Media briefing

Doha - the last chance saloon?

COP18 UN climate talks

26 November 2012

At the end of November 2012, governments will be meeting again, in Doha, Qatar, for the 18th meeting of the UN Framework Convention on Climate Change (UNFCCC) Conference of the Parties. The World Development Movement will be tracking the talks and providing expert insight on the negotiation process.

The negotiations have reached a momentous cliff edge. Industrialised countries have refused to sign up to binding emissions reductions, and have reneged on previous climate change agreements. At the same time, they are putting undue pressure on developing countries to make commitments.

This briefing outlines two key issues: climate finance and emissions reductions. The World Development Movement demands that developed countries take the lead by radically reducing their emissions, and providing public finance and technology transfer to support adaption and mitigation in developing countries.

Climate finance

We are already witnessing a changing climate as a consequence of the last two centuries of industrial emissions, and high consumption lifestyles in developed countries. These excessive emissions have surpassed the earth's capacity to absorb greenhouse gases. This over-exploitation has led to a 'climate debt' that rich countries owe to the poor. Climate finance is the money provided by rich industrialised countries to developing countries to assist them in adapting to climate change, and in moving to a low carbon development path (referred to as 'mitigation'). The World Development Movement believes that climate finance must compensate and repay the 'climate debt' owed to developing countries that are the worst affected by climate change.

According to the UN World Economic and Social Survey, US$500-600 billion is needed annually for climate adaptation and mitigation in developing countries.[1] Another analysis, by South Centre economist Dr Manuel Montes calculates that developing countries require US$600-1,500 billion a year to reduce emissions and adapt to climate change.[2]

But at the Copenhagen climate talks in 2009, developed countries pledged to mobilise just US$10 billion per year for the 'fast-start' period of 2010-2012, and US$100 billion per year by 2020. Only about 10 per cent of the so-called fast-start climate financing pledged for 2010-2012 was new, as opposed to repackaged foreign aid.[3] Only US$6.6 billion of fast start finance has been committed so far.[4] So far, no new money has been pledged for climate finance in 2013.

Green Climate Fund

A new Green Climate Fund (GCF) was proposed at the COP16 climate summit in Cancún in December 2010, and a transitional committee formed to shape it during 2011. However, despite the fact that the GCF had representatives from 25 developing countries and 15 developed countries, the rich industrialised countries still held sway, and succeeded in securing their own narrow financial interests. The UK in particular - with support from the US and Japan-pushed for a fund that would primarily focus on trying to leverage private finance as a means of meeting the costs of dealing with climate change.

In December 2011, the Green Climate Fund was approved during the Durban climate talks, and it was later announced that it would be situated in South Korea. Developing countries and civil society groups have strong concerns over the current emphasis on finding finance from the private sector, and the continuing role of the World Bank in the fund.

Private sector financing

The GCF is focused on attracting private finance, which risks marginalising public investment and bypassing the unprofitable needs of low income countries. Indeed, the GCF was granted the ability to finance private sector mitigation and adaptation activities at the national, regional and international levels through a private sector facility.

The World Development Movement believes that simply channelling more private money into renewables is not a just or effective solution to the problems caused by climate change.

Private money, which is usually directed at highly profitable and often harmful large-scale energy solutions, is no substitute for rich countries contributing sufficient public money for developing countries to adapt to climate change and develop sustainable energy solutions for low-income communities - activities which are largely unprofitable and are as such ignored by the private sector.

Role of the World Bank

In Cancún, the World Bank was, controversially, given the role of interim trustee of the Green Climate Fund, despite its appalling track record of using private funds for investment projects. Even the World Bank's own independent evaluation group has found that its private sector lending arm - the International Finance Corporation - more often than not fails to provide identifiable, beneficial opportunities for poor communities. In fact, only 13 per cent of projects "had objectives with an explicit focus on poor people." [5]

The World Bank continues to face a major legitimacy crisis. It is undemocratic, dominated by rich countries, has a legacy of harmful economic policies and projects, and continues to finance fossil fuel industries and land grabbing.

A recent report by the Jubilee South Asia Pacific Movement on Debt and Development concluded that over the past 61 years the Bank has financed fossil fuel-related projects to a total value of around US$70 billion in 34 Asia Pacific countries. Over US$20 billion of this was provided over the last decade, mainly in India. [6]

The World Bank has misused finance intended to help poor countries adapt to climate change and move towards low carbon development paths.[7] For example, all the energy generated by a World Bank wind power project in Oaxaca, Mexico went to US retail giant Walmart, with none of it going to local communities. This project was met with considerable resistance from local people because of human rights abuses.[8] Given the World Bank's role in financing damaging projects like Oaxaca, as well as countless high-carbon energy projects, it should be excluded from the UN talks.

Long-term finance

The World Development Movement is calling on developed countries to commit long-term climate finance and to set out plans for scaling up public finance. Significant progress should be made on generating climate finance from innovative sources such as a financial transactions tax (FTT) or global levies on aviation and shipping. A framework for sourcing and delivering reliable public finance on the necessary scale is key to a successful outcome in Doha.

Emissions reductions

Developed countries' increasing lack of ambition on committing to legally-binding emissions reductions targets will be a key issue in the Doha talks, as far as the developing countries are concerned. At last year's climate summit, the 'Durban Platform' was adopted, despite developing country objections that it ignores developed countries' current and historical obligations to reduce emissions. This new round of talks calls for all countries to undertake the highest possible mitigation actions, however, the details are disputed between rich countries and countries of the global south. Negotiations on this 'platform' began in 2012 and are supposed to be concluded with a global treaty in 2015, that will come into operation in 2020. Many scientists and civil society groups are concerned that this will be too late to prevent disastrous climate change.

However, the Durban outcome also confirms that a second commitment period will take place under the Kyoto Protocol from 1 January 2013 until December 2017 or perhaps 2020 (this is still to be decided). In spite of this, though, the Protocol has been severely weakened, and its fate hangs in the balance, especially considering that during the Durban talks Russia, Japan and Canada announced that they are pulling out of the Kyoto Protocol.

Indeed, since Copenhagen there has been a clear shift towards making ineffective voluntary 'pledges' rather than agreeing binding targets under the Kyoto Protocol's second commitment period (which was due to start in 2012). This

Forests

Negotiations on the REDD (reducing emissions from deforestation and forest degradation) programme are dominated by a continuing focus on market-based approaches. This is despite some developing countries expressing grave doubts about this approach, and emphasising that forest activities should primarily be publicly funded. Many developed countries are promoting the use of market mechanisms that would allow forests to 'offset' their fossil fuel emissions through the use of forest carbon credits.

This focus on protecting forest carbon with uncertain and untested financial mechanisms also distracts from dealing with the underlying drivers of deforestation, especially overconsumption, and the urgent need to transition to low carbon economies, particularly in the industrialised global North. Treating forests simply as carbon-sequestering habitats will incentivise governments and the private sector to grab land and displace communities where individual, collective and/or customary land rights do not exist or are not enforced.

has infuriated developing countries who agreed to develop low carbon economies during the Bali climate summit in 2007, in return for agreement on long-term emissions reductions by developed countries, and financial and technical support, neither of which are materialising in any effective shape or form. In addition, climate finance is being made dependent on developing countries committing to emissions reductions.

Developed countries

According to the United Nations Environment Programme and the Stockholm Environment Institute, voluntary emissions reductions 'pledges' made by developed countries could lead to an increase in global temperature of up to 5°C once a series of accounting loopholes are taken into account.[9]

Scientists are (nearly unanimously) predicting a 4°C temperature increase by the end of the century, unless there are serious policy changes.[10] This would lead to devastating impacts, especially across poorer, and thus more vulnerable, developing countries. According to the Intergovernmental Panel on Climate Change (IPCC), limiting the rise in temperature to 2°C could require a 40 per cent reduction in emissions by developed countries by 2020. [11]

Developed countries have caused climate change and are the most able to act to reduce emissions. The World Development Movement is urgently calling on developed countries to commit to legally binding emissions reductions, provide sufficient climate finance and implement strategies to work towards a 1.5°C global temperature limit that has been identified by scientists and many countries as the maximum temperature rise that would avoid the worst effects of climate change.

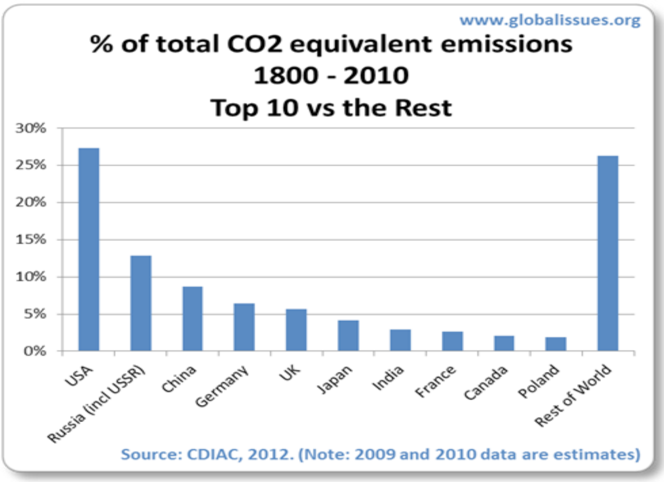

Table: Boden, T.A., G. Marland, and R.J. Andres, Global, Regional, and National Fossil-Fuel CO2 Emissions, Carbon Dioxide Information Analysis Center, Oak Ridge National Laboratory, 2011.

Developing countries

Analysis has shown that developing countries have in fact pledged deeper cuts in emissions than developed countries, on an absolute basis. [12] This truly exposes the lack of ambition by richer developed countries when it comes to tackling climate change, and highlights how the UNFCCC's cornerstone principle of "common but differentiated responsibilities" is being ignored by those same countries.

The EU and the US continue to demand that the so-called 'major developing countries' undertake emissions reduction obligations. Their argument is that these emerging economies are no longer developing countries. Forcing major developing countries to place their levels of emissions reductions on a par with developed countries undermines historical responsibility and equity.

A study by the humanitarian organisation DARA – commissioned by a semi-formal grouping of developing countries – calculated that carbon-intensive energy use and climate change will claim an estimated 100 million lives by 2030. The poorest and lowest emitting countries, that have essentially contributed nothing to climate change, would continue to experience the worst impacts. According to the study, "over 98% of all climate change mortality and over 90% of all carbon economy related mortality is in developing countries: between 80% and 90% of all economic costs are projected to fall on developing countries." [13]

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Endnotes

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Take action

To find out how you can help stop climate chaos, and win justice for the world's poor please visit www.wdm.org.uk/climate or call 020 7820 4900

World Development Movement

The World Development Movement campaigns against the root causes of poverty. Working in solidarity with activists around the world, we oppose injustice and challenge the policies and institutions which keep people poor.

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