Speech by Ambassador Holger Standertskjöld

"Copenhagen 2009:

Towards a Sustainable Future"

4 Feb 2009, EU Centre Singapore

Introduction

Good Afternoon Ladies and Gentlemen,

Thank you for coming here and listen to me here this afternoon to speak to you about the EU's initiatives on climate change.

In 2007 the Intergovernmental Panel on Climate Change (IPCC) and Al Gore were awarded the Nobel Peace Prize for their efforts to draw the world's attention to the dangers of global warming.

For those of you who have seen Al Gore's film "An inconvenient truth" will agree that his analysis of the current situation is remarkable:

"The planet has a fever", he tells us. "If your baby has a fever, you go to the doctor. If the doctor says you need to intervene, you don't say "well, I read a science fiction novel that told me it is not a problem".

If the crib is on fire, you don't speculate that the baby is flame resistant. You take action.

Well the Commission is listening to the doctor—or in this case, the scientific community. We believe that the planet has a ‘fever’ and this fever is caused by climate change. Global temperatures have been steadily increasing and it is caused by:

- emissions of heat-trapping **greenhouse gases** from human activities like the burning of fossil fuels – coal, oil and gas

- the destruction and **degradation of forests**. In this region, many of you are probably familiar with the forest fires in Indonesia in recent years that have caused not only environmental issues, but also political issues.

Without sounding like a harbinger of bad news, scientist have warned that the world must stop the average global temperature from rising to not more than **2 degree Celsius** above pre- industrial levels. According to their studies, the average global temperature to date has **increased** by about **0.74 degree Celsius** over the past **100 years** and is **now** increasing by about **0.2 degree Celsius** per **decade**. Because of the inertia of the climate system, the window of opportunity for staying within the 2°C temperature ceiling is closing very fast.

They have said that this is the result of a 70% increase in emissions of greenhouse gases worldwide between 1970 and 2004. In the energy supply sector, the increase was 145%. The growth from transport was 120% and from industry, it is 65%. There was a 40% increase as a result of the reduced capacity of forests to trap carbon dioxide emissions, and changes in land use. And to add to this, scientific evidence also shows that for there to be a 50/50 chance of respecting the 2 degree Celsius temperature ceiling, worldwide emissions will need to peak before 2020 and fall by 50 per cent or more of the 1990 levels by 2050.

The effects of climate change's include:

- more extreme weather – floods, heat waves and droughts
- rising sea levels
- large-scale loss of ecosystems.

What this means is low lying areas of the Earth, including the land mass that Singapore stands on and many parts of Europe, could eventually disappear under rising sea levels. The winds and the gulf-stream that bring the warm weather to Europe could change direction, with catastrophic consequences.

Climate change is the " 'threat multiplier' that will have serious consequences that will increase risk for societies in almost all parts of the globe" and "if the weakest countries cannot adapt, it may lead to forced migration, radicalization and state failure." Simply put, the socio-economic impact of climate change on the global economy is likely to dwarf the current financial crisis and economic recession.

Therefore to avoid the these terrible scenarios, everyone must work together to ensure that things do not get out of hand, and as scientist have recommended, **man-made emissions of heat trapping gases (like CO_2)** must **stop increasing in the next decade and drop world-wide** (current scientific advice says to at least 50% below 1990 levels by 2050).

What is being done by the EU to tackle this problem

The EU is not starting from scratch in tackling climate change. The EU has been **progressively strengthening** its measures to increase energy efficiency, limit emissions from factories and cars, and encourage

savings for a number of years. Rules on recycling and restricting the use of landfill sites are also contributing to reducing the amount of carbon emitted by the EU, known as its carbon footprint. The seventh framework programme on research and technology development is the latest in a series of EU research programmes to put increasing emphasis on the environment, clean and low carbon energy and climate change.

Above all, the EU is already well into a programme designed to reduce emission by 8% by 2012. the EU has committed to this target under the Kyoto Protocol to the UN Framework Convention on Climate Change.

Moving ahead from this, international negotiations are under way to conclude a new global agreement at the UN climate change conference in Copenhagen (December 2009).

The EU, for its part, has put out a **proposal**, or **Commission Communication** entitled, "*Towards a Comprehensive Climate Change Agreement in Copenhagen*" to tackle this problem. It advocates that the necessary cuts in global emissions can only be achieved if all countries contribute their fair share according to their responsibility and capacity.

Developed Countries

The proposal puts forth that **developed countries** (including EU members) must take the lead in **developing and deploying new technologies**. Technology will be an essential part of a post–2012 climate agreement. Most of the options to implement mitigation and

adaptation actions will require the **deployment of clean and safe low carbon technologies**.

Many recent studies show that for ambitious mitigation scenarios a broad 'assortment' of technologies will be needed. While **some technologies** are already contributing to mitigation today and will increasingly do, **others will** contribute significantly over the medium to long-term.

Different approaches to supporting technology deployment will be needed with regard to different parts of this spectrum.

More importantly, **domestic policies** and the carbon market will be the main driver behind faster diffusion of existing technologies.

Research and development in this area is also important. It should be at least doubled by 2012 and quadrupled by 2020. An explicit commitment by countries to a step-wise increase in their spending should form part of the Copenhagen deal.

In short, these actions will seek to **create new jobs**, **strengthen our economies** and **reduce our dependence** on finite resources**.**

Secondly, developed countries must also commit to strict and binding **targets for emission reductions, around 30% on average by 2020**, with the richer and less efficient countries contributing more - also taking account of factors like action already undertaken and population trends. The EU has proposed that the **collective** developed country emissions in 2020 should be 30% below 1990 levels. All agree that developed countries targets should be comparable and fair. For developed countries it is clear that we cannot simply ask every country to reduce its emissions by 30% below 1990 levels by 2020.

Economic capabilities, **mitigation potentials** and **socio-economic circumstances** are **different** and need to be taken into account when aiming to a **fair deal**. Thus, differentiating reduction efforts between now and 2020 will need to be based on the following indicators:

- **per capita income**, reflecting the ability to pay for emission reduction, internally and externally through a global carbon market. This was a very important criteria to set the targets in the EU climate change and energy package;
- **emission intensity of your economy** as this reflects low cost reduction potential
- **early action since 1990**, recognising that some countries have achieved considerable reductions since 1990 and others have not
- And finally **population trends**, recognising that developed countries with decreasing populations need to do less economic efforts to reduce total emissions than countries with increasing populations.

To ensure comparability and fairness all 4 criteria have to be applied to determine national reduction targets. These targets can be set compared to a recent base year, as was done under the EU Climate Change and Energy Package, but the total reduction effort for the group of developed countries should still amount to 30% below 1990 levels in 2020, 1990 being the accepted Kyoto Protocol base year and the historical reference point for the EU to define the necessary global emission reduction efforts.

Thirdly, developed countries must help **fund** the efforts of the developing countries – ensuring that the rich and most polluting countries contribute

most. **To have a successful outcome in Copenhagen, we will need to recognise that different sources of funding will need to be required.** Many low carbon development strategies have low incremental costs or even generate a net benefit in the mid term, but do need an upfront investment. More than half of the reduction in the energy sector for instance could come from energy efficiency measures. Financing of these measures will primarily need to come from the private sector and households in developing countries, with government policies leveraging this finance. These can be supported by international loan arrangements.

Adaptation

The Copenhagen agreement should provide a **framework for action on adaptation**. This framework will have to recognise that all need to adapt to this new situation, it is not an option we can choose. **Efficient adaptation can reduce** the costs of impacts substantially. This needs to be done by **systematically integrating** adaptation into all **national strategies**. This should be a shared responsibility for both developed and developing countries.

Capacity building will be key in the first years. Early action makes the transition towards a low carbon economy smoother. Therefore the EU will explore the possibility of developing a frontloading mechanism to rapidly deliver substantial funding in favour of the most vulnerable and poorest developing countries. This would be a bridging initiative in the transition period between 2010 and the full scale implementation of the new financial architecture to be agreed in Copenhagen.

Carbon markets

Next to the success of the Copenhagen negotiations, it will be crucial to further develop in the coming years a **robust carbon market** based on **domestic cap** and **trade systems**, first between developed countries, by 2020 on a more international scale.

The Copenhagen agreement will be of **crucial importance** for these systems as it sets the level of ambition for domestic climate policies beyond 2012, even though the design and operation of such national systems is not subject to the UN negotiations. Following the **success of the EU's emissions trading system**, robust carbon markets need to be established in many parts of the world. Australia has announced the core elements of its system. In autumn 2008, shortly after his election, US President Obama reaffirmed his goal to create a US-wide carbon market.

Together, these trading systems could form the **nucleus** of an evolving future global carbon market.

The Commission proposes to actively seek an **OECD–wide system** of linked emission trading systems (comparable to the EU ETS) by 2015 and an increasing participation of advanced developing countries in such a global carbon market by 2020. The **EU has a key first mover advantage** here and should work closely with the US to share their experience on designing domestic emissions trading systems and facilitate creating a robust OECD-wide carbon market.

Developing Countries

On their part, developing countries should develop ambitious strategies for reducing the growth of their emissions – thereby providing their populations with cleaner air and electricity. The **more advanced** of

these countries should contribute more to controlling emissions than the less advanced. The EU has proposed that **developing countries undertake appropriate** actions that should result by 2020, in a 15 to 30% reduction of their emissions below their business as usual level. A level of action also recommended by scientific findings to prevent dangerous levels of global climate change. But the EU **cannot expect** developing countries to take on emission targets like we expect developed countries to do.

So we suggest that national low carbon development strategies should be established and implemented by all developing countries except for least developed ones. An international Facilitative Mechanism for Mitigation Support should foresee an independent assessment of the action as well as options to support these proposed actions. These strategies will serve as a practical and ambitious basis to monitor and verify the efforts by developing countries, in particular the major developing economies such as China, India, Brazil and South Africa.

Developing countries have different capacities to undertake action and this would need to be reflected in the **stringency of the actions, their comprehensiveness** and the **support** they will get for **implementing** them. The decision leading up to and in Copenhagen will centre on this issue. The EU is ready to work on a "burden sharing" situation--especially today when faced with a financial crisis--the question of who will pay, who cannot pay and why is most crucial. The EU has been clear we cannot shy away from our responsibilities, even in an economic downturn.

EU's global efforts

European leaders are arguing for **bold action** to address climate change in their talks with leaders of other countries and regions. This is especially crucial now since US has a new administration and this administration has indicated its willingness to join the world to combat climate change.

As I have mentioned, the EU itself, **is already committed to reduce emissions** by at least 20% below 1990 levels by 2020 – and is ready to take on a 30% target if a fair and effective international agreement is achieved in Copenhagen.

And furthermore, the EU emissions trading system is being copied by other regions across the world and the EU will reach out to other countries to create a more efficient international system.

What happens next?

The year ahead will see a very full international climate change agenda with the EU further defining its negotiation mandate and building alliances, the US re-engagement and a heavy UN negotiation agenda which is supported through the G8, the Major Economies process, the G20 and the personal involvement of the UN Secretary General Ban Ki-Moon.

To sum up, let me stress that the overall objective of EU's policies are ultimately to tackle the causes and impacts of climate change in such a manner as to make our world liveable for generations to come. Climate change is something that everyone is involved and responsible for. Act now or forever lose the planet that we live in! I leave you with this quote from Al Gore,

“As more and more people understand what's at stake, they become a part of the solution, and share both in the challenges and opportunities presented by the climate crises.”

Thank you.