ENB on the side

A Special Report on Selected Side Events at the Barcelona Climate Change Talks 2009

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Events convened on Friday, 6 November 2009

Financing REDD+: Scaling up Action Pre- and Post-2012

Presented by the Global Canopy Programme (GCP)

Tanja Havermann, TCG, said there is a need for transition pathways from the "immediately possible" to the "ultimately necessary."

This event was hosted by GCP in collaboration with the Secretariat of the Informal Working Group for Interim Financing for REDD+ (IWG IFR), Terrestrial Carbon Group (TCG) and Overseas Development Institute (ODI).

Charlie Parker, GCP, introduced the "Little REDD Finance Book," which will be released in Copenhagen. He said the book covers: financial frameworks for fund generation – or how finance is raised and who contributes; institutional arrangements – or how decisions are made and by whom; and delivery – or how finance is delivered, through what mechanisms, and which countries benefit.

Jessica Brown, ODI, described revenue generation options for REDD+. She recommended a phased approach for REDD based on the following steps: (1) development of a national REDD strategy, including national dialogue and demonstration activities; (2) implementation of policies and measures proposed in national REDD strategies; and (3) payment for performance based on qualified forest emission reductions as measured against agreed reference levels. She explained that these phases could be matched with finance options, where step (1) receives immediate international funding, (2) uses a fund-based instrument to allow countries predictable REDD finance, and (3) employs a greenhouse gas-based instrument that rewards performance.

Tanja Havermann, TGC, introduced a proposed institutional architecture for REDD+. She said it could integrate: support and guiding functions (such as those provided by IPCC); rule-setting functions (such as NAMAs); generation functions (emission reduction actions); certification functions (MRV); and facilitation of payment functions (matching funds and performance).

Tim Clairs, UN-REDD, discussed delivery mechanisms for REDD+. He said UN multi-donor trust funds are a recognized modality for rapid support for capacity building, and can be scaled up and adapted to a phased approach.

Andreas Dahl-Jørgensen, IWG-IFR, provided an overview of the report of the IWG-IFR on establishing an interim REDD+ partnership. He said the report proposes a phased approach that allows for both flexibility and immediate action. It also includes national commitments, multi-stakeholder consultation and advanced monitoring. He stated that finance for early action is essential.

In the ensuing discussion, participants addressed financial options, institutional arrangements, and the phased approach to financing.

More information:
http://www.globalcanopy.org
http://www.terrestialcarbon.org

Contacts:
Andrew Mitchell (Chair) <a.mitchell@globalcanopy.org>
Charlie Parker <c.parker@globalcanopy.org>
Jessica Brown <j.brown@odi.org.uk>
Tanja Havermann <tanja.havermann@terrestrialcarbon.org>
Tim Clairs <tim.clairs@undp.org>
Andreas Dahl-Jørgensen <andreas.dahl-jorgenson@md.dep.no>

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Effort Sharing and NAMAs – What Can the Two Discourses Learn From Each Other?

Presented by ECOFYS and the Netherlands Environmental Assessment Agency

This event brought together panelists to discuss proposals on effort sharing and the distribution of financing for NAMAs.

Michel den Elzen, Netherlands Environmental Assessment Agency, discussed effort-sharing approaches, noting that some major developed countries' targets do not meet the level necessary to be considered comparable with a 30 percent reduction by 2020. He emphasized that starting points matter when calculating effort sharing and that the stringency of targets depends on LULUCF rules.

Markus Hagemann, ECOFYS, explained that several developing countries, including China, Brazil, India, Mexico, Republic of Korea and South Africa, had projected emissions reductions based on their national plans that are above what would be required in most calculations of effort sharing. He suggested that if the six countries analyzed are aggregated, this would result in a 25% reduction from business-as-usual by 2020.

Martina Jung, ECOFYS, said NAMAs should be based on a clear template and provide information on context, NAMA actions, and indicators that can be subject to MRV. She added that NAMAs should also provide an estimate of emission reductions, other benefits, the level of financial support needed for implementation and an assessment of national appropriateness. She noted that a template would allow inclusion in registries or schedules, facilitate MRV and make funding proposals easier to develop.

Participants discussed sectoral NAMAs, complementary roles for regulatory schemes, defining baselines and business-as-usual, and the relationship between NAMA and CDM approaches.

Michel den Elzen, Netherlands Environmental Assessment Agency, noted that capability, mitigation potential, responsibility and national circumstances are included in calculations of effort sharing.

Markus Hagemann, ECOFYS, highlighted that with assistance developing countries can achieve more significant deviation from business-as-usual.

More information:
http://www.climateactiontracker.org

Contacts:
Michel den Elzen (Chair)
<michel.denelzen@pbl.nl>
Markus Hagemann <m.hagemann@ecofys.com>
Martina Jung <m.jung@ecofys.com>

L-R: Martina Jung, ECOFYS; Markus Hagemann, ECOFYS; and Michel den Elzen, Netherlands Environmental Assessment Agency

The AVOID Programme: Pathways for Avoiding Dangerous Climate Change

Presented by the Hadley Centre for Climate Prediction and Research

This panel described and discussed a programme to assess the risks of dangerous climate impacts and identify options to avoid them.

David Warrilow, UK Department of Energy and Climate Change, moderated the session. He explained that the AVOID programme provides advice to the UK Government on avoiding dangerous climate change.

Jason Lowe, Met Office UK, described the AVOID programme, explaining that it quantifies and communicates the avoided impacts and residual effects for a range of mitigation policies using simple models to measure impacts on physical and human systems.
He said the methodology of the programme involves analysis of global emissions trajectories, including: peak emissions; the rate of emissions leading to the peak level; the emissions reduction rate following the peak level; and the net long-term impact of emissions rates on climate, crops, flooding, water supply, and other physical and human resources.

Nigel Arnell, University of Reading, UK, outlined key findings, including that: even the most stringent mitigation will not avoid all climate impacts; the majority of mitigation benefits will not be realized for many decades; an earlier peak will mean that more impacts are avoided; the impacts that can be avoided depend on the level of climate change and carbon dioxide concentrations; and there is significant regional variation in avoided impacts.

In the ensuing discussion, participants raised issues relating to the use of IPCC scenarios, presentation of data useful to governments' policies, and the impacts of population growth.

Nigel Arnell, University of Reading, said that impacts avoided by effective climate policies include water scarcity, flooding, mangrove decline and decreased crop productivity.

Jason Lowe, Met Office UK, said that accelerated or irreversible changes (such as melting of ice sheets, permafrost, massive deforestation and changes in ocean circulation) may occur even with some mitigation policies.

More information:
http://www.avoid.uk.net

Contacts:
David Warrilow (Coordinator)
<david.warrilow@decc.gsi.gov.uk>
Jason Lowe <avoid-chiefsci@metoffice.gov.uk>
Nigel Arnell <n.w.arnell@reading.ac.uk>

L-R: David Warrilow, UK Department of Energy and Climate Change; Jason Lowe, Met Office UK; and Nigel Arnell, University of Reading

Mitigation Policy

Presented by the Research and Independent Non-Governmental Organizations (RINGOs)

This event involved reviews of various mitigation policies, both at the national and international levels.

Michael Grubb, Climate Strategies and Cambridge University, spoke about building a low carbon economy. He highlighted the UK's 2020 and 2050 targets embodied in legislation, and the country's five-year national emission budgets. He also noted the role of the Carbon Trust, a public-private partnership with environmental and economic objectives. He reported that the Trust's investment activities leverage £7 of private sector spending for every £1 of public spending. He discussed several policy issues, including how to deal with sectors not covered by the EU Emissions Trading Scheme. He also outlined a new initiative, the UK Carbon Reduction Commitment, a consumption based cap-and-trade scheme that will target emissions in large, non-energy intensive organizations.

Axel Michaelowa, University of Zurich and Perspectives GmbH, reflected on lessons learned from the Kyoto Protocol's flexible mechanisms. He noted that the CDM has been far more successful than was originally anticipated, with 5000 projects and billions of certified emission reductions (CERs) issued. However, he noted that the CDM has its shortcomings, including a long regulatory process to ensure that projects meet the additionality and sustainable development criteria, and a lack of projects in key sectors such as transportation and energy efficiency in buildings. He suggested steps to improve the regulatory framework and transparency, and highlighted the possibility of sectoral mechanisms.

John Drexhage, IISD, described CDM as a useful "first toe in the water of a carbon market" that has nevertheless had almost no impact so far on the development stream of any developing country. He noted difficulties with the CDM's additionality requirement. He also suggested that, for better or worse, a future treaty will be domestically driven and there may be increasing regionalization of activities. However, he hoped that confidence in national regimes will grow over time and could ultimately result in a more comprehensive international framework – a process he described as "taking one step back to then take two steps forward."

Michael Grubb and Murray Ward, Global Climate Change Consultancy, highlighted a new project to make countries' various pledges, assumptions and methodologies easier to compare. The study will include a "trajectory indicator" that considers the consistency of 2020 targets with the long-term 2050 goal, including whether countries are effectively putting off action until later. The paper will be published and distributed on the Climate-L list in mid-November.

Michael Grubb, Cambridge University, said climate policy needs bipartisan political support with a strategic direction embodied in primary legislation.

Axel Michaelowa, University of Zurich and Perspectives GmbH, said lessons from the experience with CDM include the value of clear incentives for the private sector, transparency and limited government interference.

More information:
http://climatestrategies.org/
http://www.perspectives.cc
http://www.GtripleC.co.nz

Contacts:
Marilyn Averill (Chair) <marilyn.averill@colorado.edu>
Michael Grubb <mjg7@econ.cam.ac.uk>
Axel Michaelowa <michaelowa@perspectives.cc>
Murray Ward <murray.ward@gtriplec.co.nz>

L-R: Axel Michaelowa, University of Zurich and Perspectives GmbH; Marilyn Averill, University of Colorado; and Michael Grubb, Climate Strategies and Cambridge University