

# ECO



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## UN Bodies Need to Cooperate and Synergise

The Climate Action Network (CAN) welcomes an increased focus on adaptation issues at COP10 (which some refer to as the Adaptation COP), as the impacts of dangerous climate change are already being felt.

We fully support two statements from the opening plenary on December 6: that we are already experiencing dangerous climate change, and that along with adaptation to unavoidable climate damages, an aggressive mitigation regime is required to avoid the level of damage to which it will be impossible to adapt.

Based on this, cooperation and synergies between UN bodies are absolutely essential to build an adequate adaptation regime, and to support emission reductions designed to keep global temperature rise less than 2°C above pre-industrial levels.

In this light, it is outrageous to note that some developed country Parties so vehemently opposed the inclusion of the agenda item on the United Nations General Assembly's (UNGA) request that the COP provide input to the Barbados Review. The global community have a moral obligation to assist in whatever way possible the most vulnerable countries which are feeling the potentially fatal impacts of a problem which is not of their own making.

Likewise, the World Conference on Disaster Reduction was also the subject of a similar request from the UNGA. Any adaptation regime has to have this work at its heart, as it is the exposure to increased frequency and intensity of extreme weather events that has led to the skyrocketing of costs

and numbers of affected people we have seen over the past two decades.

While the US has insisted on focusing on climate variability instead of climate change, these are two very different things, from a scientific point of view.

As the time for preparation for both meetings is short, CAN encourages Parties to consider what they could do to assist these processes during the course of this COP. They should send a strong political signal of support at the very least.

However, with regard to the 14th and 15th sessions of the UN Commission on Sustainable Development, one can hardly imagine a more relevant forum for cooperation where Parties can have constructive input and help fulfil their commitments under Article 2 of the Convention, since this is explicitly included in the scope of the meeting.

Furthermore, it is an opportunity to provide substantive input into the only multilateral forum where energy is discussed. This must be done because there is enough time for preparation, and especially as the future of our energy system is at the heart of the climate debate.

This is also why we strongly support the statement from Tuvalu that energy for sustainable development should be on the agenda of the next COP.

CAN also takes issue with the US' motivation for its position at the plenary stating many days were spent in Marrakech discussing the World Summit on Sustainable  
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## Failure to Mobilise the Public

Despite the fact that Article 6 on public education and raising awareness on climate change has existed in the Convention since its adoption, Parties have yet even to establish a clearing house to share relevant information to mobilise public support for action on climate change.

This situation says a lot about the (lack of) seriousness of Parties to generate adequate public support and understanding. Almost no national communication – whether from Annex I or non-Annex I countries – demonstrates how well this issue is addressed.

With all the excitement about the imminent coming into force of the Kyoto Protocol, this COP should move forcefully on this Article by mobilising resources immediately so that civil society, including members of the Climate Action Network, can better assist on education and awareness raising programmes.

The current situation on this matter in developing countries in particular is generally patchy with the few NGO-driven initiatives depending on foreign donors and facing difficulties in accessing adequate resource materials.

A web-based clearing house can only be a tiny step forward. All Parties cannot shirk their responsibilities to educate their own public about climate change. They must not simply delegate this task to civil society and stand back with folded arms, unless they are not sincere about addressing the global problem of climate change.

When are Parties going to act decisively on this important aspect of the Convention?

# OPEC Puts Self Interest Ahead of G77 Solidarity

All delegates are holding their breath. At the time of writing, it was still undecided if G77&China would keep one of the most irrational links in climate policy – least developing countries (LDCs) being held hostage to the self interest of some of the richest countries in the world which masquerade as developing countries.

This gross injustice in climate policy is coming under renewed criticism as Parties here in Buenos Aires try to agree on how to fund adaptation measures for the LDCs which are starting to be seriously affected by climate change.

A report launched by WWF today entitled “An analysis of the role of OPEC as a G77 member at the UNFCCC” provides cases on how OPEC has tricked G77&China members into supporting its vested interests.

The report notes that whilst LDCs continue to seek further financial and technical support to cope with the adverse effects of climate change (under negotiations on progress of the

implementation of activities under decision 5/CP7), OPEC countries continue to block any progress by calling for equal treatment of the impact of the implementation of response measures.

Where we have a call for expert meetings on insurance and risk assessment of the impacts of climate change, we see OPEC mirroring this text, with demands for insurance for the impacts of response measures.

So, apart from Parties being asked to develop models for information on the adverse effects of climate change, thanks to OPEC, they are also being asked to develop models to examine the “vulnerability to the impact of implementation of response measures.”

As long as progress on adaptation is held hostage to the interest of OPEC countries, it is those LDCs with the least capacity to adapt to the worsening impacts of climate change that will continue to suffer the most.

OPEC has continually called for equal treatment of both issues, but why should a

global issue such as adaptation be held hostage to an issue which is of interest to only 11 countries whose economies are dependent upon oil. This does not seem to be a fair representation of the interests of members of G77&China.

These OPEC tactics actually have more implications, beyond G77&China Parties, on their own member states. The so-called OPEC positions are not aligned with the current interests of most its members. Amongst the four countries that have submitted their national communications – Algeria, Indonesia, Iran and Nigeria – only one of them, Iran, mentions the impact of response measures.

That makes a maximum of eight OPEC countries which might believe this is a serious issue. This is only a small fraction of the 132 countries which make up G77&China countries. In effect, 6 percent of G77&China is holding the remaining 94 percent hostage to its unfair demands.

How does this make sense?

## Auto Industry Challenges US State Action

On Tuesday, in the US, auto manufacturers from around the world sued the state of California for its effort to regulate greenhouse gas (GHG) emissions from vehicles in the state. California, which faces severe climate impacts from precipitation changes and loss of the snowpack on which it depends for fresh water, was the first state in the country to enact a measure to curb global warming pollution from cars. It set a target to cut GHG emissions from vehicles 30 percent by 2016. This aggressive state-based initiative was part of California's effort to fill the regulatory void left by the Bush Administration in addressing climate change. That leadership is now in doubt due to the actions by the auto industry to block progress at the state level like it has at the federal level.

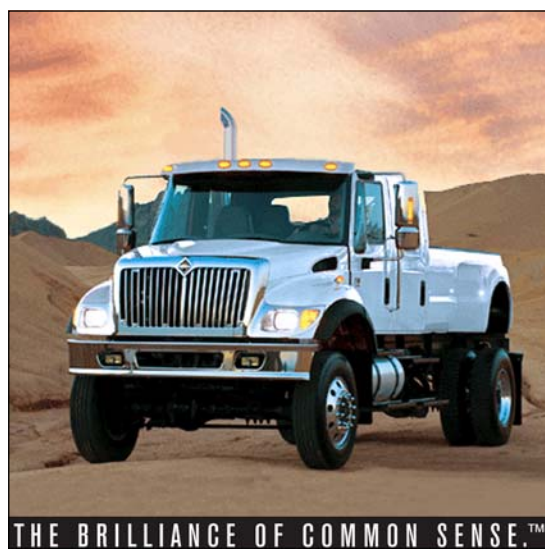
Cars and light trucks are by far the largest source of global warming pollution in California, accounting for 40 percent of all GHG emissions. At the national level, it is second only to Texas in state CO<sub>2</sub> emissions. These standards would clearly have a significant effect on overall US emissions, a vital contribution given the Bush Administration's unwillingness to do so. In addition, these standards would have an impact

far beyond California's borders. Several states including New York, Connecticut, and Massachusetts have already indicated they will adopt the California GHG emissions standard; other states are considering it; and Canada may also adopt similar standards. When combined, these states plus Canada would shift a significant portion of the North American auto market to low emission vehicles.

The lawsuit was filed by the Alliance of Automobile Manufacturers, an organisation that includes DaimlerChrysler, Ford, Mitsubishi, Toyota and Volkswagen among others. It claims that the standard is illegal given the federal government's role in setting fuel economy standards. But California has the right to set its vehicle air pollution standards and that is what it has done in an effort to protect its people, natural resources, and economy. Governor “The Terminator” Arnold Schwarzenegger has pledged to defend the vehicle regulation in court.

Instead of fighting the state auto emission standards, these automakers, many of which are based in Kyoto Party countries, should put their energies into

producing a new generation of clean cars and trucks. In addition, those countries at COP10 that have pointed out the need for meaningful US action on climate change should call on their auto companies to disavow such legal action against one of the strongest examples of US emission reduction efforts.



California wants to reduce greenhouse gas emissions from vehicles by 30 percent.

# Thumbs Up for Executive Board

The second plenary yesterday morning heard many complimentary inputs from developing countries in response to the report and work of the Executive Board to the CDM. The majority of inputs welcomed its rigorous approach to additionality, expressed concerns about HFC23 projects, and called for additional financial resources for the Board in the short term.

While the work of the Board and its panels on clarifying additionality testing, and the production of the consolidated tool for demonstration of additionality can be improved in some aspects, the Climate Action Network (CAN) supports its efforts so far. Its broad thrust is correct – an additionality demonstration must show why the project would not have happened without the CDM.

In particular, CAN commends the Board members' request to review the World Bank's La Esperanza hydro project. This sends a clear message to developers and validators that credible additionality testing is a must, and that public comments received must be seriously dealt with.

We urge the Board and this COP to resist the pressure from some developers, the World Bank, industry lobbies and certain governments to undermine additionality testing, often in the name of "streamlining the approval process." This would turn the CDM into a fake carbon credit supplier and further weaken the Kyoto Protocol's already insufficient reduction targets. We also note that

– *UN Bodies Need to, from front page* –

Development (WSSD) without much progress. It was the US and some of its allies that ensured there was no substantive input to the WSSD, where, in the end, there was no agreement on concrete measures to increase the uptake of renewables and energy efficiency, and the avoidance of perverse subsidies.

We urge Parties to accept their responsibilities to move these processes forward and not be held hostage by one or two powerful parties. As was mentioned in opening plenary, this is not the UN Security Council where one country can veto the opposing positions of everyone else.

CAN is convinced that the US, which played so large a role in defining the character of the Kyoto Protocol, will rejoin eventually. We have faith, in the words of Winston Churchill, that, "at the end of the day the United States will do the right thing...once it has exhausted all other possibilities."

Board members serve in their individual capacity and must not further any national or sectoral interest.

The Board's funding is another issue. With only one project registered and still some way from delivering certified emission reductions (CERs), registration fees are still only on the horizon. Hence, allocations to the Board's budget must be sufficient to ensure sustainability of CDM operations until it derives this income. They must also provide for more meetings if increasing speed is required. However, funds granted for the CDM should not be diverted from those allocated for overseas development assistance.

CAN welcomes efforts by the Board to restrict the use of HFC23 projects, which if permitted could lead to an increase in production of HCFC22, itself a potent greenhouse gas, and undermine the Montreal Protocol on ozone depletion by incentivising production of gases that are meant to be phased out. The massive volume of low-cost credits generated by the HFC23 projects will also

sideline higher quality projects like renewables.

Similarly, nitrous oxide projects that perversely ignore the standard practice of incineration of N<sub>2</sub>O to generate vast quantities of CERs should be ruled out. The chemical process projects do not conform to the primary CDM objective of contributing to sustainable development of the host country.

Finally, CAN urges the Board to exclude the "avoided fuel switch" project type which the World Bank is promoting through its plantation-based projects in Brazil. This would mean granting developers credits merely for continuing to do what they are already doing and introducing an element of "carbon blackmail" into the CDM. Developers could begin to claim credit for not switching to coal, for example.

We also note that the Board's Methodologies Panel has expressed concern about the "moral hazard" relating to these projects that involve the continuation of current practice.

## The Effects Of Global Warming

Scientists say global warming is on the rise. What adverse effects do they predict will occur within the next decade?

- ▶ It will always feel like the lights are on
- ▶ Led by circus-educated seals, wild seals will rise up and rule earth
- ▶ A whole lotta biomes are gonna get all screwed up
- ▶ Start of 10,000-year Steam Age, which will cleanse planet's pores
- ▶ Even fewer opportunities for snowmen to magically come to life
- ▶ World's population will turn against scientists, forcing them to flee planet several years earlier than originally planned
- ▶ If water levels rise more than 10 feet, Tom DeLay will admit global warming not just some crackpot theory
- ▶ When depicted in cartoons, sun will have angry face instead of smiling face

## Push for Adaptation

Statements made by some developing country representatives during COP10's opening session on December 6 could mark an important step forward for raising the profile of adaptation to climate change. This was best signified by the comments of the Peruvian delegate.

She stressed "urgency and necessity to strengthen actions destined to adaptation and the reduction of the vulnerability of developing countries and less developed countries to the adverse effects of climate change." She added that climate change constituted an added burden and obstacle to development. Prior to this statement, Peru's position had only focused on mitigation.

The positive development in the stance of these developing countries on adaptation could signal changing views and attitudes within the G77&China group.

Although the Global Environment Facility

(GEF) is mandated to manage and support adaptation, it is crucial there is a revision to allow more flexibility to make accessing funds real and tangible. The tendency to draw from existing overseas development assistance allocations is an approach that will discriminate against vulnerable and less stable economies which are the most sensitive to climate change. New and additional funds are needed.

Hard negotiations within G77&China on implementing 5/CP7, and on prioritising the use of funding under the Special Climate Change Fund now need to take place to achieve real progress, especially considering that it will be difficult to obtain consensus following inputs by Saudi Arabia and Nigeria. It must be recognised that developing countries have diverse social, economic, political, geographical and environmental conditions. A variety of solutions are required and "one-size-fits-all" approach will not work well for all.

## Preventing Dangerous Climate Change

Climate Action Network International (CANI) is holding a side event, Voices of NGOs, today, from 13.00 to 15.00 hours at the Agauribay room, to mark the tenth anniversary of the UNFCCC. The event will review the latest science on climate change and its impacts, and assess progress on implementation of the UNFCCC from an NGO perspective. It will also present a score card of the performance of some key countries over the last 10 years, including the EU as a region. The score card is the result of a consultative process amongst CAN members in the countries concerned.

The third element of the event will be the CAN International input to the discussion on a future framework for action. This is the result of thorough discussions amongst CAN members from all regions of the world. Topics and speakers at the event are as follows: Preventing dangerous climate change by Bill Hare, Greenpeace International; Overview of national or regional efforts in last ten years through score cards of EU, Australia, Russia, Japan, Canada (Annex I), and China, Brazil, India, South Africa, Mexico (Non Annex I) by Yuri Onodera, Friends of the Earth, Japan and Sanjay Vashist, CAN International; Looking into the future – CAN's framework proposal by Jennifer Morgen, WWF.

## Diego

As vulnerable people from the poles to the tropics suffer the impacts of climate change, Saudi Arabia is still adamant that it should be compensated if countries reduce their consumption of oil. Indeed, it insisted yesterday that protecting island states from total destruction should in no way be considered more important than compensating the poor Saudi oil men. Compelled by this logic, Russia is considering seeking compensation for the fact that other Parties are no longer buying its cars. Britain is complaining formally about low sales in English restaurants abroad. And rumour has it that France wants compensation for the fact that no other country will buy its pop music. May they all have as much luck as the Saudis.

## NGO Party

The NGO Party during COP10 will be held on Saturday, December 11 at Hotel Baven from 21.30 hours. More details will be provided in forthcoming issues of ECO.

Invitations this year are only extended to representatives of Parties that have ratified the Kyoto Protocol – the Kyoto Club.

However, delegates from non-Kyoto Protocol signatory countries who personally support the Protocol are welcome to join the party.

## "Fossil of the Day" Award

Yesterday's top fossil was awarded to Saudi Arabia for Mr Al-Saban's unprovoked and entirely unnecessary attack on UNFCCC Executive Secretary, Joke Waller Hunter, during the morning's COP plenary discussion on the agenda item about relationships with other international processes.

Apparently the Saudi delegation head was particularly upset by Ms Waller-Hunter's intervention at the Renewables 2004 conference earlier this year in Bonn, where she had the temerity to suggest that renewable energy might be part of the solution to climate change.

India received its inaugural award at this COP for displaying short-sighted greed at financing business-as-usual projects, when it attacked the CDM Executive Board yesterday morning.

In doing so, India undermined the interest of all developing countries, which will be hit hard if we cook the books, allow fake emission reductions to be credited and allow climate change to get worse.

Rather than seeking to receive funding at appropriate credit prices for high-quality additional projects, India's request that there should be no additionality, effectively proposes receiving more cash for projects that would have been implemented anyway.

Credit prices would be driven to zero if every business-as-usual project received credits for doing nothing.

Further, India shamelessly claimed their attacks on the Executive Board were in the spirit of the Kyoto Protocol and the Convention.

It said its actions were aimed to preserve environmental integrity.

## THANKS

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*ECO email: [ecopaper@hotmail.com](mailto:ecopaper@hotmail.com)*

*ECO website: <http://www.climatenetwork.org/eco>*