How Much Climate Finance Will Developed Countries Provide in 2013 and Beyond?
Based on pledges/statements made in the UNFCCC...

Finland, France, Germany, Denmark, Norway, Sweden and the UK were first off the blocks in making financial pledges in Doha. This was welcome. But the adequacy and the clarity of these pledges vary significantly and need to be pinned down.

And then there’s the rest...

Australia =
Austria =
Belgium =
Canada =
EU =
Greece =
Iceland =
Ireland =
Italy =
Japan =
Luxembourg =
Netherlands =
New Zealand =
Portugal =
Spain =
Switzerland =
United States =

No developed country Party should be coming back to this process empty handed! ALL developed countries need to urgently commit to what climate finance they will provide in 2013 and beyond, in a way that is transparent, comparable and makes clear how finance is new and additional.

Equity for All

ECO hopes that the ADP discussions will focus on solving the equity puzzle. The world needs an effective, science-based, fair and ambitious climate agreement. Here is an attempt by ECO to demystify the climate puzzle we are facing. The fact that atmospheric CO2 concentrations recently reached the 400 ppm mark was an ominous reminder about the urgency of substantial actions to keep temperature rise well below 2 degree C, and the ultimate goal to return it to 1.5 degree C above pre-industrial levels. To resolve this challenge, developed countries must increase their pre-2020 pollution reductions and ramp up support for developing country actions through finance, technology and capacity building. Adaptation and loss and damage should also be given the necessary levels of support. These are the preconditions to rebuild the trust among Parties and for a successful outcome from Paris in 2015.

ECO believes that negotiations will never succeed unless Parties confront the equity challenge. More precisely, Parties need to deal with their differentiated responsibilities and respective capabilities, while protecting developing countries’ need to provide their citizens with sustainable living standards, as is available to citizens of any other country.

At the minimum, this means Parties need to develop a shared “Equity Reference Framework” that embodies the Convention’s core equity principles. ECO identified these as: a precautionary approach to adequacy, CBDRRC and the right to sustainable development. Along with the latest science, these core principles, taken from the Convention itself, including of course the call for developed countries to take the lead in climate mitigation – can be used as a benchmark when framing, setting and reviewing Parties’ pledges and financial commitments. Increasing ambition of pollution reduction should be based on a fair share approach.

To achieve this task in a time bound manner, ECO suggest that Parties need to take a systematic approach to make best use of
Equity continued
the time and resources available. First, we need to hear Parties' fo-
cused ideas about core equity principles and respective indicators. We also need to hear Parties' ideas for a process by which relevant articula-
tions of the core Convention principles and proposed indicators can be quickly distilled into a concise list. This list can then be used to estab-
lish the fair share commitments of Parties in what ECO calls the Equity Reference Framework. Over the next two weeks, the ADP should begin the discussions required for the 2015 agreement, in the context of stand-
ardised equity indicators and taking steps to realise this framework. ECO seeks an Equity Reference Frame-
work that institutes a process to scale up Parties' commitments and pledges for the post-2020 agree-
ment, by inviting Party submissions and a process that includes review of commitments by international ex-
erts.

Parties must go beyond just the principles to develop standardised in-
dicators. The present session should be sufficient to crystallise the indica-
or discussion, which will lead us to the development of the framework.

At the end of the day, of course, all of this will depend on Parties taking
the equity challenge seriously and stepping forward to make the differ-
ence required for a successful ADP outcome in Paris. ECO will be closely
watching, and that's really not a sur-
prise, as we are friends of equity and the ADP.

Less Talk, More Money, More Action

“A little less conversation, a little more ac-
tion” needs to be the soundtrack of this year's Long Term Finance (LTF) Work Programme. The Fast Start period is behind us, and we are already starting the period that we used to call “Long Term Finance”, which makes little sense when it refers to yesterday, today and tomorrow. We’ve had processes under the UN Secretary General, the G20, and the UNFCCC. But to date these processes have failed to result in any decisions for, or commit-
ments to, a given level of funding from now to 2020. So this year’s work programme must be different from last year’s in one funda-
mental respect: concrete outcomes on scal-
ing up.

With the LCA finance negotiations behind us, and ADP negotiations on pre-2020 ambi-
tion focused on mitigation, this year’s LTF Work Programme is the main space for mak-
ing progress on finance. If not here, where? If not now, when?

So unlike last year’s work programme, this year’s needs to be firmly geared towards op-
tions for decisions in Warsaw. These options then need to be discussed and agreed at the ‘in-session high-level ministerial dialogue’ that the Doha outcome mandated for COP19. Failure to provide concrete options for minis-
ters to consider would likely result in a missed opportunity that developing countries cannot afford.

Today’s Long Term Finance Work Pro-
gramme event will focus on pathways for mo-
obilisation of climate finance to USD 100 billion per year by 2020. ECO urges Parties to con-
sider that by COP19, we need ALL developed countries to set out what PUBLIC climate fin-
ance they will provide over the period 2013-
2015, and commit to a roadmap for scaling-
up global PUBLIC climate finance, and reach-
ing $100bn per year by 2020. ECO would like Parties to note that COP19 is already very, very late to make decisions on finance that should have been available from the start of 2013.

This year, we need new initiatives and in-
creased ambition to close the mitigation gap and get on a pathway to staying below 2 de-
grees C of warming. This will be only be pos-
sible if there is an assurance that finance will be available for renewed mitigation efforts in
developing countries. We also need agree-
ment that a minimum of 50% of all public cli-
mate finance between now and 2020 will be spent on adaptation. And the Green Climate Fund must not be left an empty shell for a 4th COP in a row – that’s one broken record we’re tired of listening to.

In Hot Pursuit of the SBI

FCCC/CP/1996/2..."sigh"...is a document close to ECO’s heart! While there is no deny-
ing that clear rules of procedure – finally formally adopted and adhered to – would be an important development, ECO should be for-
given for doubting the sincerity of the sud-
den, but independent, interest of Russia, Bel-
arus and the Ukraine in the matter.

ECO has been around since 1972 (if you forgot to send us a birthday present this year, see yesterday's issue for some suggestions). However, one’s institutional memory need not stretch that far back. In fact, one only needed to be in Doha, to understand where our scept-
icism comes from.

Russia, Belarus and Ukraine opposed the overwhelming consensus on a COP decision in Doha. But their reasons were completely different from those of Bolivia's similar objec-
tions in Cancun. Bolivia objected a COP de-
cision on the grounds that the deal on the table was not ambitious enough. ECO notes a clear difference here. In Doha, Parties made progress on improving the environ-
mental integrity of the Kyoto Protocol by get-
ting rid of some of the hot air in the system. ECO was delighted with this development as – after all – important things in this process (emissions, hot air, the gap in financing com-
mitments) are supposed to go down and not up. But Russia, Belarus and Ukraine did not agree. In fact, a number of targets that were on the table in Doha from the economies in transition would have increased the total amount of hot air in the system.

There have been ample opportunities to dis-
cuss ways forward on the rules of procedure – the Mexico and PNG proposal being a prime example – and ECO does not remem-
ber strenuous and vocal support from the cur-
rent proponents back then (in fact, Russia seemed more interested in its other proposal to amend Art. 4.2(f) of the Convention). So why raise concern now?

Improving decision making procedures in the UNFCCC is appreciated. And if Russia, Belarus and Ukraine want to help, ECO en-
courages them to team up with Mexico, PNG and others to make real progress on this is-
sue at COP19. Even better, there is already a place holder on the provisional agenda for the COP to discuss it! A fast-start step to-
wards improving procedures would be to get on with the SBI work now. Though the negoti-
ations and their rules may seem surreal to some, climate change is very real to millions across the planet, and there is strong con-
sensus that we need urgent action.