



## Everything You Wanted to Know about Lima (COP20)

*Webinar for Environmental Funders Network (UK) and EFC European Environmental Funders Group members*

26 February, 2015

### **Presenters:**

Liz Gallagher, Third Generation Environmentalism (E3G)

Ramiro Fernandez, Fundación Avina

Sonia Medina, Children's Investment Fund Foundation

### **Summary of key messages**

- Lima was a milestone in setting up basic elements (e.g. clarity on INDCs, push for a long-term goal) for an agreement in Paris and a well-structured negotiating text.
- An important attention point at the political level is the difference of messages and behavior between negotiators and their leadership.
- Management of expectations: Paris is not our last chance to save the world; an agreement is not the end goal. COP21 should be a turning point towards a low carbon economy. The agreement needs to be a tool to make this happen.
- We need commitments from business, civil society and various levels of government to create sufficient political momentum for ambitious targets.
- We need to bridge movements and initiatives: climate action cooperative initiatives and their intersection between UN Climate Week and COP21; we also need to bring the climate and development movements together.
- We need to strengthen mass mobilization.
- Climate NGOs and funders should focus on positive narratives (while highlighting costs of inaction).
- Pay more attention to non-state actors: map what is done and needs to be done.
- Set up the basis for after-Paris: work on a monitoring and reporting framework.
- Boost decarbonisation projects: all countries will need to understand what they can realistically and technologically do in each of their geographies. Raise visibility of existing initiatives that can spill over.
- Need for a niche piece looking at plans of the fossil fuel industry.

## Discussion minutes

### Liz Gallagher, Climate Diplomacy Programme Leader, E3G, and Political Adviser to the Climate Briefing Service

- Lima was never going to be the deal to strike all deals, it was intended to be a workman-like COP.
- Similarly, Paris is not going to be a last chance saloon to get a deal that's going to save the world. What it *is* going to be is a milestone, a turning point towards an irreversible agreement that will decarbonise the atmosphere. It will hopefully send a clear signal to businesses – the ones who will be decarbonising the economy. We're unlikely to get an outright 2 degree slam-dunk deal, but hopefully we will be able to set up the systems, structures and signals that indicate that decarbonisation is inevitable.
- Lima was pretty good in setting up the basics for that, such as with the Intended Nationally Determined Contributions (INDCs), which are effectively the opening gambit mitigation offer in advance of Paris. It's important these aren't seen as a done deal – they are important elements of the deal in Paris. What we got was some very basic guidance. There was some tension between the format of the INDCs (what info countries should include) and whether we should have some sort of collective assessment of what those INDCs are/will amount to before Paris. However, we got basic guidance on their format and some commitment from UNFCCC that they'd do an aggregate assessment of whether we're hitting a 2 degree target or not.
- Lima produced a well-structured basis for a negotiating text; more recently various countries have been negotiating the text in Geneva. One of the most interesting things from a communication and campaigns perspective from Lima was the real emphasis and drive on a longer-term decarbonisation target. Whether that will manifest itself in a net zero goal, a 100% renewables goal or a phase-out goal, this was a fresh and exciting idea – it signified that an element of pressure from the outside was coming into the negotiations. That was a fantastic win from Lima.
- One other outcome of Lima, in broader terms, was less substantive and more political. Following big announcements from the US, China, etc., in the weeks preceding the COP, negotiators from those countries acted as if nothing had changed. Those tensions – between negotiators and their leadership – will only increase as we move towards Paris and negotiators continue to ignore the voices of their countries' leaders. The latter - President Bachelet, President Hunada, etc., all came to Lima and talked not about a zero sum game, or North versus South, but about the collaborative effort we need from all countries to tackle climate change. That was the biggest coup of Lima that leaders were willing to come out and champion the idea that we all need to do something about this; we need a collective effort.

### **Ramiro Fernandez, Director, Fundación Avina**

- Avina is a hybrid organization – it operates both as a grantmaking foundation and as an NGO.
- At COP20, they worked closely with the Peruvian government, providing capacity-building work at the beginning, and encouraging a support group of international leaders (Jeffrey Sachs, Paul Polman of Unilever, etc) to support Pulgar-Vidal (Peru's Minister of Environment and COP President) during the COP.
- One month before the COP, the minister requested that they help the Peruvian Presidency set up a climate action agenda. The highlight of that was a climate action day on 11<sup>th</sup> December and a high-level ministerial dialogue among ministers of indigenous people, civil society, climate and business. Leaders such as Al Gore, Rajendra Pachauri, Ban Ki-moon and many others were involved. The event was recognized in the final COP decision as a useful thing for the presidency to have done and a good model for future COPs. They are already in conversations with France – they signed a joint commitment among Peru, France, the UN Secretary General's office and the Secretariat of the UNFCCC to work together on something similar in December and the group is already working on defining what should be the added value of the climate action agenda and the role of non-state actors in COP21.
- Regarding the commitments announced at the UN Climate Summit in September 2014 – which related to forests, cities, energy, agriculture, industry, transport, etc. – they are doing a follow up on each, monitoring how they have been moving forwards, determining how they can enhance them, etc. They're also looking at how they can start new initiatives towards COP21. This is going to be a central event in COP21.
- All of this offers some added values, both for foundations and for all organisations working in the climate arena in broader sense.

### Where should foundations focus in 2015?

1. We need an agreement. We're very much on the way to get it, it's not going to be the final solution but it's going to be critical. Most important: It needs a **long-term goal**, and we need to strengthen advocacy in some key countries to mobilize mass action around long-term goals. We need **commitments** from business, civil society and various levels of government to create sufficient political momentum for those long-term goals to be accepted.
2. Funders should figure out which of the grantees or stakeholders they're working with are engaged on **climate action cooperative initiatives** presented at UN Climate Summit. How could they intersect with the climate action agenda for COP21? Can they make new commitments or further engage in the existing commitments that came from the summit? Talk to those groups.
3. Foundations need to support and strengthen the role of **mass mobilization** in Paris. In particular, there needs to be a positive narrative, a positive mobilization – 'we are doing this, we are going to do that'. Avaaz, 350.org etc are working on this.
4. Finally, the most important role of the COP21 in Paris is, beyond all, to **change the narrative**. It has to be a turning point where the climate community shows, as a whole, that we can address climate change, that we're doing it, and that we're moving towards the change we need. We have to stop focusing on the negatives.

### Sonia Medina, Director of Climate Programme at Children's Investment Fund Foundation (CIFF)

- CIFF is a London-based foundation with \$4.5 billion endowment. They work on education, nutrition, health and climate change. They spend about \$45 million per year on climate change mitigation. The reason this children's foundation works on climate change is that they understand that children are the most affected by climate change, are the least responsible for its causes and will inherit its issues. They consider it our responsibility to leave children a world they can live in. Also, they consider their climate change work to be a kind of insurance on their health, education and nutrition programmes, since climate change affects all of those.
- CIFF focuses mostly on energy, cities work, land use management, and the phase out of HFCs. Normally they do quite a lot of in-country work – research-based advocacy, lobbying in places like Brazil, Europe, Mexico, China. They wouldn't normally get involved in international negotiations but think 2015 is too important in terms of shaping how the climate movement is going to look after this year. It's both an incredible opportunity and quite a scary year – there's a lot of uncertainty about what a climate movement will look like depending on the outcomes of 2015. There's a significant risk that if COP21 is considered a failure,

the climate movement will find it very hard to recover. That is something we must avoid at all costs.

- There is a complication in 2015 which could also be an opportunity – it's the year not just of COP21 but of the Sustainable Development Goal (SDG) negotiations. The international community is quite engaged in that. When SDGs are discussed later this year, if that's not positive, it may poison how Paris is perceived as it will be similar groups negotiating. To complicate matters, there is little overlap between the climate and development communities at the NGO level.
- CIFF is focusing primarily on two overall objectives:
  - Increasing level of ambition of key INDCs,
  - The details of the international agreement – specifically, having in there transparency, accountability and a mechanism for improving the deal over time, so that we can get to that long term goal.
- Currently CIFF is funding:
  - Climate Analytics and Climate Action Tracker – providing that level of analysis of the INDCs. Are those national offers, when aggregated, good enough for to limit global average temperature rises to 2 degrees?
  - They're also funding the Deep Decarbonisation Pathways Project, which is an initiative from IDDRI, a French think tank, and the Sustainable Development Solutions Network, which involves 13 OECD countries plus China looking at what is realistically feasible in terms of decarbonising a country's economy. They're getting data and evidence from within those countries. The French government considers these processes key outcome from Paris.
  - In addition, they are funding the Climate Briefing Service, an initiative within the International Policies and Politics Initiative which CIFF chairs (through the European Climate Foundation).
  - They have also funded C40 for the work they did on the UN Secretary General's summit and the conference of mayors; the Mary Robinson Foundation on Climate Justice, and provided support to the UN Secretary General's office to provide extra support in getting the summit in place last September, as they saw it as a crucial milestone.

### **Funding gaps and attention points!**

1. We think that there isn't nearly enough funding looking at **what non-state actors need to do**. It's a key piece in making governments feel there is a mandate for action.
2. In addition, some of the **INDCs** will likely be released between now and the summer, and it's certain that the aggregation of the key offers from the US, China, Europe, etc. will be short of the 2 degree goal. We need to be prepared to turn that crisis moment, when it comes, into something positive – **a chance to change the narrative** to be about how this is why a net zero goal is so necessary. Organisations will need funds to make sure that the crisis can be turned into **a good mobilization point**.
3. We also need to **bring the climate and development movements together**, especially this year, to make sure there is a buffer.
4. Paris will be the beginning. We need to **set up a basis for a monitoring and reporting framework** – that will be vital for setting the basis for future negotiations and there is nothing out there at all in terms of proper evidence/evaluation of effectiveness of policies. There's obviously quite a lot of things that philanthropy can do in terms of encouraging governments to set that up, but civil society can make sure the system is in place and to police it effectively to continue to raise the level of ambition going forwards.
5. There is a **need for decarbonisation projects and processes in ALL countries**. We can't just have a handful. All countries will need to understand what they can realistically and technologically do in each of their geographies.

### **Q&A Session**

**Cindy Coltman, BothENDS: All of our speakers agree on the need to change the narrative in Paris. But in Lima, we saw a lot of corporate side events, particularly by fossil fuel industry, and some activists calling for banning them from COPs. Can one of you talk about what you saw in Lima, and do you see any differences will happen at COP21?**

Liz: It was a bit naïve of Shell to come and do that session, and particularly the people they invited, but as a general rule, Shell and Exxon do not need to show up to shape the debate – it's not really a credible threat. But what we've seen over the past three or four months is a series of declarations of war that say *'we are going to be much more aggressive and assertive in the run-up to Paris'*, and that is a major problem. The fossil fuel companies will be engaging with a variety of tools and tactics to discredit Paris – outlooks, forecasting, revolving doors, but also paying public affairs companies. That seems to be a bigger worry and that's something that we as international NGOs aren't really alert to. We don't really know how much of a threat they are or what they're planning to get up to.

Ramiro: Except for the Carbon Tracker Initiative, we don't have an organisation that's working with an effective strategy to deal with the fossil fuel companies.

Sonia: I completely agree with Liz. At the same time, I convened a roundtable late last year on carbon negative strategies: For us to get to net zero, at some point we will need to be absorbing more CO<sub>2</sub> than we are emitting. That means that CCS (carbon capture and storage) and other ways of being negative on our emissions are key. That opens all kinds of debates and scary situations, but there is just enough debate about what are the correct environmental and social safeguards for us to be thinking positively and reasonably about what these strategies look like. The FF industry is one of the industries that has both the capacity to roll out CCS as one of the technologies that could be key. The funding, skills, technology are all available. And the fossil fuel industry is threatened today. They will put out a fight – they don't see what their way out on a net zero goal looks like. Maybe a positive narrative is one in which we are trying to visualize what that world looks like, the net zero, and ask what are the skills that the fossil fuel industry has that could be useful in a net zero world. Maybe they could get excited about that.

**Marilena Vrana, EFC: Which organizations are starting to bridge divide between climate change and development?**

Sonia: ChristianAid, Oxfam – these are groups that are credible when it comes to working on development and climate change. But there are not that many. We need to start with those and build from there. From a philanthropic standpoint, a lot of it has been separated – even at CIFF, climate grantees and health/education/nutrition grantees don't overlap. We're trying to work on that.

**Marilena Vrana: Should funders be bringing together their grantees on both sides to develop relationships?**

Sonia; Yes, I think that would be valuable.

**Marilena Vrana: Through IPPI, did you do any scan of your grantees to see whether they were involved in both the Sustainable Development Goals development and climate negotiations?**

Sonia: Almost all are working only on the climate change side of things.

**Eugenie Harvey, Frederick Mulder Foundation: I wholeheartedly agree with the point about the lack of capacity in public affairs and that we are up against such juggernauts in terms of what the fossil fuel industry can spend on public affairs. What we're seeing coming out in the press is very worrying. The Tellus Mater Foundation in the UK is working (in collaboration with the Frederick Mulder Foundation) to help the climate change organizations they support increase their public affairs capacity. Anyone interested in knowing more about investing in**

public affairs, please be in touch with Eugenie Harvey at the Frederick Mulder Foundation ([eugenie@frederickmulderfoundation.org.uk](mailto:eugenie@frederickmulderfoundation.org.uk))

Ramiro: In past years, the narratives around the failure of the negotiations and of the climate movement to accomplish its goals – those narratives benefit the interests of the fossil fuel companies. I wouldn't go and confront the fossil fuel industry directly as a strategy – it's probably the strongest industry in the world. They have all the levels of strategies to influence. We wouldn't have much chance of winning. But what we can do is **highlight and showcase what is already going on, what is really happening towards decarbonisation**. Present it – 'this is happening, with or without a climate agreement'. Instead of directly confronting the industry, it's much more effective to focus on what Carbon Tracker is doing, or what Divest:Invest is doing, to address shareholders. The climate community's turning point this year should be to put on the table what we are already doing.

Liz Gallagher: I agree that demonstrating irreversible momentum is a really good thing. There is another piece which is around talking about the **costs of inaction**. We're very good about sending the positive momentum signals, mostly focused on energy, but we fail to mention what happens if we don't get a deal in Paris and irreversible climate change goes forwards. We don't want to shock and awe, but **people need to go beyond the counterfactual – they need to understand what's at stake as well as what it can offer**.

A second point on the **subnational actors** piece: one of the things that was really good from Ban Ki-moon's summit was the diversity and range of actors – there was a new sense of international collaboration and everyone getting engaged. What would be really helpful would be to see their actions but also to **hear their voices**. Cities, corporates, really coming out more. It's really important that mayors challenge central governments because they're going to suffer the impacts of climate change the most. Decisions are being made on their part that they have no say in. So a more advocacy approach would be great as well as an action one.

Lastly on the **fossil fuel industry** piece, what I would find really helpful is knowing what they're planning so that when I come to advise groups and organisations, I can know what tools and tactics they're using. That type of understanding – being able to say to Avaaz, look we know they're doing this, it would be great if you could design your campaign to counter that. It's not a massive piece of work – **a niche piece that says we need to know what their plan is**.

Cindy Coltman, BothENDS: I do think that folks like Carbon Tracker have helped influence where the weak points are in the fossil fuel industry – Carbon Tracker are way outperforming their size. The kinds of funder support that can help those groups is well worth it. Also we need to think about what happens in January, after Paris.

**Eugenie Harvey, Frederick Mulder Foundation: My comments (above, re the public affairs capacity) were informed by what we're doing as part of the Divest:Invest initiative. To give you a snapshot, one of our colleagues in Germany spoke to the editor of *Der Tagesspiegel*, the Berlin-based newspaper that reaches most of the German financial community, and he had never heard of the carbon bubble, stranded assets, etc. If he's never heard of it, no one in Berlin has, especially not in the financial community.**

Sonia: On the work of Carbon Tracker – it's very intriguing. At a recent World Economic Forum event that I was at (Summer Davos in Tianjin), the high level speakers hadn't heard of the carbon bubble. And not to confuse this discussion, but to add a new line of thinking in the debate: Carbon Tracker's stranded assets doesn't need to be all about divestment. It could also be **shareholder activism**, getting corporations to create business plans that will get us to a 2 degree max future.

[Final note: divestment and shareholder engagement are not mutually exclusive – many foundations that have committed to Divest:Invest are retaining enough shares to engage with the fossil fuel companies on these issues.]

*If you are interested in continuing the conversation, you are welcome to join the COP21 Funders Initiative. For more information, contact Marilena Vrana ([mvrana@efc.be](mailto:mvrana@efc.be)) at the EFC secretariat.*

### **About the organisers:**

The EFC European Environmental Funders Group (EEFG) identifies needs, gaps, overlaps, and where philanthropy can make a difference. It aggregates intelligence and catalyses collaboration amongst funders across Europe active in the fields of environment, sustainable development and climate change. Since 2010 approximately 100 foundations have been involved in its activities. [www.efc.be/environment](http://www.efc.be/environment)  
Contact: Marilena Vrana, [mvrana@efc.be](mailto:mvrana@efc.be)

The Environmental Funders Network (EFN) is a UK network of trusts, foundations and individuals making grants on environmental and conservation issues. EFN aims to improve the effectiveness of environmental philanthropy and increase the total support going to environmental causes through three strands of work: relationship-building, intelligence sharing and research. Since its inception in 2003 over 170 different trusts, foundations and individual donors have participated in the network.

[www.greenfunders.org](http://www.greenfunders.org)

Contact: Florence Miller, [florence@greenfunders.org](mailto:florence@greenfunders.org)