

## **BINGO AWG-LCA Statement UNFCCC COP 14 Poznan**

*For distribution*

Thank you Mr. Chairman:

My name is Jean-Yves Caneill and I am speaking on behalf of global business and industry. We are a diverse group with companies of all sizes and sectors from all over the world united in a common desire to make an effective contribution to managing climate risks to enhance efficiency and improve performance using existing technologies as well as develop and deploy effective and innovative solutions to mitigate emissions and adapt climate change.

Time is short before COP 15 and this meeting comes at a challenging juncture in the global economy. Recent events have highlighted the need to work cooperatively to build the policies and commercial conditions needed to shape a more climate friendly future economy and society that meets the energy and development needs and aspirations of all through sustainable economic growth.

Now more than ever, we need cost-effective measures that work with markets and open rules based trade and investment frameworks to ensure that needed technological and financial resources are widely developed.

Business supports the UNFCCC process and will continue to work with you to develop the policy and financial drivers needed to delink environmental impacts from economic growth, provide energy access and security and shape a future global low-carbon economy.

The Global Business Day, co-organized by the International Chamber of Commerce and the World Business Council for Sustainable Development this week sent a powerful message that business is ready to contribute insights, ideas and actions for the development of a new post 2012 framework. We look forward to repeating this initiative in Copenhagen as well as other business events in 2009 that will inform the process.

According to the International Energy Agency World Energy Outlook 2008, investments of \$26 trillion will be required for projects related to energy access and diversify energy supplies, modernize infrastructure, promote greater efficiency, between now and 2030, under a reference scenario. To rise to these substantial challenges, business requires clear, predictable and stable frameworks for research, technological innovation and early long term planning and investment.

In our view, the new international agreement should:

Commit all countries to achievable mid and longer term objectives and policies; taking into account the principle of common but differentiated responsibilities, national priorities and circumstances - for the successful attainment of UNFCCC objectives;

Recognize the important role of markets in any cost-effective response to climate change and enhance market-based approaches in conjunction with other policy instruments for more environmentally sound investment;

Accelerate progress towards the design of financial products to leverage private capital flows to enhance technology finance and adaptation measures;

Keep all energy options open and stimulate the broader use of existing energy efficient and low carbon technologies to enable greenhouse gas emissions reductions to be reached in a cost-effective manner;

Encourage the development of transparent, credible, methodologies as the basis for measurable, reportable, and verifiable nationally appropriate mitigation actions;

Address adaptation needs, particularly in vulnerable developing countries, and create frameworks and governance structures to efficiently attract the necessary resources;

Respond to the challenges of deforestation and forest degradation by supporting sustainable land use practices including sustainable forest management as a major strategy to reduce greenhouse gas emissions;

Stimulate the continued development of an international carbon market, in those countries and regions that choose to utilize this option, and promote transferability and fungibility between carbon markets;

Improve governance, structure, scope, and decision making process of the Clean Development Mechanism (CDM);

Strengthen multilateral trade and investment that will support the economic and technological flows required to implement solutions;

Global deployment of the full range of advanced technologies is needed to address climate change and will require appropriate institutional frameworks, intellectual property rights protection, market-based deployment of those rights, innovative funding mechanisms such as the G8 Clean Technology Fund to accelerate promising technologies, and the removal of trade barriers.

The successful deployment of technologies in the case of mitigation and adaptation cannot happen in a vacuum, and will depend on the existence or strengthening of infrastructure, human capital, local conditions and the engagement of local business communities and public authorities.

Business has provided views and experiences on sectoral initiatives, and understands the need to further deepen analysis in this area.

Voluntary sectoral approaches within the business community have led to improved methodologies for measuring and reporting greenhouse gas emissions, enhanced energy efficiency and contributed to research, development and deployment of technologies.

In considering the effective incorporation of sectoral approaches in a post 2012 framework, issues such as coverage, equity, practical implementation and cross-sectoral benefits need to be addressed. It is important to note that in national and global markets, no sector operates in isolation from others and a multi-sectoral approach is critical to minimize the overall cost to society of addressing climate risks. Dialogue between the Parties and business is needed to improve understanding and develop practical pathways for the future framework.

The global business community stands ready to continue engagement with policymakers and to contribute to the successful completion of the Bali Action Plan next year in Copenhagen.