

## FoEE briefing for Copenhagen

### 1) Key FoEE demands:

**1) The EU must commit to at least 40% domestic emission reductions by 2020 compared to 1990 levels, without offsetting.**

The Clean Development Mechanism (CDM) should be abolished as it deters the structural changes necessary in Europe to green the economy and deliver emission reductions. The majority of CDM projects do not deliver real emission cuts and many projects have devastating social and environmental consequences in the global South.

**2) The EU must deliver its fair share of the finances needed by developing countries for mitigation, technology and adaptation.** This needs to be new, public money additional to existing development aid. The money must be administered by the UNFCCC in a central fund. Any funding outside of the UN, including the World Bank's climate investment funds, and any financial transfers made as part of offsetting schemes should not count as fulfilment of developed country commitments.

**3) The EU must commit to a legally binding UN agreement and a continuation of the Kyoto Protocols** which obliges developed countries to make further commitments on cutting emissions and provide finance and technology to developing countries. Attempts to derail the Kyoto Protocol must be stopped.

**4) Forests must be kept out of carbon markets.** Existing forests should be protected by halting deforestation, forest degradation and the conversion of forests into plantations. Any agreement on deforestation should be a rights-based approach and should not include carbon markets or plantations.

**5) The next commitment period of the Kyoto Protocol needs a strong compliance regime that ensures that emissions in industrialised countries go down year by year.** Too many parties, including a series of EU member states, have so far failed to deliver their commitments under the Kyoto Protocol. The urgency of climate change requires emission cuts to be delivered within short timeframes.

### 2) Current EU position compared to key FoEE demands

**1) The EU must commit to at least 40% domestic emission reductions by 2020 compared to 1990 levels, without offsetting.**

#### The 40% Study

With the study the Stockholm Environment Institute has done in partnership with FoEE, we can show now that this can be achieved without offsetting, nuclear power, CCS and agrofuels. Using detailed

modelling the study describes a comprehensive pathway for Europe to achieve 40% emission cuts through a combination of radical improvements in energy efficiency, the accelerated phase out of fossil fuels, a dramatic shift towards renewable energies, and lifestyle changes. So let's bring that message to our politicians in Copenhagen!

Lifestyle changes envisaged by the study include e.g. a healthier diet with eating 60% less meat by 2020, 80% reduction of flights below 1000km within the EU by 2050, and a mayor modal shift to public transport. Such changes could make the carbon footprint of the average European 8 times smaller in 2050 than today.

The report estimates the costs of the scenario, and outlines the EU's fair share of the finances needed for developing countries to fight climate change. It calculates that between 2010 and 2020 mitigation costs in Europe would likely be about 2% of the EU's discounted cumulative GDP of €111trillion, or 2€ per person per day, which is a value consistent with other mitigation studies. More study results below under demand 2 on finances.

You also have to compare this with the costs of inaction which according to Stern would be about 5% up to more than 20% of global GDP, and to the benefits of creating green jobs (for every job lost in the coal industry three new ones will be created in the energy efficiency and renewable sectors<sup>1</sup>; the European Commission estimated that by 2020 the implementation of the 20% renewable target will create 410.000 additional jobs by 2020<sup>2</sup>). Even for only a 30% emission reduction target health savings of up to 25bn Euros per year could be achieved in Europe<sup>3</sup>.

***Please use the study to lobby your delegates! I attached the media briefing and the FoEE summary. You can find the full study at [www.sei-international.org/climateshareeurope](http://www.sei-international.org/climateshareeurope). We will have copies for distribution available in Copenhagen.***

-Regarding good arguments against offsetting take a look at the study from EWNl  
[http://www.foe.co.uk/resource/briefing\\_notes/dangerous\\_distraction.pdf](http://www.foe.co.uk/resource/briefing_notes/dangerous_distraction.pdf)

#### EU position:

-20% by 2020 unilaterally/ scale up to 30% if we will have a Copenhagen agreement with developed countries taking on comparable efforts and the mayor developing countries take on adequate responsibilities according to their capacities. Target for 2050 is quite good: 80-95% but take into account that the EU will never reach this if it has an insufficient 2020 target.

-Offsetting: the 2020 targets include the possibility of offsetting more than half of the emission reductions after 2005. Since the EU had already been at about 6,5% reductions in 2005 which includes mostly hot air but practically no offsetting. Thus the EU still needs to do another 13,5% of which they could do more than half with offsetting. But this means that only about 13-14% of the 20% target would be reached domestically. Half of the additional effort of going to 30% could be offset.

-Preliminary data from the EEA from 2008 shows that the EU has already been at -10.7% emission cuts by 2008. This would mean that a 20% target is hardly more than a meagre continuation of business as usual. Recent data from IEA even suggests that with the use of offsetting and surplus allowances banked from ETS phase 2 (2008-2012) the EU could achieve a 20% target without any domestic abatement taking place<sup>4</sup>.

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<sup>1</sup> Working for the Climate: Renewable Energy and the Green Job [R]evolution. Greenpeace/EREC 2009.  
<http://www.greenpeace.org/international/press/reports/working-for-the-climate>

<sup>2</sup> European Commission (2009), 'The impact of renewable energy policy on economic growth and employment in the European Union'. Financed by the European Commission, DG Energy and Transport, under TREN/D1/474/2006.

<sup>3</sup> The co-benefits of health to a strong European climate change policy, CAN-Europe, HEAL, WWF 2008.

<sup>4</sup> IEA (2009), 'World Energy Outlook 2009

-There is some movement in the EU to go beyond the current 20% target. At the last Environment Ministers meeting on 23/11, the Swedish presidency was calling on the EU to go beyond its unilateral 20% target before Copenhagen arguing that it is a good time to do so now given the financial downturn and emission reductions achieved by the slowdown of the economy. The European Parliament has just called end of November in a resolution (which has no legal implication) on the EU to scale up their commitments to 40% emission cuts and even indicates that this should be done domestically.

-The EU puts pressure on developing countries actions without saying that their mitigation actions should be voluntary and dependant upon finance and technology support from developed countries.

-EU wants to include aviation and shipping in the UN agreement (good), but targets far too low: -10% for aviation and -20% for shipping below 2005. NGOs demand both at least minus 40% compared to 1990! EU supports tax on aviation but not stating explicitly revenues should be used for climate finance.

## 2) The EU must deliver its fair share of the finances needed by developing countries for mitigation, technology and adaptation.

### More on FoEE demands and results of SEI study:

At the very minimum the EU has to pay at least 35 bn Euros per year by 2020 (this is the agreed CAN Europe position). Probably the figures need to be higher. Recent studies show that the costs of mitigation and adaptation in developing countries have been underestimated.

The study from Stockholm Environment Institute estimates that the EU's share of the mitigation costs in developing countries would be within a range of 150-450bn Euros by 2020 - another 1% to 3% of the EU's GDP, or less than 3€ per day per person according to the study. To see how this is calculated look at the SEI main study Chapter 6 pages 44-47.

But also other recent studies indicate that the costs for mitigation and adaptation are higher than recently estimated, and e.g. a study from the UN estimates the global costs for mitigation and adaptation to be about 340 billion Euros<sup>5</sup>. The EU's fair share based on responsibility and capacity to pay would be about 30% of the global amount.

### EU position:

-The EU so far has failed to say what they are willing to pay to support developing countries to tackle climate change. In their position they only refer to global numbers and numbers for all developing countries. The numbers the EU is referring to in their Copenhagen position:

- Overall 100bn Euros needed for mitigation and adaptation in developing countries
- 20-40% of this overall funding should come from developing countries themselves, 40% private money including offset money and **only 20-40% public funding** (we would be demanding 100% from public funding!!!)
- EU: 2-15 bn Euros per year by 2020 public money (CAN: at least 35bn, SEI study 150-300bn for mitigation only)
- EU paying 10-30% of costs based on ability to pay (GDP) and responsibility for emissions

-Apart from these numbers being by dimensions too low, the EU tries to shift the burden to the developing countries and to unpredictable and unstable private investment flows and offsetting. The

<sup>5</sup> World Economic and Social Survey 2009, Promoting Development, Saving the Planet  
[http://www.un.org/esa/policy/wess/wess2009files/wess09/overview\\_en.pdf](http://www.un.org/esa/policy/wess/wess2009files/wess09/overview_en.pdf)

EU has language to avoid double-counting (both counting offsetting as part of the own emission reduction plus as part of the financial contribution for developing countries). But this is a trick since they assume that offsetting and carbon markets will deliver considerable private funding and then they simply reduce the overall need for public money.

-The EU has also failed to state that this public money should be new and clearly additional to the already official development aid (ODA) money. In a recent internal negotiation document the EU negotiation team has even stated “cannot accept reference to “additional to” and “separate from” ODA targets.” But simply repackaging development aid money is undermining the talks and credibility of the EU. Also pledges from countries are not better. All of the money pledged by the UK so far (e.g. to World Bank climate funds) have been repackaged development aid!

-The EU also demands that all countries should contribute to financing, not only A1, only exception LDCs. This is clearly against the UNFCCC principles! (see UN Convention articles 4.3 and 4.4)

-The Commission proposes a structure that would largely operate outside of the UNFCCC and would only give some coordination function to a high-level forum under the UN involving all relevant actors. This would mean channelling the funds through a range of existing institutions like the World Bank or through bilateral channels. For more information on governance of finance see FoEI position paper.

-The EU numbers are also that low because they e.g. make assumptions that in the industry and energy sector in developing countries about 80% of the cuts needed would be able to be done with low cost efficiency measures which can be borne by the countries themselves so that public money is only needed for the remaining 20%. But this is misleading: First of all even zero costs or low costs measures often need lots of money for starting them - and these need to be provided fully by developed countries. And the EU itself fails to implement similar measures: they never made their target of 20% energy efficiency by 2020 legally binding or worked towards achieving it which according to the Commission could also be reached at zero costs in the EU.

-For people who want to know more about the EU finance position I recommend a very good detailed briefing from Aprovech, Caritas and CIDSE that is also apart from offsetting and some smaller things very much in line with our positioning. <http://www.caritas-europa.org/module/FileLib/Aprovech-Cidse-CaritasClimateFinanceNov2009.pdf>

### **3) The EU must commit to a legally binding UN agreement and a continuation of the Kyoto Protocols**

FoEI position (see more in FoEI position paper)

The obligations under both the Kyoto Protocol and the Convention are to be met without bargaining one against the other. We must prevent that Annex I avoid obligations to make the deep and ambitious cuts by calling for a new single treaty that would allow for bottom-up national approaches instead of ensuring top-down aggregate cuts in line with science and a strong international compliance regime.

EU position

The EU came out with a statement in Barcelona that “The EU wants the Copenhagen agreement to be a single legally binding instrument that builds on and takes forward the Kyoto Protocol.” This means implicitly that they are not supporting the Kyoto Protocol as such but rather want to take up its principles in a single legally binding treaty. But the danger is here that we might lose or compromise on the core principles of Kyoto.

#### 4) Forests must be kept out of carbon markets.

##### EU position:

- In medium and long term could the EU considers linking forests to carbon markets!
- The EU is talking about sustainable forest management, not sustainable management of forests, so this could include industrial activities.
- No explicit mentioning of land rights based approaches, indigenous people at all.
- Goal of halting deforestation by 50% by 2020- not complete halt to deforestation, degradation and plantations.

#### 5) The next commitment period of the Kyoto Protocol needs a strong compliance regime that ensures that emissions in industrialised countries go down year by year.

There is hardly anything about compliance in the EU position. Environment Ministers only emphasized the importance of a strong and effective compliance regime, building on the Kyoto Protocol's approach. Interestingly, in an EU position paper during Bonn UNFCCC negotiations in 2009 once was a sentence about compliance ensuring annual emission cuts.

The EU emission reductions targets are supposed to be in an annual linear path so it could make sense to also stress this demand which is in line with our Big Ask campaigns though compliance might not be that much on the Copenhagen agenda. If we will have the same weak compliance as in the current Kyoto Protocol we again risk that developed countries just do not fulfil whatever they will promise. The compliance regime must refer to emission reduction targets and finance contributions. Stress the need for compliance if you lobby in finances- many of the climate finance pledges have not been realised!

Current compliance under the Kyoto Protocol is very weak. Here a simplified summary: Compliance for the period of 2008 to 2012 will only start after 2013. If a country fails to deliver their emission reduction target, it has to achieve the amount in the next commitment period plus an additional of 30% of this amount. Apart from that what could happen is mostly a public exposure that the party failed. And if the next commitment period also has no meaningful compliance probably nothing will happen in the end.