Parties to “…encourage the widest participation in this process, including that of non-governmental organizations”. These different roles that observer NGOs play help to promote transparency and accountability in the highly complex negotiations, and in doing so give greater legitimacy to the UNFCCC process as a whole.

Kudos to the Philippines for raising the issue of the need to increase observer attendance at the roundtable – ECO hopes that the remaining roundtables operate in a greater spirit of openness and transparency, the way it should be.
Gap continued

and requirements to include fossil fuel sub-
sidies existence and plans for removal as
part of the National Communications and/or
Biennial Reporting.

Develop low carbon development
strategies as per the Cancun Agree-
ments – Establishing emission pathways
consistent with the 1.5/2°C limit requires the steady
transformation of economies away from a
high carbon economic growth model – there
is no reason not to start planning today!

These are but a few of the many options
out there to reduce emissions in addition to
developed countries raising their pollution
reduction ambition. It is clear that the COP
decision should also mandate a technical
paper to assess the overall level of am-
bition implied by mitigation commitments
and long term low carbon development
strategies, and identify any subsequent gap
between this collective ambition and a tra-
jectory consistent with a high probability of
keeping warming below 1.5°C. We need to
keep abreast of the size of the gap and en-
sure it is closed immediately.

But what about targets and actions? you
may cry. How can that not be in your list, ECO? The answer is simple. KP Annex I
Parties, including Australia and New Zeal-
and, must move to the upper end of their
ranges, enshrine these in an amendment to
Annex B, along with removing false emis-
sion reductions by minimising carried over
AAs and improving CDM and Ji rules.
Non-KP Annex I Parties such as the USA
must also increase their 2020 pledges so
that the combined effort with the KP moves
into the 25-40% range. Countries (we’re
looking at you: Qatar, Argentina, Nigeria,
Iran, Venezuela, Saudi Arabia, Malaysia,
Thailand) that have not yet pledged NAMAs
must do so in Doha, while developing coun-
tries that are in a position to do so should
further strengthen existing pledges/NAMAs.

To enable developing countries to increase
their mitigation actions, public finance from
2013-15 must be at least double the amount
of the Fast Start Finance. All this needs to
be done in Doha and so would be superflu-
ous to include in a COP decision on clos-
ing the gap. In today’s roundtable on raising
near-term ambition in the ADP, ECO is
anxiously awaiting constructive proposals,
concrete commitments and draft text for an
ambition COP decision in Doha. The cli-
mate crisis demands nothing less.

A Tenuous Linkage

ECO cautiously welcomes the announcement made this week
by Australia and the EU that they have entered into negoti-
ations to link their carbon trading schemes by 2018. If imple-
mented with ambition, this could be a positive step toward
greater international cooperation in carbon pollution reduc-
ations.

However, ECO wants to respectfully remind delegates that if
two dogs play together they will catch each other’s fleas. In the
case of linking carbon markets together, weak ambition may be
contagious. If neither emissions cap meets the targets that sci-
ence suggests, then linking is only a gimmick.

Europe is already and will continue to face deficiencies in the
EU ETS. Unless policymakers move to restore scarcity to the
oversupplied European carbon market, they risk weakening in-
centives for zero-carbon development not only in Europe but
also in the countries to which they link. Australia’s economy is
the size of Spain’s, and could be overwhelmed by a flood of
cheap European emission allowances, undermining climate ac-
tion there. We note that this linkage is marginally better than al-
lowing a flood of even cheaper CDM credits into the Australian
scheme, which was a distinct possibility before changes were
made in order to link with Europe, but, as feared, is likely to un-
dermine climate action on both sides.

Full linking with the Australian scheme after 2018 also presents
potential dangers for the EU. Since Australia’s 2020 climate
targets remain considerably weaker than Europe’s, an insuffi-
ciently robust Australian cap could see a reverse flow of cheap
Australian credits into the European market exacerbating the
existing oversupply. Also, there is a danger that Australian land-
based credits could enter the European scheme by the back-
door.

ECO urges the EU to act quickly and decisively to make struc-
tural adjustments to the EU ETS by permanently removing sur-
plus emission allowances to fix the glaring problem of
oversupply.

Australia regrettably had to do away with its intention to install
a carbon floor price, which provided an important safety net to
ensure a minimum level of investment in domestic pollution-
saving activities. Removing this safety net means that other
policies become even more important. ECO urges Australia to
commit to extend and increase the Renewable Energy Target
to at least 40%.

Finally, ECO can’t help wondering…surely the EU did not forget
to make joining the second commitment period of the Kyoto
Protocol a pre-condition for bilateral negotiations between the
EU and Australia to proceed?

Cooking Up New Mystery
Mechanisms (NMM)

Since the decision to establish a new market mechanism (NMM) and an international
framework for new bilateral or regional mar-
ket mechanisms at COP17 in Durban, ECO
hasn’t noticed much progress. None of the
details have been worked out and even ins-
iders are unclear about what new mechan-
isms could look like and what the role of the so-called “common
framework” should be. Many issues remain in mystery, such as
whether there should be centralised governance or prevailing na-
tional rules, how to address double counting and how these new
mechanisms will actually fit into the wider climate negotiations
when there is insufficient political will for ambitious emission re-
duction commitments.

For a potion from the indigestion of many divergent views, the
AWG-LCA chair needs to get his wand out at today’s workshop
on new market-based mechanisms. ECO restates several essen-
tial ingredients for an infatuating recipe:

safeguards against double counting of efforts
as many as you can
real, measurable, verifiable and additional emissions reductions
“tonnes” of it
centralized governance
one piece
net atmospheric and sustainable development benefits
all you can get

However, even if the Bangkok talks can cook up something, there
is no feast without getting ourselves hungry with sufficient political
will for ambitious emissions reduction commitments.

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