In advance of the United Nations Climate Change Conference on the 3 - 14 December 2007, in Bali, Indonesia, this statement sets out the UK Government's views on international climate change negotiations and a post-2012 framework to tackle climate change.

Her Majesty’s Government: Statement on a Post-2012 framework to tackle climate change

19 November 2007

Next month environment ministers from the world’s governments will gather in Bali, Indonesia for the UN Framework Convention on Climate Change (UNFCCC) Conference with the aim of launching negotiations leading to a comprehensive global agreement on tackling climate change.

It is crucial that we achieve such an agreement. It is clear climate change poses the most urgent challenge to humankind - a challenge that threatens not only the environment but international peace and security, prosperity and development. Last week the Intergovernmental Panel on Climate Change (IPCC), the world’s authoritative voice on the science on climate change and recent winner of the Nobel Peace Prize, completed its most comprehensive report ever on climate change. It is a clear call for urgent international action. The report shows unequivocally the role of humans in climate change and the impacts on food production, sea level rises, human health, biodiversity and our economies if we do not take urgent and sustained action to reduce greenhouse gas emissions.

To avoid the dangerous impacts of global warming, global temperatures must rise no more than 2 degrees above those of pre-industrial times. That can only happen if nations agree to an enhanced global and comprehensive regime to limit greenhouse gas emissions for the period after 2012, when the first Kyoto Protocol commitment period ends. Because of the time it takes to ratify international treaties, this means reaching agreement on that regime by the end of 2009. So although the UN Conference in Bali will simply launch the negotiations, rather than conclude them, we have only two years to complete those negotiations.

Britain will go into these talks, alongside our European partners, seeking an ambitious agreement. This approach builds on the action the Government are taking in the UK, notably through the Climate Change Bill, which will make the UK the first country in the world to have a legally binding long-term framework to cut carbon emissions and adapt to the impacts of climate change.
Our approach is based on four key principles.

1. **Equal to the scale of the challenge**
The first is that the post-2012 regime must meet the scale of the challenge. A 2°C maximum temperature rise equates to a reduction in global greenhouse gas emissions of at least 50% by 2050 (on 1990 levels). In turn this means that global emissions must peak in the next 10-15 years, then decline. As the Stern Report showed, the longer we delay, the more costly this will be. So a post-2012 regime must put us on a path to achieving this long-term goal.

2. **Effectiveness**
The second principle is that the agreement must be effective. This means it must involve all countries with significant emissions; and the commitments made, whatever they may be, must be genuinely measurable and part of an international legal regime rooted in the UN and agreed by mutual consent.

An effective agreement also requires development of a truly global carbon market. We know that putting a price on carbon is essential to provide the incentive for the private sector to invest in energy efficiency and clean energy sources. A carbon market drives emissions reduction to where it is cheapest, allowing us to do more than we otherwise could.

The EU ETS and the Clean Development Mechanism which provides the basis for a global carbon market is already worth more than 20 billion Euros per annum and could be worth twenty times that by 2030. To deliver investment at the scale needed these emission trading and crediting mechanisms will need to be strengthened and supplemented with new instruments at UN level. Already Australia, New Zealand, 22 US states and most Canadian provinces want to develop emissions trading programmes at a country level, with many keen to make sure these are compatible with the EU ETS. The formation of the International Carbon Action Partnership last month provides a platform for cooperation amongst those proposing and implementing emissions trading programmes.

3. **Fairness**
The third principle is fairness. The commitments made by different countries must be based on the UN principle of “common but differentiated responsibilities and respective capabilities”. Developed countries have the greatest capacity for reducing emissions and are committed under the Convention to taking the lead in combating climate change. So we must take the first and largest responsibility. That means all developed countries must take on deeper targets.

But the larger developing countries will also need to adopt new and flexible types of commitments as they grow and develop. Such commitments cannot
and must not have the effect of putting a brake on economic development; rather, they must make that development environmentally and economically sustainable.

It is important to recognise that developing countries are already acting to tackle climate change. The largest of them, notably China, India, Brazil, South Africa and Mexico, have ambitious plans for energy efficiency and renewable production. This is because these countries recognise not only the need for a global response to climate change but also that they are in a different position to the very poorest countries.

What developing country commitments might be under a new agreement must be the subject of much further discussion. But the UK government agrees that they will be different from those for already industrialised countries, different for countries at different stages of economic development and with different emissions profiles, and they will change over time, as countries grow. We do not foresee any developing country taking on absolute emissions reductions in the next commitment period but action by developing countries should nevertheless be measurable and verifiable, so that they are clearly part of a collective agreement which all countries sign.

But fairness also demands that the rich countries support developing countries in making this transition. We need to facilitate transfer of technology so that developing countries can leap over the polluting 20th century path to industrialisation of the developed countries and move straight to the clean energy technologies of the 21st century. Through the Clean Development Mechanism, the carbon market already provides significant flows of finance to developing countries; they could be much larger in the future. And we are also prepared to do more to and offer support. The Clean Energy Investment Framework of the World Bank and regional development banks is intended to catalyse private sector investment in low carbon energy, energy efficiency and adaptation to climate change. The government has already pledged £800m through our Environmental Transformation Fund over the next three years for these aims and we now want other donor countries to join us in making this a major fund that can assist developing countries in tackling the challenges of climate change.

4. Comprehensive scope

Fourth, a post-2012 agreement must be comprehensive. As well as emissions from energy it must address those from land use, especially from deforestation. Major progress in reducing deforestation rates has already been made, in Brazil, Indonesia and elsewhere. The principle here is clear: forests are sovereign to those countries where they stand. So if we are to help reduce emissions from deforestation, the international community must make it economically worthwhile for local people to benefit from sustainable forest management rather than through logging and forest clearance.
At the same time an agreement must also cover the growing emissions from aviation and shipping, which as an international industry needs an international solution. And last, but very importantly, we need to accept that climate change is already happening and some future impacts are inevitable. All countries need to put in place measures now that will increase resilience to the effects of climate change in the longer term. Yet it is the poorest countries that are particularly vulnerable to the impacts of climate change. A future international agreement must include appropriate assistance to ensure these countries are able to develop and prosper.

The Bali Roadmap
Over the last year we have seen significant increase in political will to tackle climate change. At the G8 leaders summit in June we saw for the first time a clear commitment among all G8 leaders to a UN-based process and a clear signal on the need to advance international negotiations. This was followed by the UN Secretary-General’s High Level Event in September where Heads of Government came together and highlighted the need for urgent action through the UNFCCC process. We must build on this consensus at the Bali Conference and agree a roadmap leading to a global and comprehensive post-2012 agreement among all countries at the UNFCCC meeting in Copenhagen in 2009.

Securing an agreement based on these principles in the next two years will be an immense task for the international community. But the UK Government believes it is possible and is strongly committed to achieving it.

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