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## Is There Room for Negotiations in the Climate Negotiations?

In the middle of widespread and growing dissatisfaction among developing countries with what can best be described as the “non-negotiating process” taking place here in Lima, there could be some encouraging developments on finance in the works.

Yesterday afternoon in the ADP, the co-chairs finally allowed Parties to see each other’s texts on the screen – a rather small step forward that makes ECO wonder what took so long.

The day also saw discussion on cooperation, support and finance; where South Africa launched a more significant initiative on behalf of the Africa Group (AG). After days of discussion on the finance and support sections, with little or no response to the many questions and challenges on process, the Africa Group put forward an alternative text for the finance section of the non-paper on elements.

ECO commends the Africa Group for this initiative, and thinks that Parties and the Co-chairs should accept the request that this text be used as a basis for negotiations on finance in the elements paper.

The paper is well-structured, concise, and covers most of the essential content on finance that needs to be in the Paris Agreement.

Some of the provisions that could make it a good starting point for negotiations on the content of the agreement include: the call for a collective quantified finance goal for the post-2020 period that includes a specific amount from public sources; consideration of a range of new sources of finance; a link to the amount of financing needed to achieve the agreed temperature goal; the need for continued scaling up beyond 2020; and primary but not exclusive responsibility of Annex I countries for providing support and finance.

The text is of course not the final word – it can be further improved by creative proposals on content and drafting improvements, and perhaps by drawing on some of the existing finance text in the current non-paper.

But beyond the merits of the AG’s text proposal, adopting this text as a basis of negotiation would demonstrate that the process is open to good proposals and that Parties can start to take ownership of the negotiating process and its outcomes, before time runs out.

## Will the Paris Agreement have a dark side?

The ADP decision text contains a very important issue for the future of the climate regime. Yet ECO so far has the impression it might well be kept hidden in the Dark Annex Side of the decision text.

Without the ADP Decision’s Annex’s common elements for the INDCs, anything can, and probably will, be submitted as a contribution to the global fight to avoid dangerous climate change early next year. Recycling a gum wrapper or holding in a fart, perhaps?

Lima needs to agree on common complementary information so that the INDCs of all Parties can be readily reviewed and explored for all to understand what is really on the table, whether a genuine commitment to act, or mere accountancy tricks to mask shameful inaction.

This lack of transparency would serve only to further diminish trust in this process and could set a horrible precedent for the integrity of the Paris Agreement itself.

In yesterday’s ADP mitigation session, the US, EU Switzerland and Japan made what sounded like helpful noises on this issue, supporting clarifying elements. Venezuela and EU also called for accounting rules. ECO notes that although this was a mitigation negotiation, complementary information on adaptation, and finance, technology and capacity building is also needed.

Without transparency, the future looks very dark indeed.

## Argentina Takes Baby Steps Towards Renewables

ECO welcomes Argentina's early moves towards achieving 8% of its power from renewable energy sources by 2017, and 20% by 2025. Many civil society organisations and grassroots movements gathered outside Argentina's National Congress to support renewable energy as this important bill was approved.

The bill proposes to accelerate the development of alternative sources of energy generation. In addition, it would create a Trust Fund for the Development of Renewable Energies (FODER) to support the financing of investment projects. Importantly, the fund would be backed by 50% of the money saved from importing fossil fuels.

ECO knows that the bill is not perfect, but it provides the opportunity for a festive and colourful campaign for public awareness toward a national strategy for renewable energies.

One thing remains clear: Argentina must show greater ambition in its national commitments and setting its targets for renewable energies – as they already have been promising this 8% since 2004.

## I <3 ACCOUNTING!

Dear delegates, how much do you love accounting? We have, at most, 1000 billion more tonnes we can emit, so we'd better start to count carefully if we want to avoid a dangerous situation. It is high time that Parties start putting on their accounting hats under the ADP.

It is expected that only clear requirements for the INCDs will make counting of emissions possible and include transparent, comparable, quantifiable, multi-year mitigation targets based on historical reference levels. With Parties starting to decide on their contributions for the Paris agreement, now is an ideal starting point for discussing an adequate accounting framework. A work programme should be established under the ADP so countries can start thinking about the accounting rules that will be needed in the more complex and warmer post-2020 world.

Accounting rules also have to ensure that the use of international carbon markets under a new agreement do not undermine mitigation targets. Avoiding double counting becomes especially important if countries want to use these. Therefore, only countries with an ambitious mitigation target, well below conservatively projected business-as-usual scenarios, and in line with the 2°C degree target should be eligible to participate in international markets. Additionally, their ambition must increase over time.

ECO has never been bashful about its affection for the Kyoto Protocol's clear accounting framework. But that does not

mean all is well! ECO would like to remind Brazil and others that double counting due to CDM emissions reductions being counted towards the mitigation targets of both the host and the purchasing country could lead to well over 1000 billion tonnes more emissions in 2020.

Delegates, accounting is complicated and we are running out of time. Let's remember, nature won't fall for accounting tricks.

## Can Lima Close the Gap? No, Not That One!

We all know that there are a lot of gaps – from emissions and ambition to finance and capacity – but we're sorry to inform you that there is one you may have overlooked: gender.

Gender is one of the foremost social categories in determining roles, experiences and perspectives in society. Gender gaps exist in leadership, decision-making, health, education, wages, and access to resources and finance. If climate policies and solutions are to meet the needs of women and men, girls and boys, equally – and be effective – policy-makers must understand these gendered dynamics.

A priority for the COP20 President, as laid out in his opening statement, is to build on progress in advancing gender-responsive climate policy. Under the SBI, delegates are negotiating a new framework for harmonising gender-related mandates, which exist throughout climate policy, including in mitigation, adaptation and means of implementation. A decision to establish such a framework would provide a platform to define actions, guidance and instruments, as well as steps and benchmarks, to support Parties in implementing the mandates (that they have given themselves!).

Similar "Gender Action Plans" exist under the Convention on Biological Diversity and the UN Convention to Combat Desertification, providing both precedents and examples for what Parties can make happen here in Lima.

It's simple: failing to implement solutions that take into account the critical role of women and the importance of gender equality in tackling climate change undermines climate action. That begs the question: why is it not happening? Why are some Parties (you know who you are) struggling to agree on a roadmap to support implementation of their own decisions? Why are duty bearers – governments, institutions, and policy-makers – reluctant to include gender equality in climate change policies? After 20 years, it's time for climate policy to no longer exacerbate inequalities, but to address the rights, needs, and perspectives of all individuals. It's the only way to ensure just and sustainable solutions to this planetary emergency.

## 5 Is the Magic Number

Currently missing from the draft ADP decision text is one of the most important elements that needs to be agreed if Paris is to avoid locking us into a high carbon world until 2030.

Options for commitment period length, including the all-important 5 years, are rightly expressed in the ADP non-paper. However, the crucially important common implementation deadline of 2025 for the INDCs is currently missing from the draft decision text's Annex on common elements for reporting on INDCs. A deadline of 2025 also needs to be included in the decision text itself; para 9 could be a suitable home.

As a complement to language on 2025 and 5-year commitment period cycles, the decision text should also request the IPCC to produce an assessment report with a 5-year time cycle so as to provide the most up-to-date information to inform each round of commitments.

Since INDCs are presumably the basis for the first commitment period, the absence of this common element could lead to a free-for-all that would make a multilateral effort to avoid the worst impacts of climate change far more difficult.

## Civil Society at Your Service

The past few days have highlighted the important work that remains before Parties can reach consensus on most issues in the ADP. However, there is unanimous support for one concept – transparency. In fact, most Parties mentioned it in their interventions.

Several Parties have made a strong case for transparency's multiple virtues. Indeed, some appear to see this as a silver bullet for the new agreement that puts us on a path towards limiting global warming to below 2°C. But while ECO strongly believe in the value of transparency, it is only one way to support the substance of commitment and action.

During the ex-ante review, elements of transparency should enable the review of the adequacy of individual pledges and promote ambition. At the implementation stage, it should serve as the basis for MRV and motivate the full implementation of countries' commitments.

To help Parties to articulate processes most conducive to transparency, ECO would like to offer some suggestions:

If Parties expect such a strong role for transparency - as opposed to more robust means of accountability - then these processes build on reliable and objective information. Considering their unique expertise and practical experience, observers must be invited to provide complementary information. Doing so will contribute to understanding of the significance of the pledges tabled by Parties. Such an exchange will only contribute to trust if Parties address all questions put forward.

Additionally, the draft decision foresees the organisation of workshops in June next year to contribute to “enhancing the clarity, transparency and understanding of the aggregate effect of the INDCs.” Again, for these workshops to achieve such ambitious objectives, observers must be invited to participate actively.

Civil society, including research institutions and non-governmental organisations, has a wealth of relevant information and stands ready to fully support the transparency endeavor. ECO trusts that Parties won't want to exclude them from contributing to this crucial process.

## IEA's Deja Vu

When COP20 was starting, the International Energy Agency (IEA) was also realising its 2014 review of EU energy policies. The organisation clearly struggled to express a coherent viewpoint in the review. Their historical interest in ensuring energy supply from fossils and nuclear is evident, but at the same time it correctly identifies many elements in support of an EU clean energy transformation.

The IEA has a reputation for advocating stronger energy efficiency policies, so it's no surprise that this latest report pleads strongly for a higher energy efficiency target when examining the EU's emerging 2030 framework. It is less straight-forward about the potential of renewables: the review identifies the likely implementation problems caused by eliminating nationally binding targets. But it is light on solutions, preferring to put the emphasis on removing 'market distorting' subsidies.

As befits its historical role, the IEA claims that the EU needs the development of unconventional fossil energy; use of coal, and access to fossil imports to ensure its energy security. This seems a reflexive impulse rather than being grounded in assessment of the implications for our limited carbon budget; stranded assets as the EU decarbonises, or sustaining the political power of the fossil lobby.

The IEA's narrow scope of analysis overlooks that the renewables revolution is happening at technical, market and social level. High levels of community and individual empowerment are beginning to seriously challenge ageing business models and putting politically influential oligopolies on notice. And Europe is one of the main laboratories for change globally. Success there can spur technology, policy and market developments that are of importance to developed and developing countries alike, creating power and empowerment for everyone from the most remote villages to mega-cities.

The challenge of overcoming decades – no, centuries – of investment in fossil fuels while combatting the climate crisis should not be understated. Creating a well-functioning energy system that is transparent, competitive and cost-effective is a laudable goal, but won't come without making some clear choices. This endeavour would benefit a lot from the IEA letting go some of its golden calves.

## Important ... Important ... Important... Adaptation in the Paris Agreement

There's a lot of ground to cover before we will see a draft negotiation text from the non-paper, but it's encouraging to see the adaptation troops working hard. If only ECO could be as impressed by the content of countries' proposals!

Paris offers a chance to undo the long-standing problem of the international community's lack of sincerity in addressing adaptation and loss and damage. ECO has a few suggestions on how best to change course:

### Adaptation as a Guiding Objective

A guiding objective of addressing adaptation (with a keen focus on building resilience) is key. Paris must acknowledge what we already know as common sense: insufficient mitigation will mean higher needs on the adaptation front, and inadequate adaptation will result in greater loss and damage.

### Principles for Good Adaptation

People, communities and ecosystems most vulnerable to climate change must receive special attention when it comes to adaptation planning, implementation and finance. Governments must take a human rights approach, building on the work from COP16. Adaptation should be community-driven and guided by science. Both the LDC group and Norway suggest these principles be enforced by the new agreement.

### Support for Adaptation:

The need for means of implementation for adaptation can't be brushed aside. The recent IPCC report clearly highlighted the gap between adaptation needs and the support available. To achieve climate-resilient development, public finance, appropriate technology and capacity building support are needed. The starting point for the discussion is \$50 billion of public finance as grants, or at least half, out of the \$100 billion commitment, while estimates of adaptation finance needs suggests even this amount will not be enough considering that climate change will further unfold.

### Adaptation Contributions:

Various countries have opposed calling for adaptation contributions. Paris should operationalise a cycle of increased adaptation actions and support. This is against the backdrop that there is no evaluation of the existing adaptation architecture – and its implementation. It makes sense to install joint cycles for adaptation – we shouldn't throw out the baby with the bathwater.

### Loss and Damage:

The IPCC has made it amply clear that the "limits to adaptation" extend as climate change occurs at a greater rate and magnitude. There are already several examples of adaptation not being possible under circumstances such as sea level rise, ocean acidification, loss of territory and biodiversity. The 2015 agreement needs to be informed by the latest scientific analysis. ECO demands that loss and damage be captured explicitly as a separate element in the agreement.

Almost all nations have agreed that addressing adaptation in Paris with political parity is "very important". Unfortunately, ECO worries that such rhetoric is increasingly sounding like a broken record.

## The Stars are Aligned for the World to Take Historic Action

"The stars are aligned for the world to take historic action to transform lives and protect the planet. I urge Governments and people everywhere to fulfil their political and moral responsibilities. This is my call to dignity, and we must respond with all our vision and strength."

Did you think that was ECO speaking? No, it was actually Ban Ki-moon launching his Synthesis Report — 'The Road to Dignity by 2030: Ending Poverty, Transforming All Lives and Protecting the Planet' — on the Post-2015 development agenda in New York yesterday.

The report marks the culmination of several strands of work that started at Rio+20 in 2012. It lays out the challenge of replacing the Millennium Development Goals with Sustainable Development Goals (SDGs).

ECO is pleased that he got it right by putting climate change action at the heart of his report. So pleased, that ECO would be willing to forget about the stubbornness of some countries not wanting a climate change goal in the Open Working Group document. If only we were sure that you, dear Parties, really understood the message this time: we want a climate change goal and mainstreaming in the SDGs. Please take note of that for the next year and the 9 months of negotiations to come!

If ECO can't convince you, let the Secretary General guide you. He calls for a set of principles that, applied together, can bring about a truly universal transformation for sustainable development. For Ban Ki-moon this includes addressing "the drivers of climate change and its consequences" and keeping the door open for both climate change mainstreaming throughout the SDGs and a standalone goal.

Some of the highlights that you need to know off by heart include:  
- "To respect our planetary boundaries we need to equitably address climate change, halt biodiversity loss, and address desertification and unsustainable land use."

- "Adaptation can reduce some risks and impacts of climate change. Most urgently, we must adopt a meaningful, universal climate agreement by the end of 2015."

- "An expert technical group should be tasked with developing and presenting to Member States a coherent framework that accounts for climate finance and Official Development Assistance"

Other highlights: reiteration of the need to phase out harmful fossil fuel subsidies, and also the approach to 'prosperity' which clearly states that the strength of an economy is not in gross domestic product alone but in its impact on sustainability and equality.

ECO believes that this report can build momentum towards the agreement of strong and effective SDGs and a call for greater ambition in Paris.

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