

ECO

THE RISKY BUSINESS ISSUE

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Risky Business

ECO is worried about all the risky business we're seeing as this session comes to a close! And we're not talking fun Tom Cruise-slipping-around-in-socks risky business – we're talking "oh god my tuk-tuk is heading straight for that other tuk-tuk" risky business. While some delegates may subscribe to the high risk, high reward approach to staking out their negotiating positions, we're not so enthusiastic about this game of chicken that you may think you're playing with each other – but you're actually playing with the planet. As it's also our planet on the line, here are what ECO sees as the greatest risks, and what can be done to avoid these possible collision courses:

If the Co-Chairs are given the mandate (which ECO strongly recommends – don't get us wrong) to prepare a joint reflection note proposing text and ways forward, they will have a huge responsibility to be bold, as well as fair, in reflecting all parties' views. Anything less than an even-handed approach will go down like a dose of "Bangkok belly" on day 1 of Katowice, and would inevitably lead to disagreements on whether the text should be adopted as a basis for negotiations. To avoid that disaster, the Note must include all parties' proposals as options on the table – while also putting forward bridging proposals for possible landing zones on crunch issues.

Let's be honest: The Co-Chairs and negotiators have brought us to this point. Now the incoming and current COP Presidencies need to shift into high gear and help to engage Heads of Delegations and Ministers at the UN General Assembly and Pre-COP on sticky points in the Paris rulebook as well as on other key parts of the Katowice package. Below a hint on which issues might need some high-level guidance.

Finance: Leaving the bumpy tuk-tuk roads of Bangkok, Parties have to put much more political will into finding landing zones on the sticky issue of finance. Your focus should be on enhancing the current accounting system, but also, when meeting at the political level, identifying the key options to achieve progress on the modalities that will make your ex-ante communication really useful and on the process to set a new collective post-2025 goal. Don't forget the other parts of the package: demonstrated progress on the USD100 billion objective and signals towards an ambitious GCF replenishment are key, if you want to avoid sliding off the road in Katowice.

Mitigation/Guidance for NDCs: The negotiations on the guidance for NDCs have progressed as smoothly in Bangkok than a tuk-tuk ride through rush hour. ECO is quite disappointed that negotiations could not move forward on substance because one country was not willing to do so. But as NDCs play a central role in the Paris Agreement, Parties will need to work in good faith over the coming weeks to build bridges and ensure that these discussions guide Parties effectively. And honestly, ensuring that the guidance for NDCs embrace the full Paris spirit (that of people-centered climate policies) would be much easier than eating a full bowl of Gaeng Tai Pla.

Adaptation: The adaptation tuk-tuk moves forward steadily. But considering the time pressure, it feels so slow, pedestrians can overtake it without breaking a sweat in the Bangkok afternoon sun. On adaptation communication Parties are getting closer at glacial speeds. Trust is being built only to be destroyed by procedural games. However, at least the options are now on the table. The adaptation registry

is the bad joke in the room, you don't know whether to laugh or cry about. Parties did not even bother to progress on the simple matter of hyperlinks. It's even being showed up by YOUNGO.

Transparency: Like the evening Bangkok rains, the amount of details to discuss in the transparency framework seems never ending. But transparency negotiators have been working hard all week long and have made good progress on the text in front of them. Negotiators will need to begin identifying those compromise options. Some of the remaining obstacles will be dealing with are inputs from other agenda items and figuring out how these will fit into the enhanced transparency framework. We also encourage all Parties to stop rejecting the evidence: there is no use in excluding expert input to the relevant stages of the transparency framework – on the contrary, interactions among Parties and with observers would only strengthen the framework.

Global Stocktake: Just as with transparency, global stocktake negotiators worked to turn the Co-Chairs' tool into something resembling text, which also helped to clarify some views. Without having engaged yet on which of the options to take off the table, there is a risk that we will end up with a GST that doesn't fulfil its promise to crank the Paris ambition ratchet. For example, by not making it long enough to thoroughly do its work, or by precluding it from properly considering Loss and Damage. Failing to seriously look at how the principles of equity and CBDR-RC can inform how Parties can enhance action and support to close the ambition gaps is another such risk. And in the spirit of solidarity, we count on Parties to come to terms with the realization that the Global Stocktake will only benefit from the inclusion of the voices of stakeholders – rather than marginalizing them. Seriously.

Loss and Damage: Loss and damage is the issue waiting on the sidelines, with the potential to explode as you approach the Katowice finish line. There is a well-rounded set of options to include loss and damage in the relevant issues: finance, transparency, global stocktake, technology and communications – but all of these options are double bracketed, putting in double jeopardy a fair and balanced outcome. There is also the foreshadowing of a CMA agenda item to address the essential question: are we living up to our past promises and providing the support for the most vulnerable people on the frontline of extreme climate impacts? Especially in light of the IPCC 1.5°C Special Report, which will throw into stark contrast the impacts faced by vulnerable people and the recalcitrance of rich countries threatening to renege on promises made in Article 8 of the Paris Agreement. Developed countries have no option but to prepare their capitals to make progress on all articles of the Paris Agreement, including Article 8!

Ambition: Finally, we all know the rulebook is only one of the wheels of our tuk-tuk. To drive success at COP 24, finance and ambition are also needed. And we will only get far enough and make Katowice a success if we drive with all three forward. And guess what, Polish presidency, for ambition you have to squeeze yourself into one tuk-tuk with the Fijian presidency. You both need to lead this. The Talanoa Dialogue needs to send a clear and strong signal that the world expects countries to spare no effort to improve their NDCs by 2020 and close the emissions gap.

A Just Transition for Climate Ambition

In the run up to COP24 in Katowice there is a lot of talk about Just Transition. But what is it? Why is it good for the climate? Can you pronounce it without twisting your tongue?

Just Transition is about providing better and decent jobs, social protection, more training opportunities and greater job security for workers who are affected by climate change or the policies aimed at addressing it, their families and their communities. It's about

the construction workers, farmers, bus drivers, and others who have to work in soaring heat regardless of whether they live in Africa, Asia, the Americas or Europe. It's about the women and men losing their jobs in fossil fuel industries, and it's about providing decent and quality jobs in the renewable energy industry.

Just Transition happens when there is social dialogue between workers and their unions, employers, governments and other stakeholders. Social justice

is a guarantee for better policies and broad civil support. Both are urgently needed to step up climate ambition. Recognising the importance of a Just Transition would send a very strong signal out of Katowice that Parties are ready to embrace this challenge. After all, it is actually easier to integrate the concept of a Just Transition in the guidelines – just as you did in the Paris Agreement – than to pronounce it in Polish: “consprawiedliwa transformacja”...

Stuck in the Middle with ICTU

Well, you started out so strong with a lot, but now you're wondering what it is you should do... NDCs are a central pillar to of the Paris Agreement and it is of the utmost importance that we get comprehensive guidance for NDCs on APA agenda item 3. Features to the left of me, accounting to the right, here ECO is — stuck in the middle with ICTU. This guidance is essential to help countries understand each other's commitments and will provide integrity as countries account for them.

We're trying to make some sense of it all. But we can only come to one conclusion: progress under APA agenda item 3 has been bad this week. We were waiting for a breakthrough that would have allowed time for substantial discussions. But it never happened,

and we've seen talks revert back to old dynamics. We now need Parties to pull together draft text reflecting the vision of the Paris Agreement, allowing its implementation and including all the elements of the preamble.

Time has been wasted and there is a clear lack of balance on progress of the Paris Agreement Work Programme. If we leave here with an impasse, we call on countries to come up with some bridging proposals to agree on the essential guidance that will inform them as they prepare to update and enhance their NDCs by 2020 and prepare to account for them in their reports. Time to brush the dust of yesterday's work off your suit, have a strong coffee and get to work.

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IPCC and Enhancing NDCs

With two months between the adoption of the IPCC's Special Report on 1.5°C in Korea and the COP in Poland, ECO has a couple of suggestions for Parties on how to best use this time, and beyond, to understand the implications and consequences of the report for their domestic and international decision making.

ECO believes that the important results of the Special Report, published by the most authoritative scientific global body will inform Parties about cost-effective and sustainable options for necessary, possible, and enhanced decarbonisation actions to achieve the goals of the Paris Agreement. Based on that new information, we expect that UNFCCC Parties will review and strengthen domestic and international climate policies to "avoid dangerous anthropogenic interference with the climate system."

One key result from the report is expected to show the necessity for substantially enhancing 2030 ambition to comply with the 1.5°C limit. Until now, third party analysis suggests that only a very few developing countries have provided more or less Paris-compliant NDCs. However, the sum of all current NDCs will lead to an increase of global temperature in 3°C from preindustrial levels..

There are a couple of things governments need to do either in sequence or in parallel to support the crucial IPCC results after the meeting in Korea, if they want to maintain the spirit of the Paris Agreement.

First, governments should provide ample room for the IPCC to present its findings both in the Polish Pre-COP and the COP. The crucial findings of the report

shall be part of the Talanoa Dialogue conclusions and guide the Paris rulebook decisions.

Second, governments must openly commit in Poland to review, improve and strengthen their NDCs to be in line with a 1.5°C trajectory. This applies in particular to high GHG emitters like Russia, all OECD countries, but also some emerging economies like China, Brazil and others from OPEC like Saudi Arabia. That also includes a strong renewed commitment by all wealthier nations to support poorer countries for climate mitigation and adaptation.

Third, governments and non-state actors should invite the IPCC for national parliamentary and sectoral debates in the two years to come. Although 99% of Parties accept the overall climate science, there is still a plethora of ignorance – if not rejection - against adequate climate policy implementation, the urgency to act rapidly and reduce fossil fuel use significantly by 2030.

Finally, countries should embark on domestic participatory debates with all stakeholders to agree on strengthened sectoral and overall targets for 2030 as well as long-term 2050 objectives for full economic decarbonisation domestically. These debates must take place in the light of new science, the globally escalating climate impacts, the continuously shrinking carbon budget for 1.5°C and in the context of the rapid emergence of cost-effective zero-carbon solutions including energy efficiency, renewables, sustainable land use, lifestyle changes, and so on. Last but not least, Parties should announce these results by 2020 at the latest.

Putting the Green Back in the Green Climate Fund

The Green Climate Fund is running out of funds. At the rate the Board has been approving projects in recent meetings, they will have allocated all of its remaining money sometime next year. Recent governance snafus notwithstanding, the GCF has come a long way on the path to fulfilling the high expectations placed on it as the centerpiece of the financial mechanism of the UNFCCC and the Paris Agreement. The pipeline of projects is expanding and quality is improving overall. More importantly, the world and vulnerable people are depending on the GCF to channel funds to meet urgent needs and

achieve the transformation required to achieve low carbon development and help people deal with the growing consequences of climate change.

With climate impacts being felt throughout the world, and becoming more dire by the day, the fund cannot be allowed to run dry. On the contrary, meeting current needs, as well as funding scaled-up actions and more ambitious NDCs require confidence that financial support, too, will rapidly increase. ECO expects the October GCF Board meeting to kick off the formal replenishment process. This makes

parties' homework clear – prepare for a replenishment process that results in at least an overall doubling of contributions to the GCF for the next period. This means around \$15-20 billion at a minimum for the next phase, which would be in line with a modest increase in the rate of project approvals. Developed countries must provide a signal before COP24 that they are aiming for an ambitious replenishment. This will build trust, provide a basis for scaled-up actions and ambition, and send a sign to vulnerable countries and people that someone has their backs in the fight against climate disruption.

A Technology Framework Fit for Purpose

ECO commends the technology talks under SBSTA for progressing in a spirit of cooperation and collaboration. What confuses ECO however, is that some negotiators also appear keen to remove all traces of the very same collaboration and cooperation from the draft text, and to keep the technology framework as narrowly defined as possible. To deliver the monumental changes needed to reduce emissions, adapt to a changing climate, and respond to loss and damage, technology will be essential. It is therefore imperative to get a technology framework that is fit for purpose and equips Parties for meeting these global challenges. This requires a broad, inclusive, and participatory approach, one that facilitates innovation and transfer and ensures technology is targeted towards the critical transformations we need to achieve.

No framework or mechanism can function if it is not properly and sufficiently resourced. Developing countries need financial support to be able to build their capacity, successfully implement climate technologies

as well as develop and maintain these technologies themselves. To facilitate a bottom-up, inclusive, and country-driven process it is therefore vital for the developed world to deliver on promised support. This requires dedicated and predictable funding – not just kind words and small injections of cash for technical consultants. ECO found yesterday's negotiations deeply concerning, as developed countries strongly resisted including language on "new and additional" support for the Framework. ECO urges Parties to recall the consequences of an inadequate mechanism that would undermine the implementation of the Paris goals and come at a substantial cost to the communities whose lives and livelihoods would be directly threatened if the global temperature rises above 1.5°C!

The Technology Framework needs to be inclusive, engaged, transparent and properly funded. Only then will it be fit for purpose to respond to the real world problems faced by those people least responsible for climate change.

Invitation: 70th Anniversary of the Adoption of the UN Declaration of Human Rights

ECO presents its compliments to all delegates of Parties, representatives of the media and of observer organizations.

The United Nations will commemorate the 70th Anniversary of the adoption of the UN Declaration of Human Rights on the 10th December 2018.

On this occasion and to celebrate the progress achieved by Parties, we wish to invite you all to join the festivities in Katowice, Poland, during COP24 by ensuring that human rights are respected, promoted and taken into consideration in climate action as outlined in the opening paragraphs of the Paris Agreement.

The Paris Agreement implementation guidelines offer an important tool to support and promote the efforts made by Parties to ensure that human rights serve as a basis

for their implementation of effective and sustainable climate action, placing peoples and communities at the core of mitigation and adaptation action. COP24 is the occasion to remind the world of the importance of these norms.

COP24 will also finalize the operationalization of the Local Communities and Indigenous Peoples Platform. This is a critical body to ensure that Indigenous Peoples' participation is strengthened in the UNFCCC process and that traditional knowledge supports the implementation of the Paris Agreement in line with the UN Declaration on the Rights of Indigenous Peoples.

ECO avails itself of this opportunity to reiterate to all delegates the assurances of its highest consideration.