

Public Hearing on Climate Change Brussels, 14 April 2010

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

Ladies and gentlemen,

Copenhagen concluded with an outcome that responded only partially to the high expectations for the conference. While disappointing to some, Copenhagen nevertheless provided the world with clear signals that Governments want global climate change action to move forward.

In this sense, Copenhagen was an important event because:

- 1. It raised climate change policy to where it belongs: the highest political level. More than 120 Heads of State and Government met in Copenhagen to take climate policy forward.
- 2. It significantly advanced the negotiations on the infrastructure needed for well-functioning, global climate change cooperation, including improvements to the Kyoto Protocol's Clean Development Mechanism. Negotiations almost reached agreement on a package on adaptation, a new technology mechanism, a capacity-building framework and a governance structure for finance.
- 3. Lastly, COP15 produced the Copenhagen Accord, which is a clear letter of political intent to constrain carbon and respond to climate change, both in the short and in the long term.

The Accord includes a 2 degrees Celsius temperature limit and a provision to review this by 2015.

It also includes short-term finance of USD 30 billion, with a balanced allocation between adaptation and mitigation planning for developing countries up to 2012. In terms of long-term finance, industrialized countries pledged to mobilise USD 100 billion per year by 2020.

To date, 42 developed countries have submitted their 2020 targets with various base years. These Parties represent around 90 percent of emissions from this group of Parties.

36 developing countries have communicated information on their mitigation plans, either in economy-wide terms or in specific actions.

Although targets and actions by 2020 are insufficient, they nonetheless represent a clear indication that the world increasingly wants to move towards more sustainable, low-emissions economic growth.

So where are we in the climate change negotiations after Copenhagen and what does climate change diplomacy need to focus on?

The process is currently characterized by a high degree of suspicion and mistrust. At the first meeting after Copenhagen, which concluded in Bonn on 11 April, this was one of the major issues raised by Governments.

To some degree, the lack of trust within the process pre-dates Copenhagen, but Copenhagen perhaps made it worse.

Industrialized countries are required to take the lead, both in terms of emission reductions, as well as in terms of the provision of support.

But to date, they have not been ambitious enough in terms of emission reductions and in many cases, actual reductions fall short of goals.

Policy struggles over climate change, such as the internal struggle in the European Union (EU) or the United States, have not helped to convince developing countries that industrialized countries are serious about reducing emissions.

Longer-term targets, such as the EU's intention to reduce emissions by 80-95 percent by 2050, do not seem realistic to developing countries given the track record to date.

Significant finance has not come forward, and some industrialized countries are beginning to climate-wash the pledged short-term funding up to 2012. This has led developing countries to be hesitant to fully engage in the process.

Developing countries feel that industrialized countries have largely failed to meet their emission reduction targets. As a result, they are not ready to abandon the Kyoto Protocol, given that it is currently the only legally binding way of enforcing emission reductions. A successor to the Protocol may not have enforcement provisions and could be weaker. This could further reduce the possibility of real reductions.

Developing countries are criticizing the lack of finance for their engagement in climate change action.

Many assessments, such as National Adaptation Programmes of Action, or Technology Needs Assessments, have not been as adequately funded as promised. These assessments would be vital for developing countries to move forward. Instead, they are faced with broken financial promises that are holding them back.

Many developing countries fear that climate change action will constrain their economic growth. They do not see the full benefit of engagement. Yet prosperity and low

emissions go together. Climate change action and sustainable development, particularly its green growth dimension, are part of the same coin.

Going into the future, sustainable development will be the only way to secure prosperity. This becomes strikingly clear when looking at the bigger global picture up to 2050.

The world's future up to 2050 is being shaped by four major global trends:

- 1. Climate change and its impacts
- 2. Population growth and lifestyle changes in emerging economies
- 3. Consequent increased energy demand and concerns over peak oil, energy security and prices
- 4. The unsustainable use and exploitation of natural resources, including water, biodiversity and raw materials

Going into the future, these trends will increasingly interact and exacerbate each other. This will have negative consequences across the globe and across all spheres of our existence, including economic growth.

In the absence of clear policy frameworks and consensus, these trends are currently being responded to in a fragmented way. But there is a growing movement towards what the financial sector has identified as a **mega trend**: sustainable development.

Examples of this include:

- Soaring investments of billions into renewable energies in all regions since 2008;
- More and more consumers demanding a departure from the traditional, unsustainable provision of goods and services such as energy;
- More and more companies integrating sustainability into their operations because it makes long-term economic sense and saves costs;
- Selected government spending on green economic components, which has already created jobs and is starting to create new, green industries that strengthen economic growth.

Indeed, moving the global economy onto a green, sustainable pathway is the only way in which these four trends can be responded to without driving our existence, economies and planet over the edge.

Although encouraging, more than a mega trend is needed to achieve this. Clear policies, including climate policies, are needed to strengthen the budding green economy and to help the world fully embrace sustainable development.

But to move towards that, the first step will need to concentrate on rebuilding trust within the process.

Developed countries pledged up to USD 30 billion for the period 2010 to 2012, with a balanced allocation between adaptation and mitigation. These funds need to be new and additional.

The EU is starting to move on this, and other developed countries need to provide clarity on how they intend to deliver on this pledge.

But clarity is urgently needed on the measurement, reporting and verification of short-term funding to ensure accountability.

The priority is to speedily channel funds to developing countries in order for them to get the necessary confidence that support for their engagement is forthcoming.

This will be a much-needed and tangible contribution to rebuilding trust and confidence in the process. As such, it will also be a tangible contribution to advancing the successful conclusion of negotiations.

Given the amount of time it would take to create and set up new funding channels, it will be necessary to channel short-term funds through existing structures. This includes channels under the Convention and the Kyoto Protocol, for example the Adaptation Fund. It also includes bilateral and multilateral channels, including multilateral development banks.

However, primarily utilizing channels outside of the Convention and Protocol will not have the same positive impact on trust-building.

But trust needs to be built up to a level that enables full cooperation to go forward towards global sustainable development in the long term. This includes setting up structures that enable full developing country engagement going into the future. It also includes clarity on industrialized countries' emission targets.

To this end, Cancun needs to conclude what remained incomplete in Copenhagen.

A fully operational architecture needs to be agreed that makes it possible for developing countries to act on climate change in all key areas: adaptation, mitigation, finance, technology, forests and capacity-building.

In terms of mitigation by industrialized countries, many developing countries are of the view that if industrialized countries have not managed to reduce their emissions on a per capita basis, there is no firm foundation for such demands to be directed at them.

As a result, firm commitments are needed by industrialized countries on continuing to take the lead, including in the context of a 2 degrees Celsius limit. In this context, urgent clarity is needed on the legal form for capturing emission reduction targets.

The outcome of Copenhagen signalled the world's intention to move towards sustainable, green economic growth. Successful climate diplomacy and the conclusion of negotiations will produce tangible results for sustainable development and green growth, and contribute to a strong policy foundation for responding to the long-term trends of a changing world.

In terms of process, the problems that surfaced at Copenhagen need to be addressed.

It is essential that negotiations are conducted in a transparent and inclusive manner, in accordance with established UN practice. Informal dialogue can help to overcome suspicion

and more informal meetings may be useful. But it is crucial that the outcomes of these meetings are swiftly and transparently fed back into the process.

Overall, negotiations under the UNFCCC are the only way to deliver a climate deal that delivers for all countries. While meetings outside of the UNFCCC will be useful, a deal that isn't global is likely to exclude the most vulnerable who most require assistance: the Least Developed Countries and Small Island Developing States.

A fully operational architecture will mean that all the cogwheels of climate action will turn together and benefit all. Using consensus to reach that aim may seem cumbersome to some. But as you know, democracy, for its many shortcomings, is the most effective way of moving forward. An atmosphere of trust will make it easier to reach consensus.

To my mind, these are some of the core issues that climate change diplomacy needs to focus on to successfully conclude the negotiations.

Thank you

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