Intervention to the Thirteenth Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change

Opening Session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol
December 3, 2007 – Bali, Indonesia

Business Councils for Sustainable Energy from Europe, the United Kingdom and the United States, the Australian Clean Energy Council, the Global Wind Energy Council, and the International Carbon Investors and Services

Mr. Chairman, Ms. Vice Chair and distinguished delegates, thank you for the opportunity to present our views during the opening session of the Ad Hoc Working Group on Further Commitments.

My name is Steve Sawyer, Secretary General of the Global Wind Energy Council and I am speaking on behalf of the Australian Clean Energy Council, the European, United Kingdom, and United States Business Councils for Sustainable Energy, the Global Wind Energy Council, and the International Carbon Investors and Services. This global alliance represents companies and trade associations around the world with billions of dollars in financial capital and investments, and a strong commercial interest in the expansion of sustainable energy and energy efficiency markets.

Our industries are actively reducing our own emissions, deploying and developing sustainable and energy efficiency technologies and are moving substantial capital into this area. Our organizations support the continuation of a legally-binding multilateral regime to address climate change in order to provide signals to the marketplace that accelerate climate-responsible investments.

We note the AWG's Vienna conclusions that referenced the IPCC's findings regarding climate stabilisation:

- that global emissions need to peak and begin to decline in the next 10-15 years
- that global emissions need to be reduced by 50 percent by 2050; and
- that aggregate emission reductions by industrialised countries should be in the range of 25-40% below 1990 levels by 2020

As the AGW assesses it work and plans for future sessions, we urge emphasis of the following elements that will be essential to a successful roadmap in Bali and beyond:

- Agree to launch a new negotiating round on a post-2012 framework;
- Agree to conclude negotiations on such a global agreement by 2009;
- Agree on elements of a stable long-term market framework for low carbon technology development and deployment; and,
- Agree to maintain continuity in the legally-binding frameworks underpinning the carbon market.

The Intergovernmental Panel on Climate Change report released in November found that "there is high agreement and much evidence that all stabilisation levels…can be achieved by deployment of a portfolio of technologies that are either currently available or expected to be commercialised in coming decades, assuming appropriate and effective incentives are in place for their development, acquisition, deployment and diffusion and addressing related barriers."[1] Further, the IPCC concluded that, "without substantial investment flows and effective technology transfer, it may be difficult to achieve emission reduction at a significant scale."

In conclusion, the work of the AWG and the decisions made here in Bali will have the potential to significantly catalyze business investment in climate solutions. Absent credible long-term incentives from government, businesses are unlikely to commit capital at the scale necessary to address the climate challenge.

Thank you for the opportunity to provide input into your deliberations.

[1] "Summary for Policymakers of the Synthesis Report of the IPCC Fourth Assessment Report," November 2007.