

AWG KYOTO PROTOCOL PLENARY – TUESDAY, 15 DECEMBER 2009

OBSERVER ORGANISATION INTERVENTION

INTERNATIONAL EMISSIONS TRADING ASSOCIATION (IETA) ON BEHALF OF THE BINGOs

Thank you,

My name is Kim Carnahan, and I am making this statement on behalf of the International Emissions Trading Association, the Global Wind Energy Council, the Carbon Markets and Investors Association, and the Business Council for Sustainable Energy.

From our perspective, three principles must underlay the final agreement reached over the next few, crucial days: clarity on commitments, certainty that they will endure, and flexibility to achieve them economically.

Clarity on commitments would mean no uncertainties or opt-outs for either business or governments to hide behind: that there is united, global commitment to cut greenhouse gases by a clear amount and over a clear timetable.

Providing certainty that they will endure requires that the mid term targets and long term commitments agreed are credible and create a clear pathway to the future.

Flexibility to achieve them economically means that businesses must be given choices about where, how, and -over the short term - when to make the reductions required of them.

How does the work of the AWG KP stand against these three principles so far?

We've seen a number of very different pledges over different timescales with different conditions, which is unlikely to lead to the global price of carbon that economists and businesses have identified as a necessity if we are to meet the demands of science.

We've also seen neglect of the flexibility mechanisms. Serious reform of the Clean Development Mechanism is imperative and must not be lost in the midst of the high level negotiations.

There is not enough public money in the world to undertake the investment that will create our low-carbon future... luckily, there does not need to be: private companies will make the necessary investments on the basis of clear economic signals. But business cannot give those signals on their own, governments must set and enforce the targets. Clarity, certainty, flexibility. If negotiators want their work here to have lasting effect, they too should adopt those principles.

(This statement is supported by Climate Solutions Businesses: the Global Wind Energy Council, IETA, the Business Council for Sustainable Energy, the International Council for Sustainable Energy and the Carbon Markets and Investors Association)