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12/01/2008 02:15 AM

To UNEP Civil Society <Civil.Society@unep.org>

cc Kristen Genovese <kgenovese@ciel.org>

Subj Re: PRIORITY: DOCUMENTATION FOR THE
ect SUBCOMMITTEE MEETING TO BE HELD ON 15
JANUARY 2008 (ADVANCE COPY OF DOCUMENT
UNEP/GCSS/X/9)

To: The Major Groups and Stakeholders Branch
United Nations Environment Programme (UNEP)

From: Daniel Magraw, President
Center for International Environmental Law (CIEL)

Date: 11 January 2008

Dear Major Groups and Stakeholders Branch:

Thank you for providing the opportunity for comment upon the advance copy of "Background paper for the ministerial-level consultations, including policy options emanating from the President's Summary of the Ministerial Consultations of GC-24/GMEF" ("Background Paper"), UNEP/GCSS/X/9.

CIEL would like to comment on improvements that should be made to Theme I. Given the short time allowed for comment, we do not have specific suggestions for language changes. We do make suggestions below as to where the points would fit in the background paper. We would be happy to provide specific language changes later, if there is still time: just let us know.

As the background paper points out, International Financial Institutions (IFIs) can and must play an important role in financing mitigation of and adaptation to climate change. This includes the entire range of IFIs, including not only multilateral and regional development banks but also export credit agencies, private banks. Sovereign Wealth Funds, though under some definitions may not be seen as IFIs, also must play a role in mitigating and adapting to climate change, because of the sheer size and impact they have, and are included below as an IFI. The background paper should be modified to include these other types of IFIs. Moreover, the role of IFIs should be addressed in a comprehensive manner, dealing with all the ways in which their operations significantly affect climate change mitigation and adaptation. The background paper does not do this. Several examples of how the paper should be improved follow:

- * While it is critical that the World Bank Group increases its financing of renewable energy sources and efficiency (para. 47), it is at least as essential that it not undermine those efforts by continuing to finance fossil fuel projects. As recommended by the Extractive Industries Review, the World Bank should phase out investment in coal and oil. The background paper should state that, and that other IFIs should do the same.
- * It is admirable that the World Bank conducted an inventory of carbon emissions at its headquarters in Washington, D.C. and is carbon neutral (para. 55). The paper should state that other

IFIs should do the same.

- * The paper should state that all IFIs should determine emissions of all projects in which they support, including by investing directly or administering investment funds. Overall emissions from IFI projects should be compatible with the international goal of reducing global emissions by at least 80% of 1990 levels by 2050.
- * Mitigation and adaptation measures have the potential to adversely impact local and indigenous communities. Vulnerable communities should not have to pay twice for the costs of climate change, first from its impacts and then from measures to address it. The paper should state that IFIs should ensure that all their projects, including investments in biofuels and REDD projects, do not infringe on the human rights of local and indigenous communities. The principles developed by the Roundtable on Sustainable Biofuels are a step in that direction.

With respect to Mitigation, the points made above could most easily be made as new sub-paragraphs (f)-(i) to paragraph 9. With respect to Adaptation, the first and third points could be made in a new paragraph 15 /bis: Adaptation should not exacerbate climate change;/ and the fourth point could be made in a new paragraph 15 /ter: Adaptation should respect human rights and sustainable development.//*

*/Explanatory text could be added to other parts of the background paper.

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*/We hope these comments are useful.

Best regards,
Daniel Magraw
President, CIEL
Kristin Genovese
Attorney, CIEL