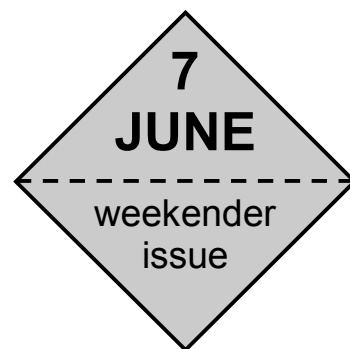


eco



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Making 2 degrees work for the poor

It is ECO's view that a world of poverty and inequality, that is also facing a climate crisis, needs a fair, comprehensive, ambitious international agreement to deal with the threat. Without this, it is our belief that humanity will fail to deal effectively with either crisis.

Unless agreement on a second commitment period is sufficiently ambitious and fair, the impasse at the heart of the climate talks will not be overcome. Political reality demands any agreement is both adequate and just. The scientific reality is no different. To be adequate, it must

keep us as far below a 2°C temperature rise as possible using low-risk emission trajectories. To be just, the agreement must remain grounded in the common but differentiated responsibilities principle of the convention, which accounts for historical responsibility and capacity to act.

The current negotiations, while not yet having settled on a 'long term vision' for climate protection and sustainable development are oriented around the lowest of the IPCC stabilization pathways, which have global CO₂ emissions peaking in 2015 and declining to 50 to 85% below 2000 lev-

els in 2050. Different pathways have different risks as the figure below illustrates. Emission pathways that get down to 50% below 1990 in 2050 (top line in Figure 1. for example have a higher probability of overshooting 2°C than pathways that get to 85% below (bottom line in Figure 1). For ECO the higher pathway still carries an unacceptably high risk of exceeding +2 degrees C and of causing unacceptable damages to human livelihoods, well being and development prospects in the most vulnerable regions.

Global reductions on the order of 80 percent by 2050 are undoubt-

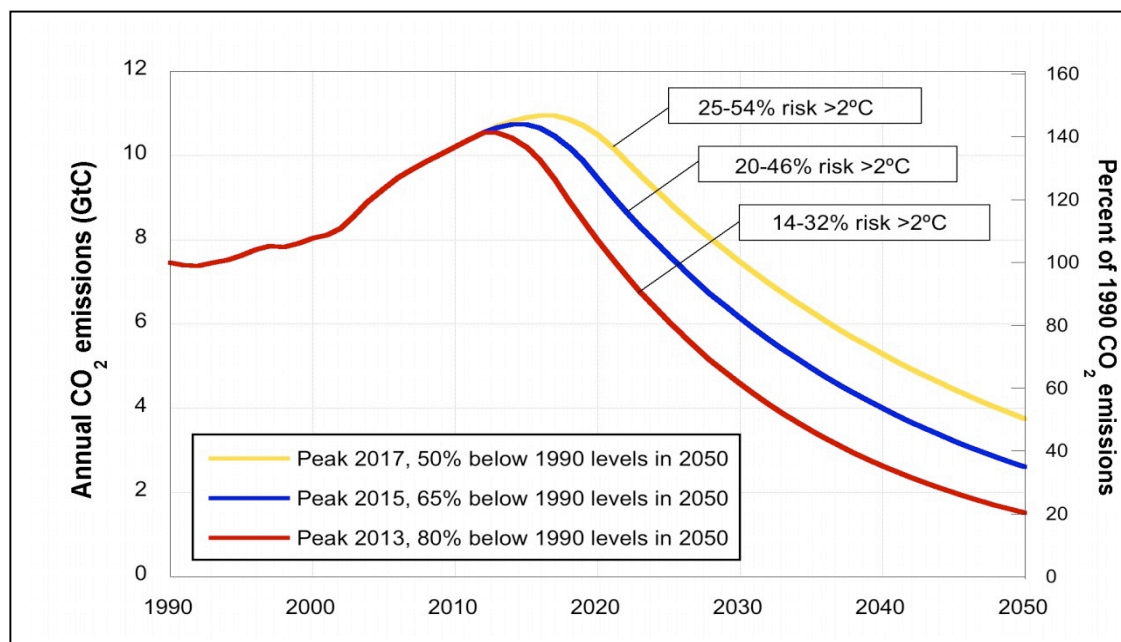


Figure 1: A stringent trajectory for global emissions reduction is necessary because the risk of exceeding +2 degrees C must be limited. In this figure the pathway with the highest probability of not exceeding 2°C peaks in 2013 and returns to 1990 levels by 2020 and has reductions of around 80 per cent by 2050. Other technically and economically feasible pathways that peak later (but not later than 2020) and get to emission reductions of more than 80% in 2050 have similar probabilities of limiting warming to 2°C. Source: Baer et al Greenhouse Development Rights.

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Making 2 degrees work for the poor (from p. 1)

-edly challenging, but there seems little point in mollifying politicians with softer yet inadequate messages, as the science of this is quite robust: if you want a high probability of limiting warming to 2°C or below then emission reductions of this order or more will be needed.

The environmental reality of this sort of emissions pathway is that countries on either side of the global wealth divide must reduce their emissions — the wealthiest first and fastest. Industrialised countries must cut their emissions first in order to allow for growth elsewhere. But that growth in emissions needs to be slower, and then within a few decades, reductions have to start in all but the poorest countries. So the next immediate and urgent question here is one about equitable effort sharing and how to guarantee adequate resources to ensure that the legitimate sustainable development economic growth and poverty reduction aspirations of developing countries, based on a rapid deviation from carbon-intensive development, are not compromised.

This is the challenge that stands before those currently negotiating at the UNFCCC. The developing countries are home to most of the world's economically poor people, and must begin the process of decarbonisation in parallel with sustainable development and adaptation, enabled by sufficient finance and technology resource transfers. This challenge must be met, as no amount of decarbonisation in industrialized countries can achieve global climate objectives. There is no escaping the

urgency of the climate crisis. The body of scientific evidence is so strong as to be overwhelming; inaction now on the part of those in positions of power and influence will be judged very harshly by future generations. However, tackling climate change in a manner that reinforces global injustice and entrenches poverty is equally unacceptable.

Something must happen, but what, how and by whom? There is no precedent for such comprehensive and cohesive action. There is no option but to face the climate crisis with urgency and resolve. The effort must begin right away in industrialised countries, as it will take longer for emissions to begin reducing in developing countries due to the significant gap they mostly experience between energy demand and energy supply.

Ongoing negotiations are largely paralysed by underlying distrust and obscured by concerns about economic competitiveness, jobs and domestic unpopularity if climate policies cause pain. It is time to stop dithering and acknowledge that no country should do nothing. All 192 signatories to the UNFCCC must agree to act, with the scale of their endeavours relative to their responsibility and capability.

Annex 1 parties must commit to significantly deeper cuts in their emissions as well as enabling and financing positive sustainable development and adaptation in developing nations through international mechanisms based on clear equity principles. Developing countries have to in parallel propose new mechanisms, establish clear needs assessments of the

scale of resources required and plans capable of absorbing significant sums of finance into adaptation and low carbon, sustainable development policies.

The onus is on industrialized countries that have derived much of their wealth from their long history of fossil fuel use to lead and go furthest. The developing countries should endeavor not to lag too far behind in starting to shift from business as usual, obviously with MRV financial and technological support. Industrialised countries must be obliged to provide this, as voluntarism has shown itself to be unreliable and volatile.

Vision for JAPAN: Show your leadership

Next Monday Japan's Prime Minister Fukuda will announce the "Fukuda Vision," which will illustrate Japan's position on climate change in the preparation for the G8 summit in July. However, the rumor ECO is hearing in Bonn is not encouraging. The vision includes a 60-80% reduction target by 2050 with an unclear base year; strong push for sectoral approaches without announcing any mid-term target; and no clear sign for implementing a domestic emissions trading scheme. But seriously, is this enough to save the climate?

ECO hopes the Prime Minister has had a chance to read our letter, clearly stating our expectations as follows:

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Russia – a good step, but it's only half of the deal

40%! It's the percentage of ethanol in Russia's famous vodka. But now it is also the first national energy intensity target. Three days ago, after a special meeting on ecology and energy, where ecologists strongly insisted on sound national measures, Russian President Dmitry Medvedev officially issued the Decree on improvement of energy intensity and energy saving. Energy use per GDP should be reduced by 40% by 2020.

But is this good or bad? Is it a large or small deal?

On the one hand, it is good. It is crucially better than business-as-usual Russian development. The best Russian economists recently prepared a special report on energy efficiency with a dire view of the situation in the country, and a detailed calculation of efficiency potential and available energy saving options – of exactly 40%. The President was brave enough to select their full recommendation!

On the other hand, apparently this climate friendly step is only a by-product of the main task to keep Russian oil and gas exports at a high level. Russia has revealed that energy efficiency and savings from the production end is cheaper than risky extraction in the Arctic and other very remote areas. Until climate change becomes the key goal of energy efficiency investments in Russia,

we should not applaud too much.

However, this 40% deal should crucially improve Russia's post-2012 position. The planned 100% GDP growth by 2020 will be mitigated by the 0.6 multiplier. This could substantially reduce the overall growth in GHG emissions associated with the high expected rate of economic growth, but it would still be up by about 85%! Sorry this is not good enough.

Mr. President, you have mentioned renewable energy as a big part of the future for Russia. But how much clean energy is there in the country right now? It's far below 1% of production, while GHG emitting sources are huge. If Russia stopped gas flaring and methane losses, and really pushed on new clean sources, the country could move the share of renewables up to 10% and then Russia would be in the range of reducing emissions by 25-40% by 2020. While the Government is dreaming and planning on a "Nuclear Renaissance", renewable energy is cheaper, less risky and can be built faster. The current "Inquisition" policy of punishing renewables with hidden or direct subsidies to fossil fuels must be replaced with a "Smart Energy Renaissance" and then we'll all celebrate with vodka.

Vision for Japan: Show your leadership (from p. 2)

- Demonstrate leadership and a sense of urgency based on the science.
- Announce a mid-term target within the range of 25-40% reduction from 1990 levels.
- Establish a long-term goal of 60-80% reductions by 2050 from 1990 levels.
- In addition, Japan should demonstrate that it is committed to meeting the Kyoto target, by implementing a domestic Emissions Trading Scheme and/or carbon tax.

Japan's advocacy for a sectoral approach is being used as a means to lower the level of ambition of Japan's mid-term goal. Although calculating the reduction potential based on energy indicators may sound fair, a recent publication issued by Ministry of Energy, Trade and Industry stated that even if maximum technology is applied, by 2020 Japan's reduction results will be only 4% below 1990 levels. Clearly there is a significant gap between the results of this bottom-up approach and the required science-based emission reductions. Without announcing a mid-term target, it is hard to see Japan's leadership on this issue.

Japan can lead the G8 to a successful outcome, and bring the world one step closer to a successful Copenhagen Agreement. ECO is watching to see whether Japan's new initiative is serious about saving the climate and therefore truly a vision for the

Bunker myth busting – Q+A on the Norway shipping proposal

What's the idea? The Norway proposal would establish a global trading or levy scheme equally on all ships. (ECO prefers a cap and trade approach to dealing with these emissions.) The proceeds would go into a fund to support adaptation or other climate work in developing countries.

Are non-Annex I parties being given binding targets? No. The commitment is not on the state but the ship. It would be the owners or operators of ships who pay, not states, and ship owners are predominantly from the developed world.

Does it undermine the role of the UNFCCC? This proposal provides roles for both the UNFCCC and the IMO. Norway has proposed an active role for the UNFCCC in setting the cap and determining how to spend the proceeds. As many parties have noted, only IMO has the technical expertise to administer the scheme.

Is this a sectoral approach by the back door? The maritime sector is unique in requiring a global sectoral approach. Allocating emissions to states would lead to large-scale evasion by developed countries at the expense of the developing world because of the potential for leakage. Elsewhere, sectoral approaches for Annex I Parties are inappropriate and should not be proposed as a substitute for Annex I national binding targets.

Will it limit trade? The shipping industry has many technological options to reduce its GHG emissions – cleaner engines, slower speeds, even ‘skysails’ – so increasing the cost of emitting CO₂ is more likely to drive efficiency rather than to limit demand.

Will it increase the cost of goods? Ship owners will probably pass on some of their extra costs to consumers and this might increase the cost of shipped goods by around 1-3%. This will affect

some Parties more than others: the impact on LDCs and SIDS, particularly those that import much of their food, deserves thorough investigation.

How much will be raised and how will be spent? Global shipping emissions are over 1 GtCO₂. So auctioning all permits at \$30/tCO₂ could raise over \$30 billion annually. Negotiations should focus on channelling funds towards those most vulnerable to climate change and those countries most affected by the proposal.

[This article is a short version of a paper available from CAN.]



NGO Party

It's time to get on your dancing shoes and party the night away!

The traditional NGO/Security party for all “policy makers” at the sessions will take place on Saturday, 7 June from 8.30 p.m. in the Piano Bar of the Maritim.