



COUNTDOWN TO
CO₂PENHAGEN
Time to make a difference

Aprodev* Lobbying Brief for Bonn II (UNFCCC Bonn Climate Change Talks, 1-12 June 2009) and Beyond

Essential components of an urgent, adequate and equitable legally binding agreed outcome from the climate negotiations

*APRODEV is the association of the 17 major development and humanitarian aid organisations in Europe, which work closely together with the World Council of Churches (Including Church of Sweden, Diakonia, Norwegian Church Aid, Dan Church Aid, Finn Church Aid, ICCO, EED, Brot für die Welt, Bread for All, and Christian Aid).

Introduction

Time is running out. The governments of the world must stop posturing and squabbling and instead come up with an effective, realistic and just agreement on how to collectively tackle and cope with climate change.

The Bonn II meeting in June 2009, which is the 6th session of the AWG-LCA and the first meeting in which a negotiating text is discussed, will be a major stepping stone towards the next phase of global action on climate change – due to be agreed at COP 15 in Copenhagen in December 2009.

It must be noted that the current climate negotiations are fraught with risks and distrust and unless political will is amplified we are heading towards a possible stall mainly because Annex 1 parties collectively:

- fail to pledge the require ambitious mid-term targets,
- fail to commit to providing the full incremental costs for adaptation and mitigation in developing countries
- fail to support the establishment of the necessary financial mechanisms for adaptation, mitigation and technology transfer

Aprodev believes that renewed demonstrable EU leadership alongside concrete engagement from other Annex 1 parties is a must at Bonn II to enable discussions to move forward – particularly in the area of climate finance and technology cooperation, which currently is exacerbating the existing trust gap between industrialized and developing countries. Annex 1 parties need to promptly acknowledge their responsibility for and capability to deal with the climate crisis and urgently commit to providing the required support for climate action in developing countries.

Shared vision

Bonn II signifies the entering into full negotiation mode. It is a vital opportunity – and urgent necessity - to agree a shared vision for the post-2012 agreement which signals the sufficient level of ambition and helps guide and inform discussions on each of the building blocks of the negotiations.

Such a vision should establish the level of ambition for deep global emissions cuts, and for the significant financing and technology transfer mechanisms that will enable the developing world to make cuts without compromising the right of poorer countries to develop. Unless equity lies at the very heart of that vision, developing countries will rightly resist signing up to any agreement.

Mitigation

1. In order to halt global warming well below a 2°C global temperature rise, the atmospheric concentration of CO₂ needs to be stabilised at 350 ppmv CO₂. Global emissions must peak by 2015 and be reduced by more than 80% by 2050. There must be built-in mechanisms in the new agreement that allows countries to adjust emission targets later to lower stabilisation levels as new science emerge.
2. Annex 1 countries must commit to an aggregate cut in their carbon emissions of more than 40 per cent by 2020 and more than 95 per cent by 2050. All reductions must be achieved exclusively domestically within those countries and not through carbon offsetting.
3. Effort sharing among Annex 1 should be based on clear and equitable principles. Building on article 3.1 of the UNFCCC, and bearing in mind that such principles may set precedence for possible future global effort sharing, these principles should be: historic greenhouse gas emissions (responsibility), and ability to pay for the necessary climate protection measures (capacity). The indicators used to calculate responsibility and capacity should ensure adequacy of effort while safeguarding the right of poorer countries to develop in a sustainable manner. An explicit development threshold should be included in any future effort sharing model.
4. In addition to their domestic emission target, Annex 1 countries should commit to financing the full incremental costs of enhanced mitigation actions (expressed through NAMAs) in non Annex 1 countries, as an *International Mitigation Obligation*. As an outcome of the Copenhagen Conference, parties should agree an estimate in dollars of the aggregate IMO for A1, assuming that they commit to 40% domestic reductions, and make up the residual cuts to keep below 2°C in NA1 mitigation. If A1 do not commit to 40% domestic emission cuts, penalties should be enforced, including – but not limited to – a corresponding increase of the IMO.
5. It must be recognised that even so-called no-regret actions will need financial support for capacity building, up-front investment costs etc. Possible future offsets of A1 domestic emission reductions must not be mixed up with, or double-counted as MRV-support from Annex 1 countries.
6. Individual quantified mitigation targets undertaken by industrialized countries must be comparable in nature and scale with each other and be determined on the basis of historical responsibility and capacity to respond to the climate crisis
7. Developing countries' obligation to plan for a low-carbon future (e.g. developing Nationally Appropriate Mitigation Action Plans - NAMAs) should be contingent on financial and technological support from industrialized countries, to cover both initial capacity building needs as well as the subsequent full incremental cost of mitigation action. A registry should be the basis for matching financial support with NAMAs.
8. Measures should be put into place to avoid double counting of actions supported by market means. Strict limitations on offsets. If included, such provisions should not undermine the mitigation targets or the carbon price in the market. Mitigation efforts must accelerate in all countries. Support for international mitigation action should not be allowed to offset domestic action, since that would undermine the mitigation targets.

Equitable Climate Finance

Wealthy nations must in addition to ambitious domestic emission reduction commitments also support developing countries in achieving sustainable low-carbon development, implementing effective, pro-poor adaptation measures to counter the impact of climate change. Based on the above and relevant provisions within the Bali Action Plan on financial resources we advocate for the following:

1. Full participation from non-Annex 1 parties in defining what is adequate, predictable and sustainable financial resources and financial and technical support. As any present assessment of the needs will not be exact, a top-down financing needs estimate must be complemented by a bottom-up approach where the accumulated financial needs being expressed in the NAMAs and NAPAs.

2. Financial resources for mitigation as well as adaptation, counted under the UNFCCC, are made available outside the ODA target of 0,7 per cent of GDP to ensure it is new and additional.
3. A Financial Mechanism is based on a burden sharing component as elaborated in the Greenhouse Development Rights Framework (GDRs) - an effort sharing reference framework - to ensure an equitable financial regime. This will best ensure compliance with the principle of common but differentiated responsibility and respective capabilities.
4. Adequate financial resources must be made available for adaptation, mitigation and transfer of technology before the non-Annex 1 parties could be expected to commit to limiting their emissions below BAU scenarios
5. To ensure predictability and accountability and ensure that the needs of the poor and vulnerable in developing countries, we believe that most of the provided MRV support for clean development and adaptation should be provided as public finance.
6. The Financial Mechanism should operate under the authority and guidance of the UNFCCC and be fully accountable to the COP.
7. To achieve this, a scaled up version of the Norwegian auctioning idea should be merged with the Mexican fund proposal. An equitable effort sharing/cost allocation formula based on historical responsibility and capacity to pay should be used to differentiate each party's contribution. Further, the cap and trade market should be fundamentally reformed and the level of AAUs held back for auctioning should be adjustable so the total revenue is made scalable.
8. Annex 1 countries should prior to December 2009 provide immediate support for near-term adaptation needs; including 2 billion USD to finance already existing NAPAs, as well as for capacity building support for the development of low-carbon development strategies (LCDS) in non-Annex 1 countries, with a particular focus on the poorest and most vulnerable countries.

Adaptation

Adaptation measures must be provided that will enable vulnerable people to take charge of their future, and reduce their vulnerability to disasters and other negative impacts of climate change. It must be noted that adaptation has two main dimensions, adequate financing and equitable implementation. Based on the above and relevant provisions within the Bali Action Plan on adaptation we advocate for the following:

1. Adaptation & mitigation must be perceived as equally important and inter-related. Failure to undertake adequate mitigation in the near future will lead to future loss of livelihoods and increased adaptation costs.
2. Measures should be agreed to insure and adequately compensate people for whom adaptation is no longer an option. This should include in-country mechanisms as well as international or cross-border settlements and agreements.
3. Adaptation should foster the realisation of fundamental human rights (e.g. the right to food, to housing, to water etc). Gender considerations and gender balanced participation should be incorporated at all levels.
4. A guiding framework for adaptation: acceptance of the need for guiding principles or a guiding framework to determine how adaptation needs will be defined and how adaptation will be implemented and monitored at national and local level with active involvement from civil society groups.
5. Social justice for the most vulnerable populations: The inclusion of the need for processes or mechanisms that will help ensure funds are channelled towards the most vulnerable countries and vulnerable populations within developing countries. This needs to be supported by an independent and rights based monitoring framework at local level.

6. Effective and just mechanisms for rapid adaptation financing: Money for adaptation must be additional to ODA commitments. The financial governance of adaptation funds - for both the raising of funds and the dispersion of funds - must be robust and accountable and under the auspices of the United Nations Framework Convention on Climate Change. It should include civil society representation. There must be a clear statement of what percentage of the funding will be directly accessible by vulnerable populations and national civil society groups.
7. Building on existing knowledge and strengthen local capacity: There is a pressing need to bridge the gap between science and practice:
 - a. Establishing regional knowledge transfer centres to provide accurate climate predictions and early warning and capacity strengthening and can deliver this effectively to the local level.
 - b. Build upon and scale up existing frameworks and tools e.g. HFA (Hyogo Framework for Action), vulnerability and risk assessment methodologies etc.
 - c. Better coordination across approaches of Disaster Risk Reduction (DRR), adaptation and sustainable development to end fragmentation and duplication.

Technology co-operation

Technology cooperation is one of the building blocks of the climate talks, and a key to enable any kind of progress within both mitigation and adaptation. Thus technology that may help low carbon development and adaptation must be shared with poorer nations. Based on the above and relevant provisions within the Bali Action Plan on technology cooperation we advocate for the following:

1. A comprehensive approach that includes cooperation around research, development, deployment, diffusion, and capacity building especially for the poorest and most vulnerable countries and people
2. Climate change technology should be low-emitting and contribute to sustainable development. Adaptation technologies should be addressed as part of an overall technology framework.
3. Capacity building and enabling environments should not directly or indirectly lead to trade liberalisations and Foreign Direct Investments (FDIs) being forced upon developing countries.
4. A fund should be created within the new agreement to facilitate technology cooperation and innovation in low-income countries, for both mitigation and adaptation.
5. The scale of technology should include: micro (village, community), medium (local grid, small and medium sized enterprises) and large scale (industrial, power grid).
6. A declaration on Intellectual Property Rights should be adopted at the COP 15; to manifest support and political will and assert that existing flexibilities in the TRIPS agreement could be used to facilitate developing country access to technologies needed for both adaptation and mitigation.
7. An overall framework on technology should build upon Technology Action Programs. These would be drawn up based on an identification of key technology needs, whereby global action programs would be created to scale up and promote technology cooperation. Technology needs should be expressed clearly in developing country NAMAs and NAPAs.

Reduced Emissions from Deforestation and Forest Degradation (REDD)

It is imperative that any REDD financing mechanism should not take away the responsibility of the industrialized countries that have the historical responsibility for causing climate change and that have the capacity to pay. Based on this the following points should be targeted:

1. Reducing deforestation must be additional to industrialized countries actions to reduce their own emissions and must be demonstrably consistent with the two degrees goal. Therefore, forests must not be directly included in the carbon markets.

2. Financing for REDD could stem from a Mitigation (MRV) window under a single UN Climate Fund. See finance section for details.
3. The mechanism must be designed in such a way that respects the right to land, use of resources and the practice of trade for indigenous and local communities and that sustainable development objectives are promoted and can be achieved. Gender-balanced access to design and implementation of REDD activities is a key issue to maximize the impact.
4. Forest-dependent people should be directly engaged in the effective development and implementation of any mechanism and benefit from it so that they can continue their role as safeguards of the tropical forests in a dignified way. Key issues to be addressed are the right to self-determination and self-government, free, prior and informed consent, equitable benefit-sharing and the right to management and customary use of natural resources. Independent complaints and conflict resolution mechanisms must be incorporated in the overall framework.
5. Also the mechanism should provide sufficient annual funding to tackle tropical deforestation and make this funding available immediately for all countries with tropical forests including those with low rates of deforestation.
6. The mechanism must protect against leakage via national-level reductions in deforestation to prevent shifting deforestation from one place to another.

Clean Development Mechanism

The CDM is heavily flawed and requires a complete overhaul if it is to have any meaningful role to play in efforts to keep global warming below +2°C. Based on this the following points should be targeted:

1. An complete institutional reform of CDM for a post 2012 period (securing additionality, sector approaches instead of project base, better regional distribution, ecological and social integrity)
2. A future CDM should not serve as an offset mechanism for mitigation compliance purposes. It should not permit developed countries to evade emission reduction responsibilities and obligations. Therefore the credit-generating mechanism of CDM should be only used for emission reductions that go beyond binding commitments that have to be achieved domestically.
3. Financial and technological support to developing countries for mitigation and adaptation should be delivered independent from and additional to emission reduction obligations of developed countries.

Reduced Emissions from Deforestation and Forest Degradation projects should not be part of a project-based CDM as it is not the appropriate mechanism to address reducing emissions from deforestation and degradation (REDD).