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An Open Letter

Dear Negotiators,

The Long Term Goal (LTG) has been getting a lot of splash in the past month, with the business community, investors, and others sending a strong signal that the LTG is a key element for the Paris agreement. ECO couldn't agree more. The problem is that there are so many formulations to the LTG that it's confusing everybody.

First, let us agree that the real LTG: is the ultimate objective of the Convention (Article 2), and alongside that is the politically agreed 2°C temperature goal. The problem is that both of these mean different things to different people, so one challenge for us in Paris is to actually operationalise and put them in a language that everyone understands.

The ultimate objective of the Convention refers to stabilising GHG concentrations; to do so requires achieving zero GHG emissions. The question is when this must be achieved in order to avoid catastrophic impacts from climate change. And when we talk about the 2°C goal, are we aiming to achieve that with a probability of 90%, 66%, or something less, and what kind of trajectory will we follow?

Having clarified what we need to achieve and why, let us now talk about substance and text.

The existing draft text provides varying formulations for the LTG, but ECO's position is clear. We support phasing out fossil fuel emissions and a just transition to 100% renewable energy by 2050. First, if we

want a high probability of staying below 2°C (which would still only give us a low probability to stay below 1.5°C, the absolute limit that the most vulnerable communities can bear), then we need to reach by 2050. If not, it will become very difficult to achieve the politically agreed goal of staying below 2°C.

We also don't want to see a goal so far down the line that it would reduce the urgency for governments to adopt ambitious mid-term objectives and take full action. Achieving zero by 2050 is strongly linked to closing the existing gap in the short- and medium-term.

Second, watch out for false solutions. Some believe that fossil fuels can be used for some time to come as they are now, and still achieve our climate targets. That is clearly not the case. You can't get to a new destination without making a turn.

It's also clear that renewable energy is becoming the cheapest option in most parts of the world, even in comparison with fossil energy sources. But some proposed solutions involve high risks, costs, social impacts, and technological challenges that could add yet another wager on the future of our planet.

To sum up, ECO supports language to phase out fossil fuel emissions by 2050. What's still missing from the draft text is clear support for renewable energy as a preferred solution. And finally, there must be strong linkage between the long-term goal and mid-term objectives.

Clarifying INDCs

Today will see Switzerland, the EU and Norway take the stage: we salute you for being the first ones to submit your INDCs, and for having the guts to step up to this Q&A session.

Switzerland

Switzerland was the first country to submit an INDC. It plans to reduce emissions by 50% from 1990 levels by 2030, with 30% to be achieved domestically, and the rest through offsets. It's turned to the same approach with the long-term target, using offsets again. Which is far from clever! If the whole world needs to decarbonise by mid-century, what makes Switzerland think there will be enough offsets available? In any case, it really doesn't make sense to spend your money on offsets. Those need to be bought year after year, it makes much more sense to just achieve your reductions independently which brings jobs and other co-benefits. And could you kindly specify the amount of offsets in tonnes, and clarify your responsibility to provide finance for mitigation and adaptation abroad? Then there's the question of how non-forest land emissions can be accounted as zero...

EU

The EU a.k.a the first major economy to submit its INDC, where it commits to at least 40% emission reduction from 1990 levels by 2030. This is not in line with the agreed 2°C threshold, nor does it represent the EU's fair share of the global effort. It's also not quantifiable. How many tonnes does the EU intend to emit between 2021-2030? The EU has already achieved its 20% by 2020 target, and over-achieve. What will be the starting point in 2021, in tonnes? The LULUCF sector, that is a carbon sink for the EU, will now be included into the 2030 framework, but the details are unclear. How many tonnes will the EU's LULUCF sink absorb during this period? Will the inclusion of this sector reduce the effort intended for other sectors? What would the "at least" part of the EU 40% commitment look like? And what about the EU's responsibility to finance adaptation and mitigation in poor countries?

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Norway

Norway's INDC mimics the EU submission with a target of 40% emissions reduction by 2030, compared to 1990. Interestingly, the term "carbon neutral by 2050" and the inclusion of offsets by 2030 were also introduced. ECO would like to know how carbon neutrality will be defined—we haven't been able to find any information on this front. Does "neutral" mean that Norway expects to emit as much CO₂ as the Norwegian forests are currently absorbing? More than 20 million tonnes of CO₂a year. ECO is also puzzled by the absence of concrete targets for low-carbon development in other sectors, why

don't you just set a date for when road transport must be fossil free? And, let's be real: Norway, do you really think your INDC is fair and ambitious? You are a wealthy country with a high emissions per capita. According to the IPCC: if responsibility, capacity and need are taken into account, OECD countries should cut emissions by 106-128%. As the rich uncle of Europe and Norway, we had expected more from you!

Next week we will hear about Mexico, US and Canada. And maybe Russia, do you not dare?

Going the Distance: Action Needing from IMO and ICAO

International shipping and aviation generates approximately 5% of global CO₂ emissions. Massive growth rates in carbon pollution are anticipated for both sectors (50-250% for ship-ping and 270% for aviation by 2050). Without strong mitigation action in these sectors, we may lose any chance of staying below the 2°C goal. Whilst almost all other sectors and coun-tries are discussing their commitments to the effort to keep global warming below 2°C, inter-national aviation and shipping's commitments are nowhere to be seen. What ECO heard from the IMO in SBSTA today does not comfort us that either sector is acting ambitiously enough or fast enough.

International shipping is the only sector that does not even acknowledge the need for absolute emission reductions or have a process in place to agree on such a target. In fact, only last month, the IMO turned down a proposal by the Marshall Islands to begin such a process. Its review of this suggestion took just 90 minutes, even though the Marshall Islands has the third largest shipping registry in the world. The message on climate impacts from the Pacific Is-lands is a wakeup call for all—except for the IMO.

At least the aviation sector is in the process of developing a new market-based mechanism, with the aim of using offsets to limit its emissions to 2020 levels. And yet, bearing in mind that we have a remaining carbon budget of less than 1000Gt CO₂e, ICAO's target is deaf to the science. There is also currently no process in place to discuss future aviation emissions reductions. So in the end, both ICAO and IMO's submissions to SBSTA were more rainbows and unicorns than reports of adequate climate action.

The dire situation with both ICAO and IMO means that preserving and improving on the lan-guage in the UNFCCC Geneva text must be a priority. It is, after all, the only place where there is any discussion of having a levy on these sectors "to provide financial support for the Adaptation Fund", which could be an important source of new and additional climate finance.

It is also the only place where these sectors have been linked to a real climate objective—limiting global average temperature increases to 2°C. ECO joins many vulnerable countries in thinking even that limit is not enough, and that the proper upper limit is 1.5°C.

Sifting Through the Clutter on Finance

ECO imagines that negotiators have spent the night looking for gems in the Geneva text's finance section in order to prepare smart interventions for today's informals. This will not have been in vain. The text contains everything needed to build a robust framework for the provision of financial support in the Paris agreement.

All countries should contribute their fair bit to shift financial flows, public and private, away from dirty fossil fuels and towards renewable energies and energy efficiency. And to be clear, developing countries will require support for this 'shifting of the trillions' exercise.

Another good idea found in the text involves periodically setting collective targets for the provision of this financial support. After all, if the Paris agreement is to include contribution/commitment cycles for mitigation, it makes a lot of sense to organise financial support around similar cycles. Separate targets would be set for mitigation and adaptation funding, not only because the nature of support required for each differs, but also to ensure that sufficient support is provided for adaptation, which has been terribly neglected up to now.

The text's next promising piece is its emphasis on needs assessments. There are numerous references that support should meet developing countries' needs. To understand those needs, ECO suggest looking

more closely at enabling developing countries to periodically assess what support they need to enhance climate action. Maybe this process could also be streamlined to fit into the overall contribution/commitment cycles of the Paris agreement.

Negotiators who wonder where all the money should come from may like the idea that Paris could mandate an intensive look at the potential of innovative sources for additional public finance. For example, revenues from emissions trading, a financial transaction tax, or a levy on the extraction of fossil fuels could result in billions of dollars. Finally, the International Maritime Organisation (IMO) and International Civil Aviation Organisation (ICAO) could look again at their ability not only to cut emissions in international transport, but also channel revenues from doing so towards climate finance.

All Together Now: Pink, Yellow, and Blue

ECO thanks Parties for recognising how important keeping facilitated sessions under the ADP open to observers is. We smiled when Malaysia, Saudi Arabia and Nicaragua all took to the floor in support of a transparent process with no objections from any Party.

The rooms may not have enough seats and the non-pink-badge lines are long, but that's why we get up in the morning: to see the text turn from its "original paragraph" into a "proposed consolidation".

Transparency in the process is critical—we don't want to miss this. When we started in Bonn, there were 10 days and 4232 lines that run across more than 89 pages. Observers are keen to offer our assistance and suggestions with the streamlining.

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