FW Special Report – Doha climate talks, November 26 – December 7, 2012

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The 18th UNFCCC[1] Conference of the Parties (COP18) was held in Doha, Qatar against a backdrop of high profile reports warning that the world is heading for between 4 and 6°C of warming.[2] The Doha outcome continues low levels of ambition to mitigate climate change from developed countries, and fails to deliver on critically needed climate finance for adaptation and mitigation in developing countries. Worse still, the Doha outcome advances discussions on offsetting through trading carbon, strongly opposed by many developing countries and NGOs.

While the United States (US), among others, tried to frame Doha as a 'transitional' COP, to conclude the Kyoto Protocol and Long-term Cooperative Action (LCA) negotiating tracks which started with the Bali Action Plan in 2005, and set the stage for Durban Platform negotiations, NGOs widely denounced the outcome as a failure that would not even start to confront the planetary climate emergency.[3]

REDD+... an agreement to continue to talk

Negotiations on reduced emissions from deforestation and forest degradation (REDD+) under the LCA centred around results-based finance, non –carbon benefits[4] and the establishment of an institution to govern REDD+ under the UNFCCC. Negotiations are set to continue on all of these issues in 2013, with REDD+ to be characterised by a proliferation of work programmes, processes and technical issues under consideration.

Results based finance for forests (or 'paying for results') proved a divisive issue.[5] The European Union (EU) and developed countries such as Norway and the US are adamant that payments should only be linked to quantified emissions reductions, while countries such as the Philippines, Sudan, and Tanzania want results-based finance to include social and environmental benefits, which they see as an essential part of performance leading to emission reductions.

With no agreement in sight, negotiators agreed to undertake a work programme in 2013, which will include two workshops co-chaired by representatives from both a developed and developing country.[6]

After much work by Bolivia, with the support of China, the LCA has requested the Subsidiary Body for Scientific and Technical Advice (SBSTA) to consider how non-market based approaches such as joint mitigation and adaptation approaches could be developed, including work on methodological issues related to non-carbon benefits, and to report on these matters to COP19.

Parties also requested the SBSTA to initiate a process to improve the coordination of support for implementation of REDD+, including consideration of a REDD+ committee. This was put on the table by Papua New Guinea (PNG), arguing that as the multilateral initiatives currently channelling REDD+ finance were intended to be temporary, 'REDD+ needs a home' within the UNFCCC. The US, Norway and other developed countries argued that the discussion should focus on elements needed to govern REDD+, rather than the creation of a new institution. Submissions from Parties and observers are due by 25 March 2013 on improving coordination of support, including institutional and governance arrangements, with a decision expected at COP19.[7]

Verification - by whom, for whom?

Verification of emission reductions was another divisive issue. Donor countries, led by Norway, and developing countries, led by Brazil, were unable to compromise over the issue of international verification of results. With no agreement,[8] all the SBSTA REDD+ issues under discussion – Monitoring Reporting and Verification (MRV), forest monitoring systems, reference levels, safeguards information systems and drivers of deforestation and forest degradation – will be carried forward to SBSTA's 2013 work for a decision at COP19.

The question of verification relates to obtaining certainty that emissions were actually reduced. Donor countries say they have an obligation to show that any funds provided result in genuine emissions reductions, for which they want independent international verification. Brazil, with the support of the G77, argues that they are already required to submit their greenhouse gas inventories for international assessment in order to receive climate finance,[9] and believe this existing agreement is sufficient, and already more than developed countries are required to do.

Whilst Norway argues that international verification is a requirement for donor countries to release funds, many believe the real motivation for an international verification standard is to establish a system where forest credits are traded on financial markets, or bilaterally between countries. This would allow developed countries to use "verified" emissions reductions towards their own climate targets instead of cutting emissions at home.

Given the complexities, uncertainties and high costs associated with verifying emissions reductions, donors looking for results in terms of reduced forest loss should focus on underlying drivers, including international demand for commodities, and 'verify' robust results in improving forest governance in forested countries.

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Photo: Jutta Kill

Finance – an empty promise

Securing long-term finance, to support REDD+ as well as other mitigation and adaptation efforts in developing countries, is vital to provide an adequate incentive for countries to take action to reduce deforestation and forest degradation. This relies on progress in the wider negotiations on long-term finance, something which was not seen in Doha. There was no commitment from developed countries to scale up levels of public finance,[10] and no guarantee that climate finance will go up not down.

Whilst finance is one of the slowest moving areas of the negotiations, discussions on New Market Mechanisms (NMM) are advancing, although no decision was reached in Doha to establish a NMM. The LCA agreed to a work programme on NMM (to establish new markets under the convention), while the discussions on Various Approaches (initially to increase ambition through market and non-market mechanisms) has evolved into a framework to govern markets established outside the Convention. This could result in a variety of market approaches, with varying standards and methodologies, further weakening any environmental integrity. Bolivia strongly opposed the approval of new carbon market mechanisms, saying that these only represent business opportunities.

NMM will provide increased accounting flexibility, with whole economic sectors rather than individual projects allowed to meet caps on emissions. While the Doha outcome opens the way for the inclusion of agriculture and forests in the NMM,[11] the Wuppertal Institute, amongst others, has pointed out that dispersed emissions from the land use sector, such as forests and agriculture, are unsuitable for sectoral trading due to the difficulty of setting baselines.

Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP)

With the closure of the Bali negotiating tracks, most of the issues from REDD+ under the LCA were moved into the subsidiary bodies, or into work programmes established under the COP. Over the next two years, negotiations will focus on the ADP, which has two workstreams - Workstream I on a post-2020 outcome and Workstream II on pre-2020 ambition.

Under Workstream 2, Parties are asked to give consideration to mitigation and adaptation benefits, including resilience to the impacts of climate change; barriers and ways to overcome them, and finance, technology and capacity building. The ADP will hold a series of workshops beginning in 2013, and had initially identified mitigation by sectoral approaches, including energy, forestry, transport, industry, waste and some discussion on agriculture. The G77 challenged the inclusion of agriculture, arguing this was a special case that has major food security implications and so should not be considered in mitigation. Many Parties and observers also queried the use of forestry as opposed to forests. The final text does not reference specific sectors, although there has been much discussion on how forests, agriculture and land use change will be dealt with under the ADP, with many expecting all land use sectors to be addressed together.

Conclusion

While the climate impacts of deforestation are significant and add to the urgency of halting forest loss, the continued focus on accounting carbon emissions will ultimately undermine the ability to tackle the complex problem of deforestation. The negotiations continue to demand higher obligations of developing countries on how they measure and verify the reductions in carbon emissions they have achieved - a technical and costly exercise – before there is any commitment of financial support. This trend is aimed at setting up international mechanisms for carbon trading, with Bolivia's Minister of Environment and Water noting "this is a climate change conference, not a conference for carbon business."

Developed countries have a legal obligation to provide financial resources under Article 3 of the Convention, yet there is an increasing refusal to discuss this. It has been widely documented that carbon trading will fail to reduce emissions, and fail to raise finance, in particular for the poor and most vulnerable. Unless emissions from burning fossil fuels are drastically reduced, the world faces runaway climate change which would have devastating impacts on large areas of the world's forests. As discussions progress in the ADP, the limitations of emissions accounting for the land use sector must be recognised, and actions in forests, agriculture and other land uses must not be used to offset action to drastically reduce the use of fossil fuels. As REDD+ negotiations look set to continue in the direction of establishing forest carbon trading, from 2013 FERN will focus efforts on forest governance reforms in forested countries and will no longer follow the UNFCCC negotiations.

ENDNOTES

1. United Nations Framework Convention on Climate Change
2. Turn Down the Heat', The World Bank. http://tinyurl.com/ansb7zz; The Emissions Gap Report 2012, UNEP. http://www.unep.org/pdf/2012gapreport.pdf
3. See http://climate-justice.info/wp-content/uploads/2012/12/REDLINES-FOR-A-FIGHTING-CHANCE-AT-JUSTICE_v4.pdf
4. See 'REDD+: An incentive structure for long-term performance' for an explanation of non-carbon benefits. http://www.fern.org/sites/fern.org/files/broad_performance_paper_V1_web.pdf
5. See FW Special Issue June 2012. http://www.fern.org/sites/fern.org/files/FW%20special%20bonn%20_1.pdf
6. See draft decision on outcomes pursuant to the Bali Action Plan, paragraph 26. http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_agreed_outcome.pdf
7. The 19th Conference of the Parties will be held in Warsaw from 11-22 November 2013.
8. The SBSTA conclusions outline the work for 2013, and contain an Annex with elements for a possible decision on forest monitoring and MRV.
9. International Consultation and Analysis of developing country mitigation actions which receive climate finance support was part of the Cancun Agreements (2010).
10. The outcome of the Bali Action Plan, paragraph 63 merely encourages parties to announce pledges. http://tinyurl.com/cc6ougp
11. Paragraph 51 (d) (of the above decision) requests the work programme to consider possible elements of the mechanism, for example emissions reductions, emission removals and/or avoided emissions.
12. For a summary of these arguments see 'Designed to Fail' FERN, 2010. http://www.fern.org/designedtofail