# **BLUEGREEN** at COP 16

A Global Agreement to Address Climate Change and Create Good Jobs Climate change and unsustainable energy dependence are the foremost environmental issues of our time and the signature economic issues of our day. These two challenges provide enormous risks to future economic development, but when confronted, offer unparalleled opportunities for creating millions of new jobs building the clean energy economy in the United States while launching a different model of global economic development.

In response to deepening economic and climate crises, the BlueGreen Alliance and its labor and environmental partner organizations — including the United Steelworkers, Sierra Club, Communications Workers of America (CWA), Natural Resources Defense Council (NRDC), Laborers' International Union of North America (LIUNA), National Wildlife Federation (NWF), Service Employees International Union (SEIU), Union of Concerned Scientists (UCS), Utility Workers Union of America (UWUA), American Federation of Teachers (AFT), Amalgamated Transit Union (ATU), Sheet Metal Workers' International Association (SMWIA), and the United Auto Workers (UAW) — are urging the international community to move the UNFCCC — United Nations Framework Convention on Climate Change — process toward a strong, effective, and enforceable international agreement that addresses climate change and begins a just transition toward the clean energy economy.

The following are the positions of this unique, national labor-environmental partnership on key issues relating to a global climate agreement, including: Adaptation to Climate Change; Measuring, Reporting and Verification; Reducing Emissions from Deforestation and Degradation (REDD); International Technology Transfer; and Just Transition.



### **Adaptation to Climate Change**

Climate change has the potential to undo advancements in the fight to eradicate extreme poverty and hunger and push developing countries back into the poverty trap from which many are just beginning to emerge. Developed nations of the world have not only a strong economic incentive, but also a deep moral obligation to shield the poorest and most vulnerable communities from the worst impacts of climate change.

#### **BACKGROUND: WHAT IS CLIMATE ADAPTATION**

In both the U.S. and other countries, global warming is already negatively impacting economies, jobs, communities, natural resources and natural habitats. The world's changing climate is increasing the scarcity of water resources, threatening communities that live in coastal zones, and exacerbating food shortages and health risks at an increasingly alarming pace.

Climate adaptation involves the measures and adjustments put in place to minimize the harm from already existing and expected impacts of climate change. It includes efforts to reduce disaster risk — like shore protection, improved early warning systems, agricultural adaptations, and implementation of water conservation and recycling methods — in anticipation of increasingly limited freshwater supplies.

#### WHY CLIMATE ADAPTATION MATTERS

A recent report by the National Academy of Sciences found evidence of climate change impacts taking place in the United States, with significant "potential consequences for humans and ecosystems." The report cites the increased frequency and intensity of heat waves and changing rainfall patterns as some of the more extreme weather events that have already been observed in the United States.<sup>1</sup> In many of the world's least developed countries, the impacts of climate change pose a direct threat to survival for vulnerable communities, with over 20 million people displaced by sudden climate-related disasters in 2008 alone. Rain-fed agricultural yields in some African countries are at high risk of up to 50 percent reductions by 2020 due to climate change.<sup>2</sup> The widely reported accelerated melting of glaciers and snow cover has challenged the livelihoods of the more than one billion people who currently live in and around major mountain ranges and who rely on melt water for survival.<sup>3</sup>

Climate change will increase costs and risks to global security and economic interests, forcing largescale population displacements and creating large numbers of rootless climate refugees, significantly disrupting global labor markets. More conflicts will arise over ever more scarce resources like water, food, and energy. It is in the interest of all workers to prevent the instability created by such conflicts and mass migrations by supporting strategic investment in adaptation measures that allow hard-working men and women everywhere to continue supporting their families without being forced to flee climatedevastated homelands.



Investment in climate adaptation — from disaster preparedness to efficient water management — will also drive economic growth by spurring innovation and scaling up the use of new efficient technologies. Well-positioned U.S. companies stand ready to benefit from and create jobs for an increased adaptation market. Paul Shuler, an executive for General Electric (GE), recently spoke of GE's wastewater recycling and purification technologies, saying, "In all honesty, [investing in climate adaptation] is a money-making strategy, but you can do the right thing and make money. They're not mutually exclusive."<sup>4</sup>

As we move forward with job-creating clean energy solutions to our current energy and climate crisis, we must simultaneously take action to help the world's most vulnerable communities adapt to unavoidable impacts of extreme climate-related events, temperature increases and sea level rise.

#### **POLICY RECOMMENDATIONS**

The BlueGreen Alliance supports adaptation measures that provide solutions to those immediately impacted by global warming both domestically and internationally, including the following:

- Creation of an Adaptation Framework that urgently and significantly scales up action at the local, national, regional, and international levels and ensures focus on the needs of the poorest and most vulnerable people and ecosystem.
- Financing for **domestic adaptation** efforts to promote federal, state and regional adaptation actions that will create jobs and protect our communities, including protection of our ecosystems and natural assets like drinking water.
- Strengthening of the commitment made in Copenhagen to generate \$100 billion annually by 2020 in support of developing country adaptation and mitigation activities, through agreements by developed countries to significantly scale up new and additional public financing.
- Direct access to adaptation funding for national implementing and funding entities that allows for more direct control over how funding is allocated, and allows recipients to bypass more traditional intermediary institutions, like the World Bank, that require higher administrative costs and have longer lag times between project approval and funding access.
- Adoption of a common measurement and reporting framework for financial assistance that allows for proper verification of both funding and results.

1. "Strong Evidence on Climate Change Underscores Need for Actions to Reduce Emissions and Begin Adapting to Impacts," National Research Council of the National Academies, May 19, 2010.

- 2. "The Need for Adaptation," UNFCCC Fact Sheet, October 2010.
- 3. "Climate Change: Impacts, Vulnerabilities and Adaptation in Developing Countries," United Nations Framework Convention on Climate Change, 2007.
- 4. "The New Adaptation Marketplace: Climate Change and Opportunities for Green Economic Growth," Oxfam America, 2009.



### Measurement, Reporting, and Verification (MRV)

Successfully addressing climate change requires bold, collective global action. No single country or region can meet this challenge alone. Each country must put forward its best efforts to reduce greenhouse gases, and developed countries must support developing countries as they move forward on mitigation efforts and adaptation activities. This collective action cannot work unless countries provide transparent information on their emissions and actions and are held accountable for their commitments for both mitigation and support.

#### **BACKGROUND: WHAT IS MRV?**

The 2007 Bali Action Plan identified a number of pillars necessary for addressing climate change on a global scale, including enhanced mitigation commitments from developed countries, nationally appropriate mitigation actions by developing countries and the support from developed countries for mitigation actions by developing countries through technology transfer, finance, and capacity building. There is agreement that such mitigation actions and support should be measurable, reportable, and verifiable (MRV).

MRV provisions should allow the mitigation efforts of both developed and developing countries to be tracked and verified for accuracy through a transparent system of reporting while respecting the UNFCCC principle of "common but differentiated responsibilities and respective capabilities." The goal should be to create a foundation on which to tailor and adapt further efforts using best practices.

MRV is currently carried out through two processes: National Inventories and National Communications. National Inventories are quantitative analyses of a country's greenhouse gas emissions and reductions during a given year. Countries are required to submit standardized reports based on Intergovernmental Panel on Climate Change (IPCC) measurement criteria, which includes a National Inventory Report (NIR) and a Common Reporting Format (CRF). National Communications report on the status of countries' mitigation policies and measures, vulnerabilities to climate change, and adaptation and research activities. The frequency and standards for such reports are currently different for developed and developing countries, with the reports of developed countries subject to review by independent teams of international experts, who file reports with the UNFCCC assessing the strengths and shortcomings of the country's submission.

#### **WHY MRV MATTERS**

An effective MRV structure is necessary to provide metrics for tracking both climate change actions by developing countries and developed countries' progress in meeting their mitigation and support commitments. This structure is key to instilling trust through transparency, holding countries accountable for their mitigation actions, and building confidence in developing countries that demonstrable progress on their actions will result in provision of enhanced support for further actions.

#### Assessment

In order for an MRV system to be effective in its intended role, its structure must be standardized. Current MRV structures with small modifications are effective in the assessment of developed countries' progress toward meeting their mitigation commitments, but the assessment of mitigation



actions by developing countries in their National Communications lacks standardized methodologies. There is also general agreement that the frequency of such communications by developing countries needs to be increased and the frequency of developed country reporting needs to be more formalized.

There is a need for improvements to ensure the quality assurance and control of National Communications from developing countries and transparency. National Communications from Non-Annex I parties are not subject to review or verification<sup>1</sup> and currently lack the reporting of detailed and transparent information to accompany the reports. There is general agreement that mitigation and adaptation actions supported by assistance from developed countries should be subject to such independent review, though the transparency of "unsupported" developing country actions (those actions implemented with the country's own resources) is the subject of international consultation and analysis.

There is no standardized methodology for tracking finance, technology and capacity building efforts for either Annex I or Non-Annex I countries.<sup>2</sup>

#### **POLICY RECOMMENDATIONS**

Improvements on the current MRV structure must take into account the individual circumstances of each Non-Annex I party. The measurement, reporting, and verification process for actions undertaken by developing countries should seek to enhance transparency and international understanding of such actions while being sensitive to the differing capacities of countries and respecting national sovereignty.

Developed countries' commitments to developing countries must be subject to a properly standardized MRV framework. The absence of effective financial, technology, and capacity building standards within the MRV framework undermines the transparency of climate change mitigation on a global scale.

A standardized reporting format within current financial structures would allow for more effective MRV of climate mitigation financing and would allow COP16 to lay the foundation for a revised, more inclusive reporting system. Such structures should apply not only to individual developed countries, but also to the Multilateral Development Banks and the Organisation for Economic Co-operation and Development's Development Assistance Committee.<sup>3</sup>

1 Annex I countries are industrialized or noted as economies in transition. Non-Annex I countries are mostly developing countries. Fransen, Taryn, "Enhancing Today's MRV Framework to Meet Tomorrow's Needs: The Role of National Communications and Inventories," Working Paper, World Resources Institute, June 2009.

2 ibid





## Reduced Emissions from Deforestation and Degradation (REDD)

Tropical deforestation accounts for nearly 15 percent of global greenhouse gas emissions, making it one of the most significant contributors to climate change.<sup>1</sup> Tropical forests are critical carbon sinks, storing large amounts of carbon dioxide throughout their life cycle. These forests also host numerous endangered species and provide livelihoods for forest-dependent communities in developing countries. Efforts to address climate change must include solutions to mitigate the loss of the world's tropical forests. The BlueGreen Alliance recognizes that U.S. climate legislation and a global agreement need to establish a dedicated source of funding toward reducing these emissions.

#### WHAT IS REDD?

In order to reduce carbon emissions and mitigate global warming impacts, we must address tropical deforestation and degradation. Reducing Emissions from Deforestation and Forest Degradation, or REDD, is an innovative policy approach in which developed countries provide financial incentives for forest conservation in developing countries. REDD+ initiatives aim to reduce emissions from deforestation and forest degradation in developing countries through conservation, as well as sustainable management of forests and enhancement of forest carbon stocks.

With robust environmental safeguards, REDD+ measures can help reduce forest emissions, safeguard critical ecosystems and protect global biodiversity. Strong social protections, developing and upholding the rights and interests of indigenous peoples and forest-dependent communities can ensure that these activities will benefit those who are most vulnerable to the deleterious impacts of forest degradation and climate change.

#### WHY REDD+ MATTERS

The BlueGreen Alliance believes that a global agreement on climate must include strong REDD+

measures. Reducing emissions from deforestation and degradation can provide important social, environmental, and economic benefits to both developing and developed countries. The degradation and destruction of tropical forests increases the amount of global warming gases in our atmosphere and has grave negative impacts on biodiversity and quality of life in the region. Current unsustainable and illegal forest destruction and degradation perpetuate unfair trade and labor practices that harm industries and workers, all over the world, as well as resulting in increased emissions. REDD+ initiatives have the power to alter the future of the world's forests, mitigate climate change, reform the harvest, trade, and purchase of wood products, and preserve and create jobs in sustainable forestry and related industries. Strong REDD+ initiatives can reduce trade in unfairly-priced, illegally-sourced products of tropical deforestation and reward sustainable forestry practices.

Deforestation and degradation are often accompanied by unsafe working conditions and human rights violations in tropical forest countries. REDD+ capacity building and activities can promote awareness of better work standards and sustainable forestry practices in developing countries.



#### **POLICY RECOMMENDATIONS**

In order to reduce emissions, all parties should strive toward an agreement that includes the following:<sup>2</sup>

- Conservation of existing natural and modified natural forests by 2030 at the latest, ceasing forest conversion and focusing on restoration of degraded natural forest. In addition, all parties should undertake the sustainable management of forests and enhancement of forest carbon stocks.
- Adequate, predictable and sustainable financing provided in a transparent manner. Financing can be provided in terms of quantified commitments or on the basis of meeting carbon-related goals.
- **Commitment to capacity building.** Interim REDD+ finance should prioritize setting a strong foundation for international cooperation to reduce forest emissions.
- Robust social, environmental and governance safeguards subject to independent and verifiable monitoring and reporting.

All nations should adopt strong safeguards to ensure the integrity of REDD+. In addition to reducing forest emissions, these activities should aim to safeguard critical ecosystems and protect global biodiversity.

- Safeguards to ensure that forest emission reductions are additional, permanent, and account for the potential for forest emissions to shift to other jurisdictions as a result of climate policy. Accurate and technically-sound carbon accounting is critical for ensuring that climate mitigation goals are met through REDD+.
- Meaningful engagement of a broad spectrum of stakeholders, including local communities, indigenous peoples, trade unions, and NGOs to ensure that community rights and tenure are respected, and that reform ensures lasting, sustainable growth with tangible benefits for local communities.
- Action from developed and developing countries. All parties should address drivers of deforestation and degradation.

1 Nicholas Stern, "The Stern Review on the Economics of Climate Change," Cambridge University Press, October 2006. 2. "Cancun Building Blocks: Essential Steps on the Road to a Fair, Ambitious and Binding Deal," CAN International, 2010.



#### **USING CLEAN TECHNOLOGY TO DRIVE GLOBAL SUSTAINABLE DEVELOPMENT**

Across the globe, 1.4 billion people live in abject poverty, 1.5 billion do not have access to electricity, and 3 billion people depend directly on burning very polluting fuels (like coal, biomass, and dung) for their household energy needs. Most of these people live in developing countries, where the immediate economic priority is to raise living standards and increase access to necessities like clean, reliable sources of energy. Because much of the energy infrastructure in these countries is yet to be built, it is possible for them to leapfrog the polluting technologies that are currently dominant in developed countries and choose cleaner technologies instead. We should help these countries transition to sustainable low-carbon development pathways, even as we do the same at home, so that they can increase their economic well-being without exacerbating global warming.

Implemented correctly, deploying clean technologies around the world can increase American exports and create domestic jobs while also reducing the emissions that cause climate change. A suite of properly crafted policies, including an international clean energy deployment program with a dedicated stream of public funding, can help us achieve these key goals.

In addition, increased global reliance on a diversified, homegrown energy portfolio can free up military resources and taxpayer dollars now devoted to safeguarding long-distance fuel supplies and can help ratchet down political tensions related to maintaining energy security. It also helps reduce the risks of unchecked climate change, which has the potential to create global instability and security threats such as those triggered by food shortages or mass migrations.

#### **BACKGROUND: WHAT IS TECHNOLOGY TRANSFER?**

For the world to fully address climate change, greenhouse gas emissions must be both reduced, particularly in developed countries, and avoided, particularly in developing countries. Developing countries deserve the opportunity to grow their economies, which, if done in the same manner as the Western world, would require significant use of fossil fuels. As described in the text of the UNFCCC convention and further laid out in the Bali Action Plan, it is a responsibility for the developed world to assist developing countries by providing technologies that will allow their economies to grow, but also to mitigate greenhouse gas pollution and to help them adapt to unavoidable effects of climate change.

#### WHY TECHNOLOGY TRANSFER MATTERS

#### **Developing Markets**

The developing world, where emissions are projected to grow most sharply in coming years, presents opportunities to fulfill two of our top priorities growing American exports and creating jobs in the clean energy economy — all while substantially reducing emissions.

By engaging immediately and capturing just a piece of these emerging international markets, we can hold a strong competitive position and generate hundreds of thousands of new, long-term American jobs, according to the Department of Energy. Yet, instead of gaining ground in what will be one of the world's largest industries by 2020, the U.S. is falling behind other countries.



#### **International Engagement**

The United States is a global leader in technological innovation and has much to gain from new initiatives to promote clean energy exports and provide assistance necessary to meet our commitments under the Copenhagen Accord. In addition to promoting American exports and jobs, these investments are a key incentive for finalizing a binding international agreement that will promote deeper reductions among key countries to promote a level global playing field for countries, companies and American workers.

There are some concerns and a lot of questions within the international climate negotiations regarding intellectual property. The transfer of technologies should not mean broadly trading our intellectual property; instead, we need an intellectual property rights framework that simultaneously rewards innovation while facilitating rapid deployment of clean technologies.

### From Rio to Bali, Copenhagen to Cancun ... and back to Rio?

The implementation of effective technology transfer is integral to the success of the UNFCCC charter and to our true goal of avoiding the worst consequences of climate change. However, the initial phases of proper technology transfer can begin immediately, without the broad structure of a legally binding agreement behind it.

Clean technology has been an area of progress in the international negotiations because it presents winwin opportunities for all countries. There is already broad agreement over an institutional framework for technology cooperation, called the "Technology Mechanism." The proposal for establishing a global network of technology centers to help build capacity, diffuse technologies, and share know-how has been well-received. In addition, clean technology is the focus of a significant portion of the funding that developed countries put on the table at Copenhagen (\$30 billion in "fast start financing" committed from 2010 to 2012, as well as a goal of mobilizing funding of \$100 billion per year by 2020).

As we move forward to Cancun, technology transfer appears to be one of the areas where progress is expected. With a continued commitment by the U.S. to provide our share of funding, and a dedication to the issue in ongoing bilateral and multilateral discussions, decisions can be made in Cancun on key details of how the technology transfer mechanism will function and be governed.

#### **POLICY RECOMMENDATIONS:** CLEAN TECHNOLOGY DEPLOYMENT PROGRAM

A clean technology deployment program, with dedicated public funding set aside for it, will build supportive policy and regulatory environments in developing countries, reduce related investment risks and enhance long-term capacity to maintain demand for clean technologies.

This investment can grow our manufacturing base and help companies export products and technologies that help solve climate change. Elements that are crucial to the success of this program include:

- A robust system of measurement and accountability
- Provisions to strengthen, not weaken, U.S. intellectual property rights
- Maintaining technology neutrality among low- and zero-carbon technologies
- Expanded clean technology development assistance channeled through both U.S. and multilateral agencies
- Joint agreements with other countries to collaborate on clean technology research
- Incentives for public-private partnerships, joint ventures, and private sector investments to develop and deploy clean technologies globally

### **Just Transition**

The status of the global economy indicates that there is no longer a matter of whether we transition to cleaner, renewable energy, but when. While job loss and economic ruin is a common refrain among those who object to the transition, this is a false choice. We no longer must choose between creating jobs and protecting the environment — it is not one or the other, it is both or neither. We will succeed only when we truly dedicate ourselves to solving our environmental problems through the prism of ensuring fair economic opportunity for all.

#### **BACKGROUND: WHAT IS "JUST TRANSITION"?**

According to the AFL-CIO's 2009 resolution, "A just transition to a greener economy requires an aggressive sustained commitment of national resources to create and retain good union jobs in the United States, increase per capita income, modernize industry, develop and deploy technology, and educate and train current and future workers. It requires assistance for any workers, families or communities that may be adversely affected by the transition, and a democratic voice for workers in their workplaces and in their communities."

#### WHY JUST TRANSITION MATTERS

Climate change presents one of the greatest threats our generation and future generations will face. While this alone is reason enough for us to act to stifle the consequences, preventing the catastrophe of unchecked climate change also represents a great economic opportunity. The movement to clean energy sources must be done holistically, not just focusing on reducing greenhouse gas emissions, but incorporating workers into growing industries and building clean energy into our communities. If done right, we can transform our economy so that it revitalizes our middle class, works in harmony with the environment, and treats workers fairly. We must strive not to leave workers dislocated from the growing green economy or integrated into low-wage and low-standard employment. Instead, we must train and incorporate workers into industries that have brighter and more prosperous futures.

#### **POLICY RECOMMENDATION**

U.S., EU and international labor movements have championed just transition for nearly a decade, and have been active in incorporating this notion into international climate change negotiations. Just transition should be prominently included in the preamble of any treaty so that each country's efforts that result from the agreement grow from a foundation of fairness.

Domestically, we must do our part by ensuring that we operate on a level playing field as we transition to clean energy by directly investing in job producing programs and industries, worker training and retraining.









2828 University Ave. SE, Suite 200 Minneapolis, MN 55414 612.466.4479

555 11th Street NW, Sixth Floor Washington, D.C. 20004 202.706.6900

www.bluegreenalliance.org

