

# ECO

## THE CONGRADULATIONS, IT'S OVER ISSUE

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Editorial: Andres Fuentes

## Don't Go Far Off

ECO is thinking of the great Chilean poet Pablo Neruda as we look forward to visiting 'El Pais de los poeta' - the land of poets. As Neruda said, *"Don't go far off, not even for a day, because -- because -- I don't know how to say it: a day is long and I will be waiting for you, as in an empty station when the trains are parked off somewhere else, asleep."*

And while we haven't seen much great poetry in SB50's draft decision texts, ECO is happy to help out as we head towards Santiago.

ECO did have great hopes that Parties would at least agree on a deadline for adopting a decision on **common timeframes** and summarizes (very poetically) the draft conclusion on this agenda item for you:

*And thanks to some Parties,  
They decided right there and then,  
The best thing to do,  
Was to meet again and again.*

To be clear, ECO believes that Parties need to come to a decision on five-year-common-timeframes at COP25. And therefore to Chile we say — we welcome your leadership and expect you to take us to adopting a decision in beautiful Santiago.

ECO appreciates the hard work of negotiators on the **Article 6 text**.

Let us put what we need in crystal clear prose: phase out Clean Development Mechanism credits, adopt strong social and environmental safeguards, avoid double-counting and include corresponding adjustments for all transfers. However, ECO is concerned that to some decision makers, the text agreed at SB50 might be as challenging as a dadaist poem to make sense of. ECO, therefore, hopes the Pre-COP in Costa Rica delivers a good basis for a decision on robust rules in Santiago.

ECO is not sure if the '**gentleperson's agreement**' that kicked off discussions on the IPCC resembles a tragedy or absurdity. Or maybe even both? Starting from its ridiculous and offensive title, it is the kind of old-fashioned patriarchal

story which never should have been written - like the Twilight novels. By not allowing a substantive discussion, Saudi Arabia clearly violated its part of this shady deal. To ECO, it's obvious that if you stand with science, then you reject this gentleperson's agreement.

The authors of **common reporting tables** (the common tabular formats), on the other hand, might not win a Nobel prize for literature with their work, but let's admit it, on busy days you sometimes enjoy less drama - so kudos for the constructive and tireless work.

And for those working on the **Warsaw International Mechanism for Loss and Damage**, the work has just begun with a new call for submissions. ECO hopes countries take less time than George R.R. Martin is taking for the Game of Thrones novels and submit their views well in time for ministers to have an informed discussion at the pre-COP in October.

The big finance story, while not present in the agenda, is pretty present in everyone's minds: it's the **GCF replenishment**. We are looking for those heroes that will make the best of the next Board meeting and adopt great decisions that will improve the functioning of the fund. ECO will remind contributor countries again and again that at least doubling their individual pledges is the least we expect in order to enhance ambition, regardless of other discussions happening at the board level. Also remember we are one year away from the magic moment, where developed countries should have mobilized USD\$100 billion in a transparent way. Finance might seem all over the place once again, but we know that without predictable support, increasing ambition will not be possible.

ECO does not want to leave you without at least one more fabulous quote from Neruda who wrote: *"You can cut all the flowers but you cannot keep Spring from coming."*

Your leaders are invited to New York to come with actions to address the climate crisis we are in. If they do not deliver what the people and the planet need, we will hold them accountable and ensure there are consequences. With Pablo Neruda in mind and apologies to Game of Thrones fans: Spring is coming.

# Over All the Talk About Paris – Don't Forget to Ratify KP2!

We find ourselves in a paradoxical situation. The *first paradox* is that the world's glaciers are now moving quicker than the Parties to the UNFCCC. The Greenland ice sheet has started doing something we were expecting it to do in 2090. Meanwhile, a large number of countries still have not done what we've expect them to do since 2014.

Slow and steady just won't do when we're trying to honour treaties we have created to fight the climate emergency. *Now you're moving slower than a glacier.*

Remember the table below, Parties? We welcome Kuwait, Lao People's Democratic Republic, Lesotho, Mongolia, Montenegro, and

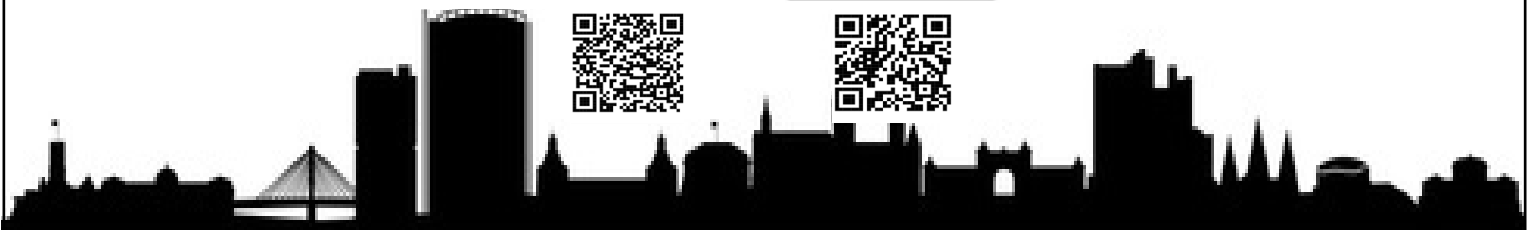
Paraguay - countries, who have all ratified the Doha Amendment to the Kyoto Protocol (KP2) since COP24. We also welcome the references to the need for the entry into force of the KP2 made in sessions such as SBSTA item 6 on matters relating to science and review. Given how much importance Saudi Arabia puts on this matter and how it's an opportunity to hold developed countries to their commitments, ECO hopes to be able to welcome Saudi Arabia as a KP2 ratifier in the very near future. Can we get this done pre-2020?

We still need 16 more Parties to sign up to reach the threshold of 3/4 of Parties to the KP to secure entry into force. This is where the second paradox comes in: there is an overflowing pool of excellent candidates that could fill the 16 countries gap. Some of these countries are amongst the most vocal on the urgent need for Doha ratification - as you can see from ECO's helpful table. So what are you waiting for - step up and walk the talk!

Remember also that failure to ratify and implement the KP2 sets a worrying precedent for the Paris Agreement and other international treaties.

<b>128/192 Parties to the KP have ratified the Doha Amendment, 64 have not</b>	<b>67</b>	<b>%</b>
3/3 ABU countries have ratified!	100	%
29/54 Africa Group countries have ratified, 25 have not	54	%
6/8 AILAC countries have ratified, 2 have not	75	%
5/11 ALBA countries have ratified, 6 have not	45	%
29/39 AOSIS countries have ratified, 10 have not	74	%
7/22 Arab Group countries have ratified, 15 have not	32	%
4/4 BASIC countries have ratified!	100	%
13/20 CVF countries have ratified, 7 have not	65	%
5/6 EIG countries have ratified, 1 has not	83	%
28/28 EU countries have ratified!	100	%
79/134 G77 & China countries have ratified, 55 have not	59	%
24/47 LDC countries have ratified, 23 have not	51	%
15/24 LMDC countries have ratified, 9 have not	63	%
4/9 Umbrella Group countries have ratified, 5 have not (2 are not eligible)	44	%

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# ECO Calls Out Saudi Arabia for Bullying Conduct, Parties for Their Silence

Last Friday, ECO witnessed a negotiator from Saudi Arabia repeatedly bully and intimidate the female co-facilitator at the SBSTA informal consultations on SR1.5C. While a Party is entitled to express its views, this Saudi negotiator's vociferous personal demands for an apology or admission of wrongdoing from the facilitator is entirely unacceptable—and tantamount to bullying and harassment.

What is more, no other Party in the room spoke out to oppose the Saudi conduct and stop the out-right harassment.

Sadly, these moments where Parties freely intimidate others and bystander Parties remain silent are neither rare nor openly acknowledged during climate negotiations. It feeds into the pervasive and toxic culture of discrimination against women that the UNFCCC's 2018 "Code of Conduct to address harassment at UNFCCC Conferences" was precisely designed to combat—and that we as a community do not tolerate.

The Saudi negotiator's behaviour and bystander Parties' silence are acutely problematic because they contravene the very values that the Paris Agreement espouses: equity, respect for human rights, gender equality and the empowerment of women. As a climate community, practicing these values means standing up against bullying, harassment, and any other forms of abusive treatment and violence against women and all delegates within the walls of the UNFCCC space.

In response, civil society members have lodged a formal complaint reporting the Saudi negotiator to the UNFCCC for breaching the Code of Conduct regarding harassment, which explicitly expresses that meetings should be held in a professional, respectful and harassment-free environment.

We, as civil society, do not tolerate such reprehensible aggression. The question remains whether other Parties will stand with us as well.

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## Article 6 Wrap-up: How to Fly Above the Hot Air

On this final day of SB50, ECO would like to remind Parties about the importance of strong environmental integrity provisions in the Article 6 rules.

It is fundamentally critical that emissions transfers under Article 6 prevent double counting. Article 6 can only work properly if the rules ensure that double counting is avoided both in 6.2 and 6.4, and that corresponding adjustments are applied for mitigation outcomes both inside and outside the scope of a host country's NDC. This must apply regardless of where the credits are used - i.e. for NDC and non-NDC purposes alike.

ECO continues to hear from some Parties that corresponding adjustments for mitigation outcomes used toward purposes other than NDCs — like aviation's carbon market, the ICAO CORSIA — are not important. ECO strongly disagrees. Leaving non-NDC adjustments out of the picture could punch a hole in the Paris Agreement the size of an A380 jumbo jet.

And if Parties allow Certified Emission Reductions (CERs), Assigned Amount Units (AAUs) or Emission Reduction Units (ERUs) to transfer over without any conditions, it would punch a hole in the Paris Agreement big enough for a whole airline's fleet. Allowing activities and methodologies from the Kyoto Protocol mechanisms to carry over without conditions would widen that enough to add another airline's fleet! Why would Kyoto Protocol credits be bad for the system? It's simple physics. It's hard to get lift-off with "hot air" all around you.

The environmental integrity of the mitigation outcomes under Article 6 is fundamental as well (e.g. emission reductions need to be real, quantified, additional, permanent, and verified). On the issue of whether mitigation outcomes are real, ECO is highly concerned with the possibility of non-CO<sub>2</sub>e metrics being used and converted into CO<sub>2</sub>e values for trade between Parties with NDCs measured in different metrics. The potential to game this conversion process seems enormous.

Environmental integrity for Article 6.4 (and under baseline and crediting systems that might fall under Article 6.2) means adopting strong rules for setting baselines. Baselines should be set conservatively, well below business as usual. They could also integrate principles of "best available technology" (taking into account specific geographical conditions) and/or an ambitious policy trajectory. Baselines should also be dynamic over time.

Voluntary cooperation under Article 6 should enhance mitigation, adaptation, and sustainable development, and Parties should make the operationalization of "overall mitigation in global emissions" a mandatory process. Enhancing sustainable development doesn't happen on its own, either. We need clear human rights-based environmental and social safeguards, including meaningful public participation, and a strong independent grievance mechanism to address harms if they do occur. A share of proceeds for the Adaptation Fund is critical as well.

ECO thanks negotiators for their hard work at the session. We hope you're able to look at the good, the bad, and the ugly to achieve better alignment at the Pre-COP, and be ready to adopt strong rules for environmental integrity and sustainable development in Santiago at COP25.

# The Day After Tomorrow - Prepare for an Ambitious WIM Review

ECO has observed that loss and damage negotiators have been working hard here to find an agreement on the Terms of Reference (ToR) for the review of the Warsaw Mechanism. The heatwave in Europe hopefully has inserted pressure to come to an agreement (hm...is that the reason why "one party" did not accept reference to the IPCC reports? Given the overwhelming real-time impacts of climate change happening now everywhere, this Party may have found the IPCC reports no longer necessary...? ECO does not at all support any rationale that aims to disregard the IPCC!).

Now it is time for negotiators, when they arrive home the day after tomorrow, to get prepared for the next round of submissions — wherever you may spend your holidays, you may find inspiration from some relaxing.

ECO would have loved to see the ToRs being more clearly guided by the needs of vulnerable countries, its people and ecosystems, for whom the WIM has been set up. But even after so many years in the process, ECO still learned something new: the review will take place even in

the absence of the ToRs. So in case Parties do not manage to agree on the ToR, each Party could proceed on its own discretion. Agreed ToRs are of course much more preferable!

So, ECO will look for the submissions to speak more clearly to options to provide the resourcing to both the WIM and to vulnerable countries to confront, and recover from, losses and damages associated to the impacts of climate change.

ECO would like to encourage everyone to submit their views early, before the Pre-COP, so ministers can come well-informed and advance the review discussions on the political level. There would be no excuse not to involve ministers in a targeted manner on the WIM review. A strong WIM outcome would constitute a key element for a successful COP25!

And finally a reminder in particular to big emitters: the more your revised NDCs and your climate actions will be compatible with 1.5°C, the less you have to worry about others claiming loss and damage finance from you!

## Let it Grow!

With the complexity of GHG fluxes in the land sector, it is often difficult to see the wood for all the trees. So let's go straight to the root of the issue: some groups - notably, the forestry sector - claim that young, rapidly growing trees are the best at soaking up carbon from the atmosphere, and that using wood harvested from such plantations for furniture and building construction can lock away large quantities of carbon. Such false solutions are myths that disingenuously position the forestry industry as a key ally in the fight against climate change.

The truth is that trees only reach their maximum "carbon carrying capacity" many decades, and sometimes even centuries, into their growth, and that harvested wood products, on average, store only a fraction of the carbon contained in a living tree.

But don't despair - there are real solutions! Proforestation is a process that allows older forests to continue growing to reach their biological sequestration potential. A newly published paper finds that protecting existing natural forests and allowing them to grow offers far superior mitigation value and significant co-benefits compared to plantation forests, such as nutrient cycling, water regulation, and pollination. Proforestation applies to all forest types.

We cannot afford to miss out on immediate mitigation opportunities in boreal, temperate and tropical landscapes. ECO therefore strongly believes Parties should recognize the huge climate mitigation potential in their natural forests, with potential to close around one-third of the emissions gap, and calls on Parties to scale up forest protection and restoration.

In the (slightly adapted) wise words of Elsa - "Let it grow, LET IT GROOOOW! [hair flip] The plantation myths don't bother me anyways."



# Climate Finance Abracadabra – ECO's Watching You!

ECO is watching how developed countries progress on their climate finance in light of the annual US\$100bn goal. One way to keep track of the direction of provided mitigation and adaptation finance is using the climate-related development assistance as reported to the OECD's DAC, even if the climate finance reported to the UNFCCC doesn't necessarily match this data. ECO is fully aware of some challenges already identified with the methodology. Different analyses have shown that there is a significant over-reporting in applying the Rio Markers, which indicate the level of climate relevance. For example, indicating that the 'principal' objective (Rio Marker 2) of a project is either adaptation or mitigation relevant, means 100% of the budget will be counted as climate relevant. When giving a project Rio Marker 1 ('significant'), 40 to 50% of the project is usually counted as climate finance (OECD member countries' practice varies), even though it can have only little detectable climate relevance.

Where the European Commission, Sweden, Norway and others are scaling the Rio-marker 1 ("Significant") with 40%, these "coefficients" differ across countries from 0% (Portugal) to 100% (Japan, Luxembourg, Greece, Slovak Republic, Slovenia, Poland and Iceland). This is a sad example of the lack of common reporting standards among OECD member states. Unfortunately, most of these countries did not indicate their coefficient (in BR3), except Iceland and Norway. The source for the other countries is the OECD-CPI report from 2015.

This over-reporting thus leads to an artificially-high amount of overall reported climate finance. The future common tabular format needs to explicitly include a column showing the climate-specific part of the budget for the projects.

ECO has looked closer at 2017 figures, the most recently available ones, reported to OECD/DAC (based on funding commitments) and has found interesting results. There seem to be some magicians in certain countries which have managed to massively increase the finance reported with the climate markers. Most interesting are the reported numbers on adaptation and the increase in projects marked with Rio Marker 2. The reporting from Italy shows a 5-fold increase. EU institutions (excluding the European Investment Bank) — the largest contributor in absolute terms—had an increase of more than 70% in 2017 compared to 2016. So can we assume that in one year the EU institutions have increased their 100% adaptation-relevant projects by 70%? The list of other donor countries that increased their funding by more than 100% includes Norway, Spain, Portugal, Poland and Luxembourg.

ECO would applaud if these numbers reflected an actual increase in adaptation finance from these countries. However, as we approach 2020, some countries might feel the need to round up some numbers to "fulfill" the US\$100bn target. Developed countries will get to their next climate finance reporting under the UNFCCC by the end of 2019, and the OECD/DAC numbers are one important input to that. ECO suggests that developing countries ask their counterparts whether this is real money or just advanced (almost magical) accounting exercises. How has this increase in climate finance been felt on the ground where it is highly needed? Navigating the climate crisis would be a lot easier if reported support actually reflected the real world.

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## Will Finland Save the EU's Reputation?

Climate is a clear priority for Finland, who takes over the presidency of the EU Council this Monday. At the national level, Finland is aiming high: to be carbon neutral by 2035 and to achieve net negative emissions shortly thereafter. Respect! Finland also supports increasing the ambition of the EU's NDC to -55% by 2030 (from 1990 levels).

In fact, ECO hears that one of Finland's main presidency priorities will be to strengthen the EU's position as a global leader on

climate action. And if not now, then when?

What matters now is significant emission reductions in the short-term. The UN Secretary General puts it very clearly in his call for the Climate Action Summit in September: unless we cut global emissions in half by 2030, we will not be able to avoid devastating climate impacts. He calls on the EU to improve its severely inadequate 2030 target and reduce emissions 55% below 1990 levels by 2030.

ECO agrees that would be an improvement, but believes the EU can consider doing even better and move to cut emissions at least 65% in order to contribute its fair share of reaching the 1.5°C target and respect the Paris Agreement's objectives.

Historically, the EU has often been there, at crunch times, to push global climate ambition forward. ECO can't believe that the EU would really consider going to the Climate Action Summit empty-handed!

# Your 101 Guide to Ambition

Parties [and political leaders] are clearly still struggling with the notion of ambition, despite all the guidance provided to them by the IPCC, NGOs, think tanks, the UN Secretary General, Greta Thunberg, and despite the increasing need to address impacts of climate change all around the world.

ECO has lost count of how many times we've said that science's role is to inform ambition. And we're not referring only to the IPCC Special Report on 1.5°C. New scientific studies (which missed the SR1.5 deadline for consideration) remind us that climate change could be happening faster than we originally thought. One recent example shows that if emissions remain unabated, Greenland's ice will melt at higher rates than initially expected. The climate forecasts are now up to 80 percent higher than previous estimates of 35 inches (89 cm) of sea level rise. Europe is again this summer experiencing a heat wave - all you need to do is to step outside of the conference halls for a bit of empirical research.

ECO has talked a lot about it, but since we're not seeing ambition from you, we feel the need to unpack what we mean by climate ambition. Bluntly put, we want a credible and solid response to the climate emergency from all countries based on their different capacities and resources. A response to the demands of youth and the public outcry would include the following elements:

1. Mitigation: we need significantly enhanced NDCs that are 1.5°C compatible, ready for implementation, reflecting the country's long-term strategies, and informed by science and in line with equity. The term "mitigation" itself can hide what's really needed. Fossil fuels are the largest cause of the climate crisis. So in order to be ambitious you need to set goals to rapidly phase out the extraction and burning of fossil fuels and invest in a just transition to 100% renewable energy. You need to set ambitious short-term targets of halving CO2 emissions by 2030. Developed countries should move

fastest and assist developing countries. Justice and equity are essential to making this work. ECO wonders what is holding you back? ECO thinks it's your lack of political will rather than the availability of technological solutions.

2. Tackle the impacts: ah, you thought mitigation was all you had to do. But no, we also want increased support and means of implementation (aka finance, capacity building, and technology) for adaptation and for addressing loss and damage to the vulnerable developing countries, its people, and ecosystems.

3. When considering new ambitious climate initiatives ECO encourages you to think about restoring ecosystems and protecting existing ones. Protecting and restoring biodiversity rich ecosystems can close around one third of the mitigation gap and will strengthen adaptive capacity and resilience in a climate changed world.

And there is actually more: ECO would like everyone to be involved at all levels. Your national climate plans should be built with and for your entire society. It therefore needs to come with public participation (which is also a human right), accountability (willingness to hold other countries accountable for meeting their pledges) and gender responsiveness.

Luckily for the planet, this year you have more than one opportunity to increase your climate ambition and show leadership! It's not only about the COP in Chile in December. In September, at the UNSG Summit, ECO would want to see meaningful commitments that put us on a climate safe path by 2020. "Bring plans, not speeches," said UN Secretary General Guterres. We're with him for the Summit. For COP 25 and beyond, we need plans, we need transformative action.

## You Couldn't Even Agree on a Deadline...

What's at the heart of the Paris Agreement? For ECO, it is the NDCs. In Katowice, Parties discussed many topics related to the structure and content of NDCs and reached agreement on some items, such as the information necessary for clarity, transparency, and understanding. However, there's a glaring gap - what will be the time periods for the NDCs?

Yes, Parties agreed to apply common time frames for those NDCs to be implemented from 2031 onward. But the most important outstanding issue - the length of the time frames — is still outstanding! Given the range of divergent views, ECO knew Parties wouldn't agree on that substantive issue here but hoped that Parties would at least be able to set a deadline for a decision. Alas, no decision...!

ECO reminds delegates that a substantive outcome on this issue in Santiago is necessary. Planning an NDC can be a lengthy process and it is crucial that Parties know early on what the timeframe is going to be. There is no reason to delay a decision. Let's be honest, we all procrastinate on our homework until we have a deadline that gets us to buckle down and accelerate our work.

And (in case you've forgotten since Saturday's issue), ECO firmly believes a single five-year time frame is the best solution to avoid locking in low levels of ambition, harnessing rapidly evolving real-world opportunities, and synchronizing better with five-year cycles of the broader Paris climate regime (i.e., NDC communication, global stocktake, etc). ECO calls on the Presidency to help deliver a decision at COP25.