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PRESS RELEASE

Start of negotiations for post-2012 agreement crucial for health of the planet – Yvo de Boer

(Singapore, 6 November 2007) – The UN's top climate change official on Tuesday told stakeholders in the burgeoning carbon market that negotiations need to begin this December to avoid a gap between the end of the Kyoto Protocol's first commitment period and whatever agreement comes next.

Speaking before about 500 people at Carbon Forum Asia, Mr. de Boer reminded those present that it was the Kyoto Protocol and its legally binding emission targets that spawned the present carbon market, and without an agreement post-2012 that puts firm downward pressure on emissions, "the market could disappear more quickly than it appeared. What's worse, the cost to our planet if emissions are not brought under control might be more than we can bear."

The carbon market trebled in size, to \$30 billion, between 2005 and 2006. The International Emissions Trading Association (IETA), organizers of the Carbon Forum, estimates that in 2007 the market could be worth \$60 billion.

"The carbon market and market mechanisms like the clean development mechanism and joint implementation are important means to address climate change. They create incentive for investments that lead to greenhouse gas emission reductions, they help identify low-cost opportunities for emission reduction, and give countries with commitments under the Kyoto Protocol some flexibility in how they meet those commitments," Mr. de Boer said.

Countries with commitments under the Kyoto Protocol can purchase emission units/credits to cover a portion of those commitments. The countries of the world will meet in Bali in December and will be asked to consider what should follow on when the Kyoto Protocol's first commitment period ends in 2012. Given the length of time it takes to negotiate and ratify international agreements, it is crucial that negotiations begin now to ensure continuity in the international response to climate change.

"We've seen several positive signals, such as the statements made by heads of state at the Secretary-General's high level event in September in New York, and broad agreement by ministers who met in Indonesia just a few weeks ago. Nonetheless, we must stay focussed, and achieve a formal launch of negotiations in Bali in December, one that sets out a timetable and a means for moving forward," Mr. de Boer said.



About 110 people are expected to attend the two-day Carbon Forum Asia Carbon Market Trade Fair and Conference, organized jointly by IETA and Koelnmesse.

About the UNFCCC

With 192 Parties, the United Nations Framework Convention on Climate Change (UNFCCC) has near universal membership. It is the parent treaty of the 1997 Kyoto Protocol, which has to date 176 member Parties. Under the Protocol, 36 States, consisting of highly industrialized countries and countries undergoing transition to a market economy, have legally binding greenhouse gas (GHG) emission limitation and reduction commitments, while developing countries have non-binding obligations to limit emissions. The ultimate objective of both treaties is to stabilize GHG concentrations in the atmosphere at a level that will prevent dangerous human interference with the climate system.

About the CDM

There are currently more than 825 registered CDM projects in 49 countries, and about another 1800 projects in the project registration pipeline. The CDM is expected to generate more than 2.5 billion certified emission reductions (tradable CERs) by the time the first commitment period of the Kyoto Protocol ends in 2012, each equivalent to one tonne of carbon dioxide.

Note to journalists: To arrange interviews, please contact David Abbass, Public Information Officer, clean development mechanism, at Tel: +49 173 5617448, e-mail: dabbass@unfccc.int

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