

## Ministerial Segment of the 19<sup>th</sup> meeting of the Secretariat of the Pacific Regional Environment Programme Pohnpei, Micronesia, 12 September 2008

## Address by Yvo de Boer, Executive Secretary United Nations Framework Convention on Climate Change

Honourable Presidents, honourable Heads of State and Government Honourable Ministers Distinguished guests

I thank you for the opportunity to address you on climate change.

It was the honourable President of Palau, Mr. Remengesau, who recently said: "We are the window of what will eventually be happening to the rest of the world."

Indeed, as the nations living on the front line of climate change, I do not need to dwell on impacts such as sea-level rise, coral bleaching, salt water intrusion or shrinking fresh water supplies. You are experiencing them every day and the need for significantly scaled-up adaptation is glaringly obvious.

You have taken a range of very good climate change initiatives. This includes mitigation activities in the current energy mix, the Pacific Adaptation to Climate Change Project, regional climate change science activities and the Pacific Islands Framework for Action 2006-2015.

Encouraging and important as these initiatives certainly are, it is clear to everyone that there is only so much you can do on your own. Climate change is a global problem, in need of a global solution, to reduce the cost of mitigation and to secure funding for adaptation.

The two-year negotiating process under the Bali Road Map is offering Governments around the world a window of opportunity to craft an economically viable solution to a huge problem. And a solution that responds to the adaptation challenge in an appropriate way.

The agreed outcome in Copenhagen 2009 needs to be ambitious on all fronts of climate change abatement.

In terms of mitigation, a quick look at anticipated energy investments illustrates this window of opportunity. 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.

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.

We all know that mitigation efforts over the next two to three decades will determine to a large extent the long-term global mean temperature increase and the corresponding climate change impacts that can be avoided.

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

- o With respect to stronger mitigation, 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.

The negotiating process needs to ring in a global green economic revolution. It needs to put policies in place that introduce real economic opportunity to mitigation measures. The carbon market is an indication that this can be done successfully.

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.

The Adaptation Fund under the Kyoto Protocol, funded by a two per cent levy on Clean Development Mechanism projects, is a promising step in that direction. The higher the level of ambition of industrialised countries, the higher the amount of funds likely to be generated in this way.

However, 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. Likewise, the EU has proposed auctioning off emissions permits for aviation and using the funds for the same purpose.

There may also be **mechanisms outside the Convention that are nonetheless linked** to it.

The UN Climate Change Conference to be held in Poznan in December is just around the corner.

One of the issues to be taken up by **Ministers at Poznan will be the shared vision** for long-term cooperation.

Poznan will also see a first version of a negotiating text on the table, based on ideas by governments on what has been negotiated in 2008. While this translates into good progress, there are numerous key issues that have not nearly progressed to such a stage.

**Poznan represents the half-way mark** for the Bali Road Map negotiations. So, **for the political process, the clock is ticking**.

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.

Seneca said: "It is not because things are difficult that we do not dare, it is because we do not dare that things are difficult."

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, 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**. And so, **looking to Seneca**: I ask you to dare!

You have done so in the past. One of the reasons why the negotiations on the Kyoto Protocol were moved forward so effectively is because the Alliance of Small Island States (AOSIS) came to the negotiations with a solid, well elaborated text proposal for the Protocol. This is the type of contribution that the process needs.

The fact that I have the honour of addressing so many Heads of State and Government at this meeting is a sign not only of the increasing magnitude of the problem, but also of the political commitment - at the highest level - to finding viable solutions.

My hope is that **this high-level political commitment will act as an example to be followed by leaders across the globe** to give the negotiating process the political momentum it needs to conclude ambitiously.

To sum up, this negotiating process represents a unique opportunity to ensure that the interests of Small Island Developing States - both in terms of economic development and adaptation - are safeguarded in a Copenhagen outcome.

Opportunities are often the beginning of great enterprises and should not be missed.

Thank you

----