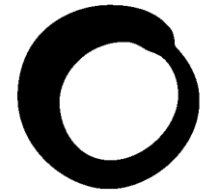


**December 2008**



**Friends of  
the Earth**

## **Poznan United Nations climate talks**

### **What are the talks about?**

The UN climate talks in Poznan, Poland, from 1 – 12 December 2008 are an important milestone towards the international climate agreement due to be finalised in December 2009 in Copenhagen. This deal will set out how to scale up global efforts to reduce greenhouse gasses, up to and beyond 2012, in order to avoid dangerous climate change and support global sustainable development.

These climate talks are taking place through the United Nations Framework Convention on Climate Change (UNFCCC). For a more detailed briefing on the UN climate talks process, its recent history, structure and key issues, please refer to Friends of the Earth's *The United Nations Framework Convention on Climate Change & Kyoto Protocol: an introduction*. ([http://www.foe.co.uk/campaigns/climate/news/poznan\\_update\\_15916.html](http://www.foe.co.uk/campaigns/climate/news/poznan_update_15916.html))

### **What will be discussed?**

Last year at the UN climate talks in Indonesia a process towards a new agreement was launched. This process - the 'Bali Roadmap' - sets out the issues that must be decided by December 2009. The five areas broadly are the 'shared vision' and the four 'building blocks' - mitigation, adaptation, technology and finance.

- **Shared vision:** setting a long-term global goal in the context of the four 'building blocs'
- **Mitigation:** how carbon emissions will be cut, who needs to do what, and by when
- **Adaptation:** how richer countries support poorer countries to cope with the storms, droughts, floods and famine caused by climate change
- **Technology:** how all countries are enabled to access existing green technology and support for the development of clean technologies, especially in developing countries
- **Finance:** will developed countries provide financial resources for adaptation and mitigation in developing countries, and how will these funds will be managed

A parallel discussion alongside the 'Bali Roadmap' will be a review to strengthen the Kyoto Protocol, in light of the latest science.

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## What decisions will be made?

### ***Bali Roadmap***

The final agreement will be reached in Copenhagen 2009, but these talks in Poznan will crucially shape the Copenhagen deal. Progress is expected (and needed) at the Poznan talks specifically in the areas of finance and forests. Further details on these issues are outlined below.

### ***Kyoto Protocol review***

There will be specific decisions in Poznan about: whether to levy carbon trading mechanisms to provide more funds for adaptation in developing countries; whether to include other activities into offsetting mechanisms (including funding nuclear through the Clean Development Mechanism); and how to reduce emissions from specific economic sectors such as aviation and shipping.

## What would Friends of the Earth like to see from the talks?

Friends of the Earth will consider the Poznan climate talks a success if:

### **1) Developed countries show commitment to reducing emissions by at least 40 per cent by 2020**

The latest science indicates that emissions cuts of at least 40 per cent by 2020 are needed by developed countries, and a peak in global emissions by 2015. Cuts must be met domestically in developed countries from generating green energy and cutting energy demand, not through buying overseas 'offset' credits.

**Offsetting:** It is likely that the CDM – a type of “flexible mechanism” under the Kyoto Protocol – will be expanded in Poznan. Friends of the Earth strongly opposes this – schemes such as the Clean Development Mechanism are essentially offsetting mechanisms that distract from domestic emissions cuts in developed countries, and in many cases have been shown to actually result in an overall increases in emissions. Allowing countries to escape making necessary domestic reductions through buying overseas credits is a massive loophole making efforts to avoid dangerous climate change less likely to work. The use of offsetting is a problem at not only the international level, but also at regional and national levels. For example, current negotiations on the EU's 'Energy Package' will allow around half of reduction commitments to be offset – this simply does not achieve what the science tells us is necessary.

### **2) Developed countries commit to transferring at least 200 billion US dollars annually to developing countries from 2013**

This should be achieved by reformed and increased public sector financial flows, and through policies to redirect private sector financial flows toward this goal. A new 'umbrella' financial mechanism should be established and governed under the UNFCCC, not the World Bank.

Sorting out the issue of finance in Poznan will be key to getting a strong global deal in Copenhagen. Developing countries will not commit to action to reduce their emissions until developed countries provide significant financial and technical support - to develop low carbon economies and adapt to the droughts, famine, storms and floods caused by climate change. If this isn't progressed in Poznan, the talks could remain deadlocked which makes reaching agreement in Copenhagen next year extremely difficult. Industrialised countries have so far failed to fulfil even existing obligations to finance climate change actions in developing countries.

Some countries including the US, UK and Japan are pushing for the World Bank to take control of international climate financing, which could create conflicts of interest as it is the world's largest multilateral lender for fossil fuel projects. Friends of the Earth wants climate funds to be democratically managed through the UNFCCC: industrialised countries would pay into a central pot and funds would be administered to developing countries according to need. The recent financial meltdown has especially highlighted the need for fully accountable, regulated financial institutions.

### 3) Proposals to include forests in carbon markets are rejected

The UK Government is pushing a scheme that would allow industrialised countries to offset their emissions by purchasing forest carbon credits from developing countries (under the Reduced Emissions from Deforestation and Degradation (REDD) proposals). The latest research by the Tyndall Centre shows that we won't cut emissions fast enough if we allow rich countries to buy chunks of forest while still pumping out carbon emissions – we need to keep forests standing and reduce emissions from industry at the same time.

1.6 billion people rely on forests, including 60 million indigenous people who are entirely dependent upon forests for their livelihoods, food and medicines. Throwing money at forest protection schemes and increasing the value of forests incurs major risks by increasing the likelihood of state and corporate land grabs and the violation of land rights. Indigenous peoples and forest-dwelling communities have been the guardians of forests for centuries. Only through protecting the territorial and customary rights of indigenous peoples and local communities whilst tackling the underlying causes of deforestation – such as demand for agrofuels, and excessive meat consumption and industrial logging – will stop deforestation.

Any scheme to stop deforestation must fund locally appropriate programmes, protect the rights of Indigenous Peoples and local communities, and be in line with the aims of the Convention on Biological Diversity (CBD).

### Where do key countries / blocs stand on these issues?

#### United Kingdom

*Targets:* The UK has just passed the world's first Climate Change Law – committing the Government to cutting emissions by 80 per cent by 2050 (based on 1990 levels). On 1 December the UK climate change committee will make a recommendation about how the UK gets to this target through annual reductions – or carbon budgets. The UK however will stick to the EU agreement to commit to 20 per cent cut in greenhouse gas emissions by 2020 – or 30 per cent in the context of an international deal.

*Finance:* The UK wants the World Bank to control international climate financing. The UK has already committed a one-off payment of £800 million for adaptation funding through the World Bank instead of the UN's adaptation fund. Much of this money would be loans rather than grants.

*Forests:* The UK is one of the main supporters behind proposals to put forests in the carbon market. The UK government hopes to offset a significant amount of its domestic emissions reductions commitment through buying overseas forest credits.

#### European Union

*Targets:* The European Union has agreed to cut its emissions by 20 per cent cut in greenhouse gas emissions by 2020 – or by 30 per cent in the context of an international deal. In parallel to the UN climate talks this month, the EU is deciding on its "Energy Package" – the biggest legislative process on climate change anywhere in the world to date. It will be discussed on 4-5 December by Environment Ministers in Brussels, by Heads of State on 11-12 December, with a possible vote in the EU parliament on 17 December. The 'Energy Package' will lay down the rules for how EU member states cooperate to achieve its overall 20 per cent by 2020 per cent target.

*Finance:* The EU has yet to agree a position on financing adaptation and mitigation in developing countries. As part of its 'Energy Package', the EU is discussing a proposal to ring fence proceeds from the auctioning of emissions allowances under the EU's Emissions Trading Scheme (ETS), to provide large scale funding for international climate financing. The UK is currently blocking this proposal.

*Forests:* The EU does not have a common position on including forests in carbon markets.

**United States:**

*Targets:* New President-elect Obama won't attend the talks, but his administration is already sending strong signals on the future direction of US climate policy. Obama supports a long-term 80 per cent cut in emissions by 2050, but has indicated short-term ambitions are much less progressive, only signalling a return to 1990 levels by 2020 (meaning a 0% reduction on 1990 levels).

*Finance:* The US shares the UK's view that new financial mechanisms should be managed by the World Bank, instead of the UNFCCC. The US also wants the private sector to undertake an even greater share of global climate financing.

*Forests:* The US supports the proposal to include forests in carbon markets.

**G77 + China (negotiating bloc of more than 130 developing countries):**

*Targets:* Developing countries insist that industrialised countries should be taking the lead in delivering much more ambitious reductions before they should be expected to do the same. The 'common but differentiated responsibilities' principle and specific text in the *Bali Action Plan* requires developing countries to take mitigation 'actions', rather than binding commitments. These actions will also be dependent on financing from industrialised countries.

In the case of big developing countries like China and India, both countries have progressive domestic climate change policies – India already generates a higher percentage of its electricity from clean renewables compared with the UK (9 per cent compared to 6 per cent), while 25 per cent of China's electricity capacity in the past 5 years has come from renewable sources, and two thirds of the world's solar hot water heaters are in Chinese homes. India's carbon emissions per person are around one tenth of a UK citizen, and 500 million people in India still don't have access to electricity. China's carbon emissions per person are around one fifth of a US citizen. Any agreement to reduce emissions globally must take these inequalities into account, ensuring those countries responsible for climate change take the lead in solving it.

*Finance:* The G77 + China has put forward detailed proposals on finance which call for industrialised countries to commit to 0.5 – 1 per cent of GDP to finance mitigation and adaptation in developing countries, to be governed under the UN climate convention. The G77 + China have stated they will not count World Bank-channelled funds towards these financial commitments.

*Forests:* Countries within the G77 + China bloc have different positions on forests. The 'Coalition for Rainforest Nations' led by Papua New Guinea wants forest to be included in carbon markets, while others including Brazil want a fund-based mechanism through the UN.

**Poland**

Poland relies on coal for 90 per cent of its energy. It is currently objecting to proposals in the EU Energy Package on auctioning emission allowances, by demanding that its power sector should be exempt. This issue is expected to be resolved during the EU's final decisions on its Energy Package in December.