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**KYOTO: THE MOVE BY THE RUSSIAN CABINET IS POSITIVE, BUT  
CONDITIONS FOR EFFICIENT CLIMATE CHANGE MANAGEMENT STILL NEED  
TO BE DEVELOPED**

UNICE today cautiously welcomed the decision by the cabinet of the Russian Federation to recommend ratification of the Kyoto Protocol.

*“Whilst it is clear that this decision will give a new impetus to the Kyoto Protocol and combating climate change,”* noted Philippe de Buck, Secretary General of UNICE, *“there are many more challenges that have to be overcome before there is a truly comprehensive global agreement to combat the risks of climate change that includes all countries and regions, particularly the major emitters of greenhouse gases. Only with such an agreement, which must be developed on a global basis, will businesses around the world be competing on equal terms.”*

The entry into force of the Kyoto Protocol will enable Parties to take part in international emissions trading and initiate the project-based mechanisms, Joint Implementation and the Clean Development Mechanism. Emission reduction credits from projects should assist European companies in meeting their commitments under the European Emissions Trading Scheme, which starts on 1 January 2005, in a more cost-efficient manner. However, many thousands of such projects will be needed and the current bureaucratic procedures in place under the Climate Change Convention are onerous and act against this objective. It is vital that European Member States do not reduce the flexibility provided by the Kyoto Mechanisms by limiting the use of such credits through the setting of artificial ceilings at national level.

Some of the policy challenges to be faced are:

- How to start the negotiations for the post-2012 period;
- How to pursue a long-term framework that includes future participation by all nations;
- Participation in emission commitments by industrialised and developing countries.

*“It is vital that the competitiveness of EU industry is maintained,”* stressed Mr de Buck, *“part of the solution to combating the risk of climate change is the research, development and dissemination of both new and existing technologies – these activities can only be carried out by competitive and profitable companies. UNICE looks forward to taking part in the debate on both current and post-2012 approaches at EU and international level.”*

Note to the editor:

UNICE represents more than 20 million small, medium and large companies. Active in European affairs since 1958, UNICE's members are 36 central industrial and employers federations from 30 countries, working together to achieve growth and competitiveness in Europe

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