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**UNICE PERSPECTIVES ON THE 12<sup>TH</sup> CONFERENCE OF THE PARTIES TO THE UNFCCC (UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE) (COP-12)**

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Climate change is a global challenge that requires a global solution. Leadership by example is important, but unilateral action by any one country or region cannot on its own combat long-term climate change effectively. Accordingly, policies that allow for innovation and economic growth in all regions by providing positive incentives towards the development and deployment of climate-friendly technologies, promoting sustainable development and lifestyles have the potential to gain global agreement.

Climate policy must be flexible and realistic and take into account energy security, cost-effectiveness and the needs of developing countries, including the use of available resources and technologies. EU business is taking actions to use energy ever more efficiently and to reduce greenhouse gas emissions, and is committed to continue to do so in a fair and equitable framework.

Business is part of the solution to climate change, providing technologies, products and services to meet society's needs. To continue EU development in a sustainable manner it is vital that EU business remains viable and competitive in line with the goal of the Lisbon strategy.

Energy efficiency must be further improved in households, industry, transport and commerce, where cost-effective. Technological cooperation must be fostered, aiming at sustainable development and energy use in industrialised as well as developing regions. Capacity-building is needed to spread awareness and state-of-the-art solutions increasing energy efficiency globally.

**Key elements for the international post-2012 climate change strategy**

The following elements should be included in the post-2012 international climate protection strategy in preparation:

- Establish a long-term, well functioning, market-based policy framework with participation of all large emitter nations extending through to 2030 that will give investors in climate change mitigation confidence in the long-term value of their investments. A significantly improved version of the EU Emission Trading Scheme (ETS), particularly on allocation methodology and harmonised implementation of rules, may provide the basis for such a framework.
- Search for a post-2012 architecture guided by the 2°C objective set by European governments and the understanding that reductions of such magnitude can

ultimately only be achieved through joint global effort. Such architecture has to be economically feasible, based on respective capabilities and fair in order to avoid leakage and to safeguard the level playing field for all the actors competing on the same global markets. Climate and development diplomacy must aim to persuade key developing countries also to open themselves to an international climate protection, adaptation and mitigation policy with clear objectives.

- For this post-2012 architecture we need to set a realistic long-term global goal for reductions in the emissions of greenhouse gases based upon an analysis of credible scenarios that is flexible in order to respond to new scientific assessments and that will encourage innovation and technological development. Such a goal should include medium-term non-binding milestones against which achievements and future needs can be reviewed and assessed.
- Significantly increase public support for research, development and demonstration to encourage solutions to the problem, including public private partnerships and the removal of barriers to market-driven innovation.
- Expand and expedite the use of flexible tools such as JI (Joint Implementation) and CDM (Clean Development Mechanism) for post-2012 for the transfer and deployment of new and existing technologies. To this end nations should ensure that official development assistance (ODA) is consistent and supportive of technology transfer to developing countries.
- Actively support low-carbon energy technology in EU, and partnership with other developed countries and industrialising countries including renewable energies, carbon capture and storage (CCS), clean coal with CCS and nuclear. Access to modern and sustainable energy is the key to poverty alleviation in developing countries as referred to in the Millennium Development Goals of the Johannesburg Summit.

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