

# FRIENDS OF THE EARTH INTERNATIONAL COP 14/MOP 4, Poland 2008

For the outcomes of the second commitment period of the Kyoto Protocol under the current negotiations to be deemed as legitimate, any agreement reached must be socially, politically, economically and ecologically just and compliant with human rights. Only with a radical global change which is based on climate justice we will be able to prevent the worst consequences of climate change which would hit the poorest people hardest in a sustainable way.

A post-2012 agreement must commit developed countries (Annex I) to make immediate steep emission reductions, support for the respect of land rights and the conservation of the world's last remaining forests and large-scale financial transfers for developing country appropriate adaptation and mitigation with arrangements for appropriate and fair multilateral mechanisms to distribute funds. Such an agreement should also ensure that the human rights impacts of climate change are taken into account and that the public and civil society have rights of information; public participation and access to justice to ensure that its provisions are developed and applied in an open, fair, transparent and just way.

Friends of the Earth International (FoEI) holds the following positions on key areas of the Poznan negotiations:

## Annex I Emission Reduction Commitment

#### **Short-term targets for Annex-1**

FoEI demands that Industrialised countries must reduce their emissions by at least 40% by 2020.

At December 2007 climate talks in Bali, the Ad-hoc Working Group on the Kyoto Protocol recognised that to achieve the lowest stabilization level, Annex-1 parties as a group would be required to reduce emissions by a range of 25-40% below 1990 levels by 2020 which is based on the scientific findings of the Intergovernmental Panel on Climate Change (IPCC). Committing to a reduction in the lower end of this range will leave an unacceptably high risk of increasing global temperatures beyond safe levels.

#### **Burden Sharing**

Industrialised countries have accrued a *climate debt* to developing countries which must be reflected in emission reduction targets as well as financial and technology transfer support for mitigation and adaptation requirements in southern countries.

The Convention recognises the historical and current responsibility of developed countries to "take the lead" and also that developing countries' ability to reduce emissions is dependent on developed countries meeting their commitments under the Convention related to financial resources and transfer of technology (Article 4.7). FoEI encourages developing countries to take national actions towards sustainable societies and calls for Annex I countries to fulfil their obligations. FoEI does not call for differentiation that would mean calling for developing countries to accept binding emissions reduction targets for the next commitment period.

#### Offsetting

FoEI rejects offsetting: Offsetting wards off real measures to tackle climate change instead of fulfilling domestic emission reductions that are desperately needed if we are to avert a climate catastrophe. Instead, we demand that North takes the lead in radically reducing their emissions and meets their obligations for financial transfers to the South, based on climate debt, for mitigation and adaptation that are *independent from and additional to* domestic emission reduction obligations.

FoEI rejects the Clean Development Mechanism (CDM). The CDM is inherently unfair and is based on the failure of industrialised countries to achieve necessary emissions reduction targets. The CDM has well-documented devastating social, environmental and human rights impacts on communities and their environment in the global South.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> See Larry Lohmann's, "Carbon Trading: A Critical Conversation on Climate Change, Privatisation and Power", 2006 <a href="https://www.dhf.uu.se/pdffiler/DD2006">www.dhf.uu.se/pdffiler/DD2006</a> 48 carbon trading/carbon trading ch 4.pdf

## Real solutions are needed to reduce emissions and ensure climate justice

In order for emission reductions to be fair, equitable and sustainable, excessive consumption must be reduced and lifestyles changed, especially by rich countries and rich elites through legislative and regulatory measures.

## **Conservation of Forests: REDD**

To prevent dangerous climate change and land degradation, conserve biodiversity and safeguard the sustainable use of forests by local communities and Indigenous Peoples, any agreement must be designed to stop deforestation and degradation, not simply reduce or defer emissions.<sup>2</sup>

Any agreement on forests that is not fully and explicitly in line with the Convention on Biodiversity (CBD) Expanded Program of Work on Forest Biodiversity and the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and integrated with international and national implementation policies under these instruments, undermines good forest practice. Any agreement must be developed through a joint process with other relevant forest conventions and human rights instruments and ensure full and effective participation of Indigenous Peoples and local communities.

Plantations are not forests. In the absence of a proper definition of forests, a REDD mechanism could be used to fund the expansion of plantations, even though they store, at best, only 20% of the carbon and a fraction of the biodiversity that old growth forests have. All governments and international agencies must explicitly recognize that plantations are not forests and implement policies that halt their expansion.

### Land rights

More than one billion people, including 60 million indigenous people, are dependent on forests for their livelihoods, food and medicines. If the financial value of forests increases, Indigenous Peoples and local communities will increasingly face the prospect of social dislocation and violent eviction, especially those with no formal land title. The recognition and enforcement of customary and territorial land rights of Indigenous Peoples and forest-dependent communities must therefore be the basis of any forest policy.

## Keep forests out of carbon markets

Forest carbon markets will enable countries with emissions reduction responsibilities to avoid necessary economic transformation. A market REDD mechanism will create the climate regime's biggest loophole, risking humanity's ability to tackle climate change – allowing countries with high carbon intensive lifestyles to continue their inequitable and unsustainable consumption while not even ensuring that emission cuts are made in the long-term.

A market based mechanism towards addressing deforestation will mean a loss of peoples' sovereignty over natural resources and means to protect those natural resources. The inclusion of forests in carbon markets will also undermine public governance, weakening governments' ability to protect and manage natural resources.

Forest carbon trading is based on the false premise that the forest carbon overground cycles are equal to the extraction and burning of fossil fuel that were once part of underground carbon cycles. Once carbon-emitting fossil fuels (coal, oil and natural gas) are extracted and burned they cannot be safely stored underground and the total amount of carbon in the atmosphere is increased.

Forest carbon offsetting schemes lead to a constant net increases of carbon emissions in the atmosphere and even encourages further emissions. Leaving trees standing is therefore not even genuinely "offsetting" these emissions and it is a falsehood that emissions are being neutralized. Deforestation needs to be stopped without providing a pretext for business-as-usual pollution which will lead to runaway climate change.

There are relatively cheap options that could help prevent deforestation, through the implementation of deforestation bans and moratoria, and a global forest fire-fighting fund to assist countries unable to prevent or stop forest fires. Insofar as funding is required to stop deforestation, alternative funding sources such as innovative taxes in industrialized countries should be utilized instead of the carbon market, voluntary schemes or the World Bank funds and projects.

## Methodological issues

Many methodological problems are not simply technical issues but have significant implications for policy making. Monitoring and verifying the carbon content and emissions reductions of forests is particularly complex and

<sup>&</sup>lt;sup>2</sup> See Friends of the Earth International's lobbying briefing on REDD, 2008 <u>www.foei.org/en/publications/pdfs/accrabriefing-forests-are-more-than-carbon</u>

expensive. Focusing exclusively on the carbon value of forests neglects other crucial functions that forests play, especially conserving biodiversity and sustaining the livelihoods of Indigenous Peoples and local communities.

The social and environmental problems associated with deforestation will inevitably shift if the underlying causes of deforestation are not addressed. The impermanence of forests also means that carbon investors would seek to shift the burden of delivering successful REDD projects onto project providers, which would be highly disadvantageous for local communities and/or developing countries.

#### Real solutions are needed to stop deforestation

Tackling the drivers and underlying causes of deforestation is paramount: including agrofuels, excessive meat and paper consumption in industrialized and other major importing countries. We must also stop destructive practices in mining, oil and gas exploration and extraction and industrial logging.

## Finance, Technology and Adaptation

#### **Finance**

The United Nations Development Report 2007/2008 estimates that \$86 billion a year by 2015 – 0.2% of developed country GDP or around a tenth of their current military spending – is needed to help developing countries adapt to climate change.<sup>3</sup> Additionally, tens of billions of dollars in finance and technology transfer is needed yearly to support developing countries reduce their emissions and make a just transition towards low-carbon economies. At the same time, 2.4 billion people lack fuel and 1.6 billion are without electricity.<sup>4</sup> 40% of the world's poorest, around 2.6 billion people, are on the brink of climate change events that will jeopardise their prospects for human development.

Friends of the Earth International supports the legitimate demands from developing countries to get funding and technology transfer from developed countries to support developing country mitigation and adaptation needs. Any funding outside of the Convention (including the World Bank's climate investment funds) shall not be regarded as fulfilment of developed country commitments addressing Articles 4.1, 4.3, 4.7, 4.8, 4.9 and others under the Convention.

Due to their historical responsibility, industrialised countries need to bring the bulk of money needed. A diversity of sources can be utilised ranging from innovative taxes (such as carbon taxes or a Tobin Tax), levies and redirecting military spending. A carbon tax in the developed countries would be the simplest instrument to raise the hundreds of billions of dollars needed each year. Financing of adaptation, monitoring systems, technology transfer and establishing of renewable energy service systems should be committed by the developed countries according to their historic responsibilities and capacity to act.

### **Technology Transfer**

At climate talks in Ghana in August the G77 and China proposed a new technology mechanism to accelerate the development and transfer of technology and to support the effective implementation of the UN Framework Convention on Climate Change (UNFCCC). The proposal would implement provisions of the Convention relating to technology and finance and builds on statements and proposals. It seeks to address the shortfall in implementation by developed countries of their obligations to provide technology and associated finance and capacity building to developing countries to enable them to implement the Convention – advancing the work of the Bali Action Plan.

This proposal has potential to promote safe, renewable and decentralized technologies for both mitigation and adaptation that would enable a shift to sustainable development pathways. FoEI supports local, decentralized appropriate renewable energy and reject technology transfer that would support, for example, CCS, large dams, nuclear and agrofuels. Technology transfer cannot only focus on money but needs to integrate a sustainable approach. Crucially, the Trade Related Intellectual Property rights (TRIPs) agreement should not be used as a barrier to enabling the transfer of environmental sound technologies from developed to developing countries.

For this, it is necessary to support and finance the establishment in Southern countries, autonomous national and regional policies and instruments for the development of sustainable technological solutions that respects the sovereignty of urban and rural communities over their land, their resources and their lifestyles.

<sup>&</sup>lt;sup>3</sup> United Nations Human Development Report 2007/ 2008: "Fighting climate change: human solidarity in a changing world", <a href="http://hdr.undp.org/en/media/HDR\_20072008\_EN\_Complete.pdf">http://hdr.undp.org/en/media/HDR\_20072008\_EN\_Complete.pdf</a>

<sup>&</sup>lt;sup>4</sup> "The Energy Challenge for Achieving the Millennium Development Goals." UN-Energy. July 2005. <a href="http://esa.un.org/un-energy/pdf/UN-ENRG%20paper.pdf">http://esa.un.org/un-energy/pdf/UN-ENRG%20paper.pdf</a>

## **Resilience Building and Adaptation**

Financing for resilience building and substantial, appropriate and community-led adaptation needs is a responsibility of countries with high historical emissions and greater capacity to act, and must be fulfilled through mandatory contributions of Annex I countries, complimenting mitigation measures and objectives. Governments should pledge funds for this, and alternative methods of multilateral funding, such as a tax on international air travel or shipping.

The establishment of the UNFCCC Adaptation Fund in 2007 was an important step in terms of governance of a multilateral fund, with regional representation with the majority from developing countries. However, the Global Environment Facility is not an appropriate Secretariat for the Fund, and a new Secretariat, such as the UNFCCC, should be identified immediately. Adequate monitoring and evaluation, including by affected communities, of the operations of the Adaptation Fund are critical to ensuring that funds actually reach and assist the most vulnerable communities.

Priority for funding must be given to the most vulnerable nations and people, including least developed countries, Small Island States, Africa and mega deltas of Asia and for activities that build the resilience of the most impoverished communities to endure inevitable climate impacts, including relocation of climate refugees. People who are displaced from their homes as a result of climate change, either within their own country or into a different country, should also be given legal protection, through the negotiation of a new international convention if necessary.

Furthermore, decisions made under the UNFCCC recognise that attempts to reduce vulnerability and adapt to climate change are undermined by 'development' strategies to expand exploration and extraction of natural resources for export. These export-oriented 'development' strategies often result in the degradation of ecosystems, do not improve the lives of impoverished and most vulnerable communities and additionally, often force countries to take on international loans that further compromise the ability to respond to climate impacts. International financial institutions and bilateral aid programs must acknowledge that an alternative development paradigm that protects human security, livelihoods and capacity to protect ecosystems and must stop funding activities that further compromise the ability of nations to protect themselves from the impacts of climate change.

## World Bank contaminating the climate agenda

At climate talks in Bonn in June 2008, FoEI – along with 121 other groups – issued a declaration opposing the World Bank's proposal for Climate Investment Funds (CIFs).<sup>5</sup> This statement builds on developing countries' grave concerns over these funds. The CIFs undermine UNFCCC negotiations, compete for funding with already established UN adaptation and technology funds, promote dirty industries like coal as clean energy, and force developing countries to pay for the industrialised world's pollution by providing loans for them to adapt to the climate crisis.

It is unacceptable to issue loans for adaptation, given that rich countries are overwhelmingly responsible for climate change and increasing the global South's debt burden will deepen poverty and increase vulnerability to climate change. Furthermore, the Bank continues to invest heavily in fossil fuel and polluting industries. The World Bank Group's fossil fuel financing totalled \$2.275 billion in 2008.<sup>6</sup>

The World Bank is the wrong institution to control any financing for climate change. It is an inherently undemocratic institution, with a one dollar-one vote decision-making structure that marginalises Southern countries. Rather than treating the provision of climate financing as binding obligations by Annex 1 countries to developing countries under the UNFCCC and Kyoto Protocol, the World Bank's CIFs are designed within a fundamentally unequal aid framework of donor and recipient. These funds undermine the whole UNFCCC process.

<sup>&</sup>lt;sup>5</sup> http://www.foe.org/pdf/CIF\_sign-on.pdf

<sup>&</sup>lt;sup>6</sup> Bank Information Center, IFI Extractive and Energy Project Spreadsheet, updated July 2008 <a href="http://www.bicusa.org/en/Article.3395.aspx">http://www.bicusa.org/en/Article.3395.aspx</a>