



**Asahi World Environment Forum  
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**Address by Yvo de Boer, Executive Secretary  
United Nations Framework Convention on Climate Change**

Mr. Uneo, Mr. Yoshida, your excellencies, distinguished ladies and gentlemen,

It is a great pleasure for me to address you at this important and timely event. I speak to you at a time of great change and opportunity, both in Japan and at the international level.

In Japan, a new government has been elected and I take this opportunity to congratulate Prime Minister-elect Hatoyama on his Party's election. The Democratic Party's intention to cut greenhouse gas emissions by 25 per cent below 1990 levels by 2020 is laudable. It is commensurate with what science says is needed and will catalyze real change in the Japanese economy. With such a target, Japan will take on the leadership role that industrialized countries have agreed to take in climate change abatement. Such ambitious emission reduction targets by industrialized countries are essential to pave the way towards a green, low-emissions future.

At the international level, it has become a well-known fact that a strong international deal to combat climate change needs to be sealed at Copenhagen this December. An ambitious deal is an unequivocal requirement to stop climate change from slipping out of control.

Specifically, Copenhagen needs to create the basis for a legal and policy framework to enable the transition to a global green economy and to adapt to the adverse impacts of climate change.

If the international community is to achieve this and deal decisively with climate change, a new level of international cooperation is needed to tackle this global problem. But Copenhagen is about more than an agreement on climate change. It is a litmus test for a new age of multilateralism.

Negotiations are currently characterized by a high degree of substantive and political complexity. Substantively, countries' proposals for an outcome at Copenhagen have been captured in draft negotiating texts that currently total some 280 pages. These texts need to be consolidated and whittled down in record time.

In terms of real negotiating time, there are a mere 16 days left before the Copenhagen conference begins. Politically, there is a high degree of mistrust between developed and developing countries. Yet a new level of cooperation cannot be built on a lack of trust. Much

of this lack of trust stems from the fact that industrialized countries are calling on the major developing countries with advanced economies to take on commitments, while they themselves have *not* met their mitigation and financial commitments in the past. Industrialized countries seem to be shifting the burden of responsibility to major developing countries.

Major developing countries may have advanced economies, but they are still struggling to achieve key development aims. For example, some 400 million people in India still have no access to electricity. Having said that, it is clear that the world cannot come to grips with climate change without a meaningful contribution by developing countries. The challenge is to craft a way forward that is based on respect and mutual support. This means: ambitious targets and a robust financing system.

Copenhagen does not need to come up with all the fine print of a climate change deal. But it needs to ensure that the heart of an agreed outcome is functional and enables a way forward that is based on trust and cooperation. To my mind, the heart of a Copenhagen deal consists of four political issues that need to be resolved at Copenhagen to breathe new life into international cooperation. They are:

- Ambitious emission targets by all individual industrialized countries;
- Nationally appropriate mitigation actions by developing countries;
- Strong financial and technological support;
- Equitable governance structures to manage the support.

#### ***What is the current status of each core political issue?***

##### **1. Ambitious mitigation by all industrialized countries**

For a Copenhagen deal to be truly effective, it is essential that **all** industrialized countries come forward with ambitious mid-term targets.

The scientific community has estimated that there is a 50 per cent chance of limiting global mean temperature increases to 2°C if emissions peak in the next 10 - 15 years, if emissions are globally reduced by 50 per cent by 2050, and if industrialized countries reduce their emissions by 25-40 per cent below 1990 levels by 2020.

The climate change effects associated with this scenario are still serious, but are widely regarded as more manageable. The G8 Summit of 2009 and the Major Economies Forum recognized the scientific view that global average temperature ought not to exceed 2°C.

Despite the recognition of the 2°C limit by the G8, the aggregate pledges for mid-term targets by industrialized countries fall far short of the IPCC range. Industrialized countries need to raise their level of ambition onto an emission path that will ensure a limit in the increase of global temperature of 2°C.

##### **2. The second political essential relates to nationally appropriate mitigation actions by developing countries**

Many developing countries are already implementing mitigation actions with little or no financial support. It is important that the international community recognizes this fact. Developing countries have said time and time again that they are willing to undertake additional nationally appropriate mitigation action, provided they receive financial and technological support.

These actions can be larger than projects, but smaller than entire strategies. Importantly, they must lead to a substantial limitation of emissions. For developing countries, nationally appropriate mitigation actions could drive a shift to sustainable development and help them not to follow the emissions-intensive development path of industrialized countries.

At the same time, the political reality is simply such that major developing countries will need to state what they will do to lower the growth of their emissions. Without this, it will be hard, if not impossible, to reach a political agreement in Copenhagen.

The negotiations do not distinguish between different groups of developing countries, and trying to create sub-groups is not a fruitful way forward. But the reality is this: a Copenhagen agreed outcome that does not drive clear measurable action on the part of major developing countries will be stillborn.

### **3. The third core political issue is significantly scaled-up financial and technological support for mitigation and adaptation actions by developing countries**

Adequate financial, technological and capacity-building support is the engine for advancing both national action and international cooperation. A Copenhagen deal must put in place mechanisms for generating new, predictable and sustainable financial resources and technology to unleash both mitigation and adaptation actions in developing countries.

International and public capital need to be scaled up and significant public funding is essential to boost technological support. Adaptation, as well as many of the sectors that are key to mitigation in developing countries, depend largely on public finance. Scaling up public funding is therefore critical. To this end, it is critical that a Copenhagen deal includes a burden-sharing formula for the generation of support by rich countries.

At the same time, the engagement of the private sector is indispensable because it makes the bulk of the investments that determine greenhouse gas emissions. An effective, regulated carbon market will channel significant resources to developing countries. The more ambitious the mid-term emission reduction targets of industrialized countries, the greater the use of the carbon market is likely to be.

The potential of this should not be underestimated: in 2008, the global carbon market was worth USD 116 billion. In 2009, despite global economic difficulties, its worth doubled. It will be important to create a mix of financial instruments to ensure predictable financing going into the future.

Scaled-up support and financing is urgent. Many developing countries are already suffering the effects of climate change and need urgent adaptation funding. And the planning of additional mitigation actions needs to start as soon as possible. Kick-starting adaptation

and mitigation action is a priority that can be achieved through start-up funding in the order of USD 10 billion at Copenhagen. This will help developing countries prepare solid plans and respond to immediate needs.

#### **4. The fourth political issue centres on equitable governance structures to manage the support**

It is critical that the funds that are agreed as part of a Copenhagen deal have a governance structure that is founded in equity, respects the needs of developing countries and includes them as equal decision-making partners. And institutions need to be made operational in Copenhagen, so that rapid action on adaptation and mitigation can be initiated.

These four core political issues are strongly linked. For example, without ambitious mid-term targets by industrialized countries, which have agreed to take the lead in reducing emissions, developing countries will not see why they should be ambitious in their mitigation actions. Likewise, in the absence of a meaningful mitigation contribution by developing countries, industrialized countries do not see why they should scale up their mitigation. Without predictable and stable support, developing countries will not be able to undertake a higher level of adaptation and mitigation. And without of the principle of equity to guide the governance structures, developing countries will remain in the “donor-recipient” relationship, which will limit international cooperation. Consequently, these core political issues need to be resolved together in view of making a Copenhagen climate change deal operational.

*A Japanese proverb says: “If you do not enter the tiger's cave, you will not catch its cub.”<sup>1</sup>*

Japan has left its mark on the intergovernmental negotiations. As you well know, one of the world's breakthrough protocols carries the name of Japan's former imperial city - Kyoto. More than that, Japan has shown leadership in climate change by spearheading climate-friendly technologies and by making its economy one of the most energy-efficient in the world.

These are huge accomplishments that Japan is renowned for internationally. However, latest science shows that climate change is fast accelerating beyond projections made. This is dangerous for the world and necessitates an increased level of engagement by all.

Plans to reduce emissions by 25 per cent below 1990 levels by 2020 have been regarded with concern in some quarters due to fears of economic costs of reaching such a target.

Such a target is evidence for Japan's continuation of confronting hardship by changing direction, instead of doing more of the same. Ambitious emission reduction targets are an essential component of kick-starting green growth and turning a fundamental corner.

However, in the long-term, the only economically viable way of dealing with the need for stringent mitigation is by greening the economy and economic growth. Ambitious emission reduction targets are an essential component of kick-starting green growth and should not only be assessed from a stand-alone cost perspective.

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<sup>1</sup> Meaning: Nothing ventured - nothing gained

Analyses of voters' priorities in Japan found that their predominant concerns centre on the economy and job creation. In this context, it should be remembered that action targeting economic growth and action on climate change can be mutually reinforcing and create new national and international economic opportunities.

Around the world, greening the economy is widely regarded as a viable way of moving economies out of recession, restoring job growth and achieving more sustainability. This is evidenced by the numerous economic recovery packages that contain large green elements. Furthermore, latest data released by the HSBC Asia-Pacific clearly shows that despite turbulent markets, companies that are making climate change investments are seeing the most growth.

No opportunity is entirely without risk; but in the context of current economic woes, there are clearly opportunities that hold less risk than others - and many of these are green.

Japan's neighbours, the Republic of Korea and China, have embarked on green growth strategies and are successfully pursuing green opportunities. These are the opportunities that need to be seized to ensure a competitive advantage going into the future. Seizing such opportunities will make it easier for the Japanese private sector to retain its global leadership role in climate-friendly technologies.

***The final stretch on the road to Copenhagen is clearly mapped out***

Political momentum around a Copenhagen deal is building up. Copenhagen has been a key agenda item in most summits and political meetings since 2008. It will be further discussed at numerous meetings ahead of Copenhagen, including at Secretary-General Ban Ki-moon's Climate Change Summit for Heads of State and Government to be held in New York on 22 September.

Around the world, hundreds of campaigns are rallying millions of people to support an ambitious climate change deal. Copenhagen has moved into the world's spotlight. I expect that Japan will be a driving force in a successful Copenhagen outcome, because Japan has never shied away from taking on responsibility.

Ultimately, Copenhagen isn't about reluctantly accepting change. It's about changing direction through international policy and seizing the opportunities that come with that.

Thank you

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