

**Sub-regional Dialogue on climate change
Cotonou, Republic of Benin
21 October 2008**

**Address by Ms. June Budhooram, Manager,
on behalf of Mr. Yvo de Boer, Executive Secretary
United Nations Framework Convention on Climate Change**

Honourable Ministers,
Distinguished guests, ladies and gentlemen,

It is a pleasure to address you on behalf of the Executive Secretary of the UNFCCC, who regrets not being able to attend this important meeting in person.

It is encouraging that the Republic of Benin and the Economic Community of West African States have organised this conference, which intends to feed into the up-coming UN Climate Change Conference to be held in Poland in December this year.

This is particularly important because much is at stake for this beautiful continent:

1. Africa is the continent hardest hit by climate change. Its vulnerability stems not only from climate change impacts such as sea-level rise, severe droughts and floods, but also from the current levels of poverty, which limit Africa's ability to cope with these impacts.
2. Africa is also the continent that has benefited the least from the current international climate change regime.

Over the years, a variety of funds have been established to help developing countries cope with and act on climate change but a lot of them are still empty bank accounts that have not delivered anything major yet.

Capacity-building and technology arrangements have been similarly insufficient.

The Kyoto Protocol's Clean Development Mechanism provides a vehicle to finance sustainable development projects while reducing greenhouse gas emissions in developing countries. While it has done well in other parts of the world, it has not sufficiently taken off in Africa. So far, Africa accounts for only 27 registered CDM projects, in only 7 countries.

Clearly, this situation needs to be rectified

The release of the latest climate change science in 2007, means that humanity has never before been so profoundly aware of climate change, of its impacts and of the fact that emissions must be radically reduced to secure our survival. Consequently, last year saw a remarkable build-up of political awareness for climate change, which culminated in the

adoption of the Bali Road Map negotiating process. This two-year process under the UN Framework Convention on Climate Change is set to conclude in an agreed outcome in Copenhagen 2009.

The Bali Road Map negotiating process is offering Governments around the world a window of opportunity to transform the global economy to a climate-friendly, green economy. And it is a window of opportunity to craft a solution that responds to the adaptation challenge in an appropriate way, while ensuring that the needs of the most vulnerable are met.

So how has the negotiating process progressed during 2008?

During this year, Parties met at inter-sessional meetings and made progress by gathering ideas and clarifying their positions on many issues. Numerous Parties have brought proposals to the table and on many issues initial exchanges of ideas took place. Proposals included ways to boost adaptation, mitigation and the types of institutions that are needed to ensure progress on mitigation. At the last inter-sessional meeting, the Accra Climate Change Talks, Parties agreed to compile proposals into a document, which could serve as a first version of a negotiating text at Poznan.

This is good progress, but at the same time, time is starting to run short! It is critical that Parties go into full negotiating mode at and after Poznan. There is still an enormous amount of work that needs to be covered if Copenhagen 2009 is to be ambitious on the one hand, and hold real benefits for hard-hit regions such as Africa on the other.

It is critical that Africa seize the window of opportunity that the negotiating process provides to put in place arrangements that meet the continent's needs.

The overriding objectives of developing countries are poverty eradication and economic growth. But these development objectives cannot be reached without reliable and sufficient access to energy.

According to the IEA, global energy demand will grow by 55% by 2030. In the period up to 2030, the energy supply infrastructure world-wide will require a total investment of \$22 trillion, with about half of that in developing countries. Meeting Africa's energy needs would require about \$1,5 trillion.

If we do not manage to green these investments, to direct them into climate-friendly technologies, emissions will go up by 50%, instead of down by 50%, as science tells us they should. Africa needs help to leapfrog the emissions-intensive stage of economic development, to ensure that the mistake of the West is not repeated.

As part of the Bali Road Map, all countries agreed to stronger action on mitigation.

- o Developed countries would do this through quantified targets.
- o Developing countries would contribute through measurable, reportable and verifiable mitigation actions in the context of sustainable development and supported by measurable, reportable and verifiable financial and technological support.

If Copenhagen 2009 is to ring in a global green economic revolution, it needs to put in place mechanisms that support developing countries in their mitigation efforts.

In terms of adaptation, the window of opportunity lies in creating funding mechanisms that would boost the swift implementation of adaptation activities, especially in the most vulnerable countries.

Copenhagen 2009 needs to include ways of generating new, additional, predictable and sufficient funding for adaptation. We all know that the most vulnerable countries cannot afford a situation of piecemeal, reactive funding or funding that has been diverted from ODA. The situation is simply too serious.

So, to make real progress, we need to develop a clever financial architecture that will generate significant financial and technological support for both adaptation and mitigation, especially for developing countries. A strong capacity needs to ensure that such funds respond to the needs of the most vulnerable.

One promising step towards a clever financial architecture is the Adaptation Fund under the Kyoto Protocol, which is funded by a two per cent levy on Clean Development Mechanism projects. A high level of ambition of industrialised countries will mean a higher use of the CDM and consequently, a higher amount of funds is likely to be generated in this way.

However, the Adaptation Fund is likely to be insufficient because adaptation costs are likely to run at billions of dollars annually. So, the question is: how could a funding mechanism through the carbon market be expanded? And: are there other types of mechanisms that could be established within the Convention to generate solid adaptation funding?

It is very likely that adaptation will need funding from different sources. Another option would be mechanisms enabled through the rules of the Convention. An interesting example in this respect is the idea of auctioning emission rights to use the money to support adaptation activities in developing countries. There may also be mechanisms outside the Convention that are nonetheless linked to it.

The Poznan Climate Change Conference is just around the corner

Poznan is the half-way mark in the negotiating process, and it is critical that real progress is made towards Copenhagen 2009. As per the Bali Road Map, Copenhagen 2009 will be a long-term response to climate change. At the same time, as you know all too well, climate change impacts are already affecting livelihoods and lives, and this is very likely to increase.

Poznan and the coming year represent your last chance to be more vocal about your needs and to table the cooperative solutions to the problem that you see. Being amongst the first nations on the front line of climate change, well in the knowledge that impacts will increase, you are well positioned to push for ambitious long-term solutions. The process needs creative and bold ideas that match up to the challenge and lead to an effective, efficient and equitable agreed outcome in 2009.

There are three political essentials that need to be in place by Copenhagen to unleash ambitious, concerted climate change action through a ratifiable outcome.

1. Clarity on how to generate additional financial resources
2. Clarity on the institutional framework needed to deliver for adaptation and mitigation
3. Clarity on the nature of commitments

At Poznan, Ministers will discuss their vision of how developed and developing country actions can work together in the long term. Poznan thus presents Ministers with an opportunity to give a strong signal as to the shared vision on the type of mechanisms, the financial architecture and the institutional structure that are needed to deliver. This will significantly advance negotiations. The nature of commitments needs to be addressed in-depth during 2009.

In Poznan, Ministers need to move to a first outline of a shared vision of how actions could generate solutions that work together in the long-term so that negotiations can advance to an agreed Copenhagen outcome.

My hope is that the outcome of this conference will make a strong contribution towards that. The African Ministerial Conference on the Environment (AMCEN) will be meeting in Algiers later this month. That meeting will present another opportunity to prepare for and provide input to the issues at stake in Poznan.

Next to the shared vision for long-term cooperative action, Poznan will also seek progress on on-going work. This includes work on adaptation, technology, capacity-building and improving the geographical coverage of the CDM.

In conclusion

The current negotiations on the road to Copenhagen present African countries with a golden opportunity to change things for the better and design a Copenhagen deal that works for Africa. For this to happen, it is crucial that African countries put their concerns on the table and push for solutions that help Africa adapt to the impacts of climate change, that boost technology transfer and capacity-building and that green Africa's economic growth.

Poznan presents Ministers with the opportunity to give their concrete views regarding the shared long-term vision on both the financial architecture and the types of mechanisms to generate additional financial resources. This will translate into significant progress and positive political guidance for the process.

An African proverb says that "he who does not seize the opportunity today, will be unable to seize tomorrow's opportunity". In many ways, Africa has been the forgotten continent of the climate change process. The time to change that is now!

Thank you