



## A Special Report on Selected Side Events at the Bonn Climate Change Talks - June 2009

Published by the International Institute for Sustainable Development (IISD)

Online at <http://www.iisd.ca/climate/sb30/enbots/>

Issue #3 | Thursday, 4 June | Bonn Climate Change Talks, 1-12 June 2009 | Bonn, Germany

### Events convened on Wednesday, 3 June 2009

# Elements of an Adaptation Action Framework for the Copenhagen Agreement

Presented by Climate Action Network International



Jan Kowalzig, Oxfam, noted that an agreement in Copenhagen must include modalities to establish a Compensation and Rehabilitation Mechanism to address climate change impacts to which countries cannot adapt, and that the modalities can be elaborated later.

This event presented the key principles of a proposed Climate Action Network International (CAN) adaptation framework, and linked it to the current *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) draft negotiating text.

Jan Kowalzig, Oxfam, introduced global aspects of the proposed adaptation framework, including, *inter alia*: an Adaptation Funding Window under a Climate Super Fund, linked to an Adaptation Funding Executive Board and an Adaptation Technical Panel; a Climate Risk Insurance Mechanism and a Compensation Rehabilitation Mechanism. He explained that the insurance mechanism would be a public mechanism to insure losses from high-impact disasters, and that dissemination of funds could be linked to proactive country initiatives to address adaptation needs.

Kowalzig then described how these global elements would relate to country-level ones. He said In-country Co-ordinating Mechanisms (ICMs) would address long-term adaptation needs by developing National Adaptation Action Strategies (NAASs) and urgent adaptation needs by, for example, implementing National Adaptation Programmes of Action. He explained that ICMs would send NAASs to the Adaptation Technical Panel, and that the Adaptation Fund would approve financing in the form of periodic grants on a regular basis.

Sandeep Chamling Rai, WWF, elaborated on the ICMs, stating they would develop, adopt, review and update the NAASs. He stressed that ICMs must enable bottom-up approaches to adaptation that reflect local, regional and national needs. He added that ICMs would involve the most vulnerable populations in planning, implementation and evaluation processes. Rai noted that ICMs could be formed by creating new or enhancing existing mechanisms and described how this could be done in Nepal.

Emphasizing that the CAN proposal builds on existing proposals by different UNFCCC parties, Sven Harmeling, Germanwatch, compared the proposal to the current AWG-LCA draft negotiating text. He suggested that the Kyoto Adaptation Fund Board could be a foundation for the CAN- envisaged Adaptation Funding Executive Board.

Six delegation representatives commented on the CAN proposal, suggesting that, *inter alia*: adaptation must not be treated as a sector; adaptation institutions should not be overly prescriptive; governments should devolve funds to local levels; methodologies are needed to define what is meant by "most vulnerable" for targeting funding; and the proposal may not enable bottom-up adaptation as currently envisaged.

#### More information:

<http://www.practicalaction.org>

<http://www.oxfam.org>

<http://www.germanwatch.org>

<http://www.panda.org>

#### Contacts:

Rachel Berger (Coordinator)

<rachel.berger@practicalaction.org.uk>

Sandeep Chamling Rai <scrai@wwf.sg>

Jan Kowalzig <jkowalzig@oxfam.de>

Sven Harmeling

<harmeling@germanwatch.org>

This issue of the *Earth Negotiations Bulletin on the Side (ENBOTS)* © <enb@iisd.org> is written and edited by Alexandra Conliffe, Radoslav Dimitrov, Ph.D., and Sikina Jinnah, Ph.D. The Digital Editor is Markus Staas. The Editor is Soledad Aguilar <soledad@iisd.org> and the Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The Sustaining Donors of the *Bulletin* are the United Kingdom (through the Department for International Development - DFID), the Government of the United States of America (through the Department of State Bureau of Oceans and International Environmental and Scientific Affairs), the Government of Canada (through CIDA), the Danish Ministry of Foreign Affairs, the German Federal Ministry for Economic Cooperation and Development (BMZ), the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), the Netherlands Ministry of Foreign Affairs, the European Commission (DG-ENV), and the Italian Ministry for the Environment, Land and Sea. General Support for the *Bulletin* during 2009 is provided by the Norwegian Ministry of Foreign Affairs, the Government of Australia, the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management, the Ministry of Environment of Sweden, the New Zealand Ministry of Foreign Affairs and Trade, SWAN International, Swiss Federal Office for the Environment (FOEN), the Finnish Ministry for Foreign Affairs, the Japanese Ministry of Environment (through the Institute for Global Environmental Strategies - IGES), the Japanese Ministry of Economy, Trade and Industry (through the Global Industrial and Social Progress Research Institute - GISPRI), the Government of Iceland, and the United Nations Environment Programme (UNEP). The opinions expressed in the *Bulletin* are those of the authors and do not necessarily reflect the views of IISD or other donors. Excerpts from the *Bulletin* may be used in non-commercial publications with appropriate academic citation. For information on the *Bulletin*, including requests to provide reporting services, contact the Director of IISD Reporting Services at <kimo@iisd.org>, +1-646-536-7556 or 300 East 56th St., 11A, New York, NY 10022, USA. The ENBOTS team at the Bonn Climate Change Talks - June 2009 can be contacted by e-mail at <alexandra@iisd.org>. Production of ENBOTS at this meeting has been provided by the UNFCCC Secretariat and the United Nations Development Programme (UNDP).

## Going Beyond Carbon: Good Governance, Biodiversity Conservation and Demand-Side Management in REDD

Presented by Ecosystems Climate Alliance

This panel focused on the relevance of good governance and demand-side management for REDD.

Patrick Alley, Global Witness, introduced the panel, highlighting that REDD offers a significant opportunity to “rescue” forests but could have disastrous effects if designed improperly.

Alistair Graham, Humane Society International, said the demand for a global wood supply results in forests that are less resilient to degradation. He stressed that REDD must be designed and institutionalized to give maximum incentives to protect intact ecosystems and therefore most effectively conserve both carbon stocks and biodiversity.

Rosalind Reeve, Global Witness, highlighted the importance of good governance, including transparency, accountability and strong institutions. She emphasized that without good fiscal governance, “REDD funds will go the way of logging revenues.”

Laura Furones, Global Witness, highlighted various benefits of independent forest monitoring, including its ability to increase revenue, enhance transparency, and increase quality and quantity of forest-related information.

Andrea Johnson, Environmental Investigation Agency (EIA), emphasized that demand-side policy creates concrete mechanisms for governance improvements in tropical forest countries. She listed possible types of demand-side policies, including: voluntary corporate policies; national laws, such as the US Lacey Act; government procurement policies; bilateral agreements; and international frameworks.

Florence Daviet, World Resources Institute, highlighted the impact of international markets on the ability of developing countries to deal with illegal logging activities. She said addressing governance issues that result in illegal deforestation is fundamental, underscoring that REDD countries may need more than financial support to achieve this.

Participants discussed, *inter alia*: sustainable forest management; agriculture and biochar as problematic climate mitigation responses; and ways to incorporate sustainability into legal frameworks.



Andrea Johnson, EIA, underscored that demand-side timber policies dramatically reduce the possibilities for leakage.

### More information:

<http://www.ecosystemsclimate.org>

<http://www.globalwitness.org>

<http://www.hsi.org.au>

<http://www.eia-global.org>

<http://www.eia-global.org/lacey>

### Contacts:

Davyth Stewart (Coordinator)

<davyth@gmail.com>

Patrick Alley <palley@globalwitness.org>

Alistair Graham

<alistairgraham1@bigpond.com>

Rosalind Reeve <rreeve@globalwitness.org>

Laura Furones <lfurones@globalwitness.org>

Andrea Johnson <andrea@eia-international.org>

Florence Daviet <fdaviet@wri.org>

## Testing Sectoral Approaches in Developing Countries

Presented by climatepolicy.net. e.V.

Niklas Höhne, Ecofys, presented a broad overview of sectoral approaches. He elaborated one approach based on sectoral no-lose targets, whereby: countries voluntarily pledge sectoral baselines based on a transparent analysis for each sector; credits are given for reductions beyond the baseline but no penalty is imposed for non-compliance; and governments let private entities decide matters of implementation. Höhne stressed that this approach is contingent on stringent reduction commitments by developing countries that would create demand for credits.

Christian Ellerman, Ecofys, presented preliminary results of testing “sectoral proposal templates” in China. Noting that Chinese decision makers are increasingly receptive to sectoral approaches, he stressed the importance of China’s provincial level and reported: low awareness of options for sectoral approaches among policy makers; concerns among large industries about replacing current Clean Development Mechanism projects; data shortages and unreliability; and lack of capacity.



Niklas Höhne, Ecofys, said sectoral approaches could: rely on country-specific emission baselines; emphasize policies rather than achievement of quantified targets; or target types of technology such as classes of vehicles.

Marion Vieweg, Ecofys, summarized lessons learned, including that: a standardized, simple and transparent proposal format and an appropriate institutional set-up are crucial; and data availability and quality are major concerns. She identified priorities, such as: analyzing possible options for national implementation; testing templates in the iron and steel sectors; deciding on an international setup; agreeing on levels of mitigation in developing countries; and defining standards for formulating low-carbon development plans.

Responding to questions, panelists clarified that sectoral proposal templates are important tools for countries to present their estimates of appropriate baselines in a transparent manner, and stressed the importance of an international process that reviews the data and involves independent experts.

**More information:**  
<http://www.ecofys.com>  
<http://www.sectoral.org>

**Contacts:**  
 Contacts: Niklas Höhne (Coordinator)  
 <n.hoehne@ecofys.com>  
 Christian Ellermann <c.ellermann@ecofys.com>  
 Marion Vieweg <m.vieweg@ecofys.com>

## Measurable, Reportable and Verifiable Institutions and Issues: Matching Support and Actions

Presented by Third Generation Environmentalism (E3G) and World Resources Institute (WRI)

This panel discussed measurable, reportable and verifiable (MRV) actions and support, and presented the results of a report entitled "Mitigation Actions in China: Measurement, Reporting and Verification."

Hilary McMahon, WRI, stressed that there are always precedents for MRV at the national level. She highlighted various reasons why MRV actions and support are useful, including that they improve the availability of information about the range of actions that countries are taking to mitigate climate change and help build capacity for effective implementation of actions at national and local levels.

Fei Teng, Tsinghua University, China, summarized the report's findings, highlighting lessons from the Chinese experience, including: action indicators should be flexible; and mitigation actions with indirect benefits are as important as those with direct benefits.

Ji Zou, Renmin University of China and WRI, stressed the importance of making the MRV process nationally appropriate, noting that it is "not realistic to make MRVs uniform at present."

Jürgen Lefevere, European Commission, underscored important lessons that can be learned from China's experience for both developed and developing countries. He highlighted challenges of evaluating and quantifying the impacts of individual policies and measures, and stressed the need for policy makers to learn from each other in order to "get policies right."

Jane Ellis, Organization for Economic Cooperation and Development, highlighted several themes that emerged from the report, including: the importance of clarifying the aims of MRV soon; the question of how to deal with Nationally Appropriate Mitigation Actions (NAMAs) that are difficult to quantify, such as China's one-child policy; and the importance of flexibility and trust.

Participants discussed, *inter alia*, how to secure resources for NAMAs.



Jürgen Lefevere, European Commission, stressed the usefulness of MRV for international policy evaluation, noting that MRV is too often seen as a threat rather than a tool for policy makers.

**More information:**  
<http://www.climate-insurance.org>  
<http://www.northsouth.edu>  
<http://www.careclimatechange.org>  
<http://www.unhcr.org>

**Contacts:**  
 Hilary McMahon (Coordinator)  
 <hcmahon@wri.org>  
 Claire Langley (Coordinator)  
 <claire.langley@e3g.org>  
 Jennifer Morgan (Chair)  
 <Jennifer.morgan@e3g.org>  
 Fei Teng <tengfei@tsinghua.edu.cn>  
 Ji Zou <zouji@ruc.edu.cn>  
 Jane Ellis <jane.ellis@oecd.org>

# Aviation Alternative Fuels: Towards Sustainable Air Travel

Presented by International Civil Aviation Organization

This event presented perspectives on the potential of alternative fuels for aviation.

Jane Hupe, International Civil Aviation Organization (ICAO), underscored that adoption of alternative fuels may be simpler in the aviation sector than in other sectors due to the relatively small number of fuelling locations and vehicles involved.

Michael Farmery, Shell Aviation, with input from Sasol and Universal Oil Products, stressed that any alternative aviation fuel must be a “drop-in” solution that can be mixed with currently used jet fuels in any proportion, and that uses the existing fuelling infrastructure. He said fischer tropesch fuels – i.e. coal-to-liquids (CTL), gas-to-liquids (GTL) and biomass-to-liquids (BTL) – using biomass, and hydrogenated oil-based fuels are the most promising options, although the process to synthesize BTL fuels is expensive, as are the currently available feedstocks for hydrogenated oil-based fuels.

Thomas Roetger, International Air Transport Association (IATA), stressed that alternative fuels must offer net emission reductions over their entire life cycle and should not generate adverse impacts, for example those on freshwater needs, land use and food security. He highlighted the potential of new-generation biofuels in this regard. He said life-cycle analyses with camelina, a biomass, show GHG savings of up to 84% compared to kerosene.

Philippe Fonta, International Coordinating Council of Aerospace Industries, said the aviation industry is committed to a carbon-free future. Explaining that the fuels generated by fischer tropesch synthesis are identical, he stressed that valuable lessons can be learned from testing fuels synthesized using gas. He continued that these lessons can be applied to fischer tropesch fuels using biomass in the future. Fonta stressed that further development of biofuels requires partnership with relevant stakeholders.

Lourdes Maurice, Commercial Aviation Alternative Fuels Initiative (CAAFI), highlighted that the American Society for Testing Materials will vote on certifying 50% fischer tropesch fuels by the end of the year, and that CAAFI hopes to see certification of: 100% fischer tropesch fuels by 2013; 50% hydroprocessed renewable jet fuels (HRJ) by 2010; and 100% HRJ by 2013.

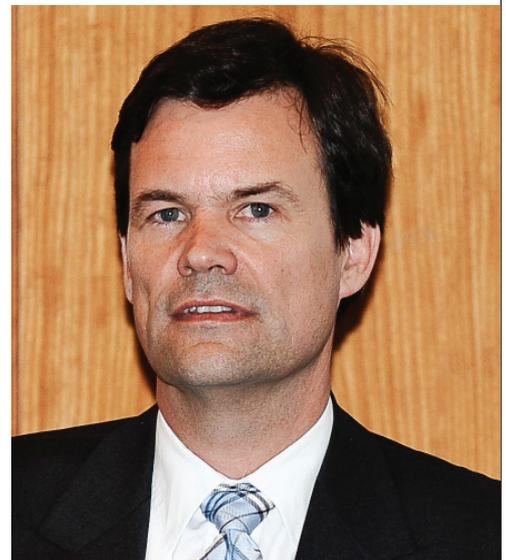
Doris Schroeker, European Commission, highlighted a two-year study, entitled Sustainable Way for Alternative Fuel and Energy in Aviation. She emphasized that a range of mechanisms will be required to reduce aviation emissions, and noted that aviation will be included in the European Emissions Trading Scheme as of 2012.

Bill Hemmings, International Coalition for Sustainable Aviation, stressed that although biofuels show potential, it will take time to develop them for use as alternative aviation fuels and that other short-term solutions are therefore required. He cautioned that indirect land-use change impacts of biofuels remain uncertain. Hemmings said emissions from the aviation sector must be brought “into the box” of broader emission regulations, including within the UNFCCC.

Participants discussed the land-use implications of using biofuels in the aviation sector.



Jane Hupe, ICAO, highlighted that with sufficient demand and incentives, jet fuels that offer at least a 50% reduction in life-cycle carbon dioxide emissions could be available within 15 years.



Thomas Roetger, IATA, highlighted that flight tests using alternative fuels demonstrate that they can be more efficient than regular jet fuels, and that in a 12-hour test flight, 1.4 tons of fuel, equal to 1.2% of total fuel consumption, was saved.

**More information:**

<http://www.icao.int>  
<http://www.iata.org/index.htm>  
<http://www.iccaia.org>  
<http://www.caafi.org>

**Contact:**

Jane Hupe (Coordinator) <jhupe@icao.net>