

Finance ‘yardstick of success’ of Paris agreement, says G77 and China

Bonn 23 October (Hilary Chiew) – In a frank response on the exclusion of civil society participation in the on-going climate talks, the chair of the Group of 77 and China (G77-China) said it was done so that developed country Parties can escape scrutiny as negotiations proceed, especially on finance.

“The one reason I can point out, unless I am wrong, is that beneath the darkness where there is no scrutiny of civil society ... the hope is that our will, will be bent so much that we (get) tired and give up and the issue is resolved by announcement externally but has nothing to do with reality of what is required by the Convention to save the environment for future generations,” said Ambassador Nozhipo Mxakato-Diseko of South Africa who is the G77-China spokesperson.

(Several developed country delegates told Third World Network that there are some Parties that will not negotiate if observers are in the room.)

At a press conference on 22 October, Ambassador Diseko stressed that developing countries had given their common position on finance in the core agreement (for adoption in Paris). However, throughout the negotiations, developed country Parties have not negotiated, in the hope that finance will be dealt with outside the agreement where developing countries are weakest and it translates into ODA (official development assistance) as opposed to the obligations that developed countries must fulfil under the United Nations Framework Convention on Climate Change (UNFCCC), she said.

She added that not wanting civil society inside “is in the way they will get away with it ... that so much has been raised but in the agreement there is nothing on finance,” referring to the claim made

by the recent OECD report that US\$60 bil had been distributed as climate finance.

(The OECD report titled “*Climate Finance in 2013-14 and the USD 100 Billion goal*” was released on 7 October 2015. This has been widely criticised for not reflecting the reality of the flow of climate finance to developing countries.)

Diseko also dismissed the political narrative of ‘the world has changed since the adoption of the UNFCCC in 1992’ as simplistic and one that ignores the legal obligations of developed countries to provide support to developing countries.

She appealed to the media fraternity to understand that there is a legal instrument in place (the UNFCCC) and that Parties are developing an instrument to enhance the implementation of the Convention under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP). (In a dialogue session with civil society organizations and other observers later the same day she stressed the importance of fair and balanced reporting of G77-China’s positions and concerns by the media.)

“The narrative we have been given is that the world has changed and it is time to expand the pool of so-called donors of climate aid and to narrow the list of eligible developing countries to receive support. There are no donors (and) no aid in the Convention but there are obligations. The success of Paris will depend on what we have in the core agreement on finance,” she stressed.

Contrary to the narrative that there are difficult issues that require ministerial solution, Ambassador Diseko said the Group does not intend to escalate the number of issues to the ministerial level as it is not difficult to solve the issue of finance, in particular.

“France will be judged in the content of the core agreement on finance ... that is the yardstick of success and not what is announced by the World Bank to give finance that is unregulated. Similarly the International Monetary Fund has no status in the agreement as it is not a state party,” she clarified.

On questions that the US\$3 billion pledge by China to assist developing countries is proof that in essence a member of the Group has expanded the pool of donors, Ambassador Diseko explained that what China has done fell into the domain of South-South cooperation to fill up the obligation of developed countries that has not been forthcoming in meeting their obligations.

However, she also noted that for the weak (developing countries) it is important that the certainty offered by the multilateral rules of law established by the UN system is followed and that “everything is done inside so we can hold each other accountable”.

“There are a lot of things that we do in assisting each other to meet the serious challenges (of climate change) but the fact of the matter is that there is a legal dispensation to be met ... otherwise it will be left to the whims of charity of individual countries to decide as and when depending on circumstances of their countries, and that is not the best position for weak countries to find themselves in,” she emphasised.

Asked if the OECD’s figures were accurate, Ambassador Diseko said no mandate was given to the OECD and that developing countries were not consulted and she does not know the methodology used by the report. She added that it looks like an opportunity to establish some basis for future activities (in the provision of finance) and warned against the danger of taking Parties away from what the UNFCCC needs to do.

“There is the Standing Committee on Finance to determine the gap in finance and there is a legitimate structure represented by all Parties where this work could be initiated but we wake up to a report that will take us away from our discussion (in the UNFCCC),” she pointed out.

To another question on why the phrase ‘countries in a position to do so’ that appears in the negotiating text is contentious, she explained that the ADP is mandated under the Convention and in doing this work, Parties cannot revise the

Convention and it is important to keep the legality of the framework.

(Under the UNFCCC developed countries in Annex 2 have legal obligations to provide new and additional financial resources on the basis of historical responsibilities. Observers say that developed countries now seek to escape from their financial obligations by shifting these to developing countries through the use of the term ‘countries in a position to do so’.)

“If we had decided in Durban to revise the Convention then it will be a different matter but we did not, we decided what was needed is to put in place an instrument that allows us to implement the Convention in an enhanced manner,” she stressed, adding that finance is one of the areas that was explicitly noted as an area for enhancement.

The G77 coordinator for the thematic issue on adaptation and loss and damage, Juan Hoffmaister (Bolivia) who was also present at the press conference said developing countries are united in wanting an honest conversation for meaningful provision on loss and damage being in the agreement and are deeply concerned by the call to not include this issue in the negotiation. He likened the situation, in light of available science on the permanent and irreversible losses due to impacts of climate change, as equivalent to climate denialism.

However, apart from Switzerland that has openly opposed the inclusion of loss and damage, other developed country Parties has not expressed where they stand and he hoped to have more clarity at this session.

The press conference can be viewed [here](http://unfccc6.meta-fusion.com/bonn_oct_2015/events/2015-10-22-11-00-g77-and-china) - http://unfccc6.meta-fusion.com/bonn_oct_2015/events/2015-10-22-11-00-g77-and-china

Meeting observers at a subsequent dialogue, Ambassador Diseko apologised for the Group’s failure to fight off the decision of the Co-Chairs to deny civil society’s participation in the spin-off groups. She said it is important for observers to get first-hand account of the negotiations and hold Parties accountable, noting that one group of developing countries had indicated that it is contemplating walking out of the negotiation if this issue remained unresolved.

However, Ambassador Diseko assured observers that the Group will continue to strive for their inclusion and there cannot be double-standard practice on this matter at different fora, and that observers are not a threat to the negotiation process.

On the inclusion of gender and human rights in the agreement, she said there should be no hierarchy of rights where civil and political rights have primacy over socio-economic rights.

Noting that inserting the language of the human rights instruments will complicate matters, she cautioned against casting the G77-China as against human rights.

“If you do not have a good basis for meeting socio-economic rights it is unlikely you will secure civil and political liberty. The Group is not saying that it will not address human rights but the question is how do we assure the rights are respected,” she said noting that the Convention is clear on securing rights to water and sanitation, rights to economic activities, rights to food and shelter etc.

“Is it not better to interpret the Convention as also about women, youth and vulnerable groups when we implement the Convention in an enhanced way? Let’s not set G77-China as the bad guys and let’s work together on that,” she urged.

Speaking for Climate Justice Now!, Third World Network’s Chee Yoke Ling welcomed the G77-China’s idea of giving regular media briefings as a fair and balanced representation of the Group’s position has been lacking. She expressed concern that there are specific proposals by developed countries in the negotiations to rewrite the Convention and how observers can help make the world understand the core of the debate.

She also noted that it does not look like there will be a change in the ruling on barring observers and hope the Group will look into the legality of the ruling where the Co-Chairs relied on the recommendation of the Subsidiary Body of Implementation and not the COP decision 18/CP4.