

*Delivery Copy*

Statement to the

First Conference of the Parties  
to the

**United Nations Framework Convention on  
Climate Change (UNFCCC)**

by

**James Gustave Speth**

*Administrator*

*United Nations Development Programme (UNDP)*

Berlin

30 March 1995

## UNFCCC: A MODEL OF UN ACTION

Let me begin by congratulating the members of the Intergovernmental Negotiating Committee on a job well done. I regret that I was unable to attend the opening session due to long-standing, prior commitments in Malaysia and the Asia and Pacific Region.

I watched the negotiating process with an interest that grew into admiration as this environmental Convention moved from a concept to the First Conference of Parties. In this year of the 50th anniversary of the United Nations, I believe that the negotiation, signing, ratification, and entry into force of this convention is one of the true success stories of the United Nations system responding to the concerns of governments, the scientific community, civil society, and non-governmental organizations from around the world. The Intergovernmental Negotiating Committee, with the support of an outstanding Secretariat, brought unmatched commitment and dedication to its tasks. I cannot think of a better case where virtually all countries put aside their vested interests and collaborated for the common good of our planet.

But now comes the hard part. The challenge of implementing the Convention remains before us. All countries, both developed and developing, must continue to work with great courage and foresight to make the promise of this Convention a reality. Berlin must become a milestone in the history of the implementation of this vital Convention. And how will we know if we have succeeded? Let me offer four tests. We will know that we succeeded here:

- 1) if there is a clear and unambiguous recommitment on the part of the industrial countries in Annex I to return their climate threatening emissions to 1990 levels by the year 2000;
- 2) if there is a clear and unambiguous commitment to negotiate, without delay, a protocol yielding significant global reductions in climate-altering emissions, particularly CO<sub>2</sub>, by a defined date early in the new century (and here we must pay our respects to the AOSIS countries, Germany and others for their leadership);
- 3) if a workable system is established so that the machinery will be in place to respond in the years ahead as new information becomes available. At a minimum, this machinery should include workable rules of procedure and a Secretariat that is adequately staffed and budgeted to process monitoring information on country emissions and actions; and
- 4) if there is sufficient attention to the need for development assistance so that the developing countries can receive adequate technical assistance, financing, and access to technology.

My statement focuses on three points:

- 1) Political Will in the Context of Current Realities;
- 2) The Imperative of Technological Innovation and Leapfrogging; and
- 3) UNDP in the Service of Partnerships for Technology, Resource Mobilization, and Capacity Building for both Development and Climate Change Mitigation.

### **The Current Reality and Political Will**

Accelerated climate change presents one of the greatest threats the world's peoples and this earth we inhabit have ever faced. The potential impacts of global warming are enormous, although a number of uncertainties about its timing, severity, and geographic distribution remain. The precautionary principle put forth in the Rio Declaration and the Framework Convention on Climate Change requires all countries take precautionary measures to anticipate, prevent, or minimize the causes and adverse impacts of climate change.

Despite universal acceptance of the precautionary principle, it appears from the communications provided by Annex I countries, that with very limited, but notable exceptions, OECD countries will not achieve the accepted goal of GHG stabilization at 1990 levels by the year 2000 unless a new and concerted effort is made. The year 2000 goal was always intended as a first step, since everyone should appreciate that actual reductions in emissions, and not a mere cap, will be essential. But it is a first step that must succeed-- a test of commitment which must be passed. It seems that some governments would prefer to downplay their commitments and the solid science that led to this Convention in the first place. It is extraordinarily important that this discouraging trend be reversed and that the next five years be a period of rededication and concerted action to meet the year 2000 goals.

The burden to act first and to act most rests squarely with the industrial nations listed in Annex I, particularly the OECD members. It is they who have used up whatever assimilative capacity the planet has for greenhouse gases and pushed us to a new type of global brinkmanship--this time with the planet itself. It is they, whose emissions still predominate both in absolute and, even more overwhelmingly, in per capita terms. It is they who have the financial and technological resources to respond. And it is they whose leadership and action is essential to validate the legitimacy of this awesome challenge.

Yet a terrible asymmetry exists, for it is the poorer countries who are likely to be the hardest hit by climate change. They have the most limited capacity to make successful adaptations; they are the most vulnerable to national disasters and extreme events; and they are the most dependent on the weather and their natural resources for survival. And precisely because they are in the greatest need of economic development, they have the strongest claim on the right to future emissions.

What are we to make of those who help sponsor elegant science but ignore its findings? What are we to make of those who proclaim their intent to act but then fail to take sufficient measures and avoid obvious means like a tax on GHG emissions? We cannot allow momentum to be lost. We must remember Professor Bert Bolin's warning: delayed interventions will be much more costly.

### Technological Innovation: The Promise and the Challenge

The long-term solution to the climate change problem lies in finding ways for the entire world to develop which do not require the combustion of massive quantities of fossil fuels. The current high level of accumulated greenhouse gases in the atmosphere is due to the carbon-intensive path taken since the Industrial Revolution. Most anthropogenic Greenhouse Gas (GHG) emissions come from the energy sector. These emissions are expected to increase dramatically over the next century as the economic development needs of the world fuel the demand for greater fossil-fuel combustion. However, recent scientific analysis demonstrates that the necessary deep emissions reductions are plausibly achievable over the next century.

Advances in energy-consuming technologies -- which reduce the level of energy inputs required to provide a desired level of energy services-- and renewable energy technologies--which can supply energy with virtually no net CO<sub>2</sub> emissions-- make it possible to talk about an energy future where economic development continues while greenhouse gas emissions decline. Deep emissions reductions can be made in the longer term by deploying improved technologies with high performance and low emissions as part of the ongoing investment process. This investment process will replace the world's current capital stock at least twice over the next century. Therefore, it is of vital importance to the success of humanity's response to the threat of global warming that the new technology meets the highest performance standards in terms of both energy efficiency and emission characteristics. This is also good business. These new technologies developed through new partnerships will lead to new business activities-- the revenues from which must be shared equitably between developed and developing countries to achieve sustainable development and poverty alleviation.

These new insights have enormous implications for your deliberations here. They compel us to accelerate the adoption of cleaner, more efficient technology throughout the world, for all members of the global community. All countries-- both developed and developing-- face the same challenges within a framework of common objectives but differentiated responsibilities. Harnessing markets to develop and disseminate these technologies throughout the world must be a central goal of this Convention. The traditional model of technology transfer wherein technologies are innovated in the industrialized countries before being gradually transferred to developing countries is not appropriate to this task. Rather, all members of the world community must work together toward technological innovation and diffusion. Developing countries must have early



access to cutting-edge technology, and there is no better way to ensure that than for those countries to be partners and participants in the development of that technology.

With annual investments on the order of \$200 billion, the global energy system must be made to be as environmentally benign as possible. Large changes in this system must be made through the investment process to bring that system in line with both the local and global requirements for sustainable development, as well as with increased productivity and lower costs of production. "Leapfrogging" of either a technological or an institutional nature is the appropriate model for the accelerated introduction of these cleaner technologies with better performance characteristics. The capacity of developing countries to build, operate and manage these technologies must be strengthened and the policy environment improved to encourage markets to accelerate this process. There are many areas where technological leapfrogging might take place. These include the modernization of biomass energy through power generation, photovoltaic and solar thermal power generation, improved-efficiency steel mills and other manufactures, fuel-cell vehicles, and modal shifts toward public transportation.

#### **UNDP: A NETWORK OF SERVICE**

I want to speak now on what UNDP can and will do to make this Convention succeed.

##### **1. A "No Regrets" Approach**

For developing countries, any discussion of climate change mitigation projects must focus upon "win-win" or "no regrets" actions that can lead to economic development and reduced greenhouse gas emissions. UNDP is committed to support developing countries in identifying such strategies and pursuing projects within this framework. Our role is to help enable countries to adapt to and to mitigate future climate change in a manner which is consistent with their own sustainable development priorities. UNDP can best do this in four ways: (i) assisting countries to develop the capacity to both develop and implement the plans and projects required by Article 12; (ii) assisting countries in sectors of particular relevance, in partnership with NGO's and the private sector; (iii) linking work in these areas to funding through the GEF and other sources of financing; and (iv) supporting the Conference of the Parties and its Secretariat in appropriate ways.

##### **2. Assistance in the Energy Sector**

UNDP has been supporting governments in the energy field through its regular and special multidisciplinary development programmes for nearly 50 years. From 1990 to 1994 alone, UNDP has supported more than 260 operational energy sector projects valued at \$250 million. Increasingly, these projects focus on new and renewable energy, energy planning and demand-side

management of energy use. In response to countries' needs to make energy supply and demand more sustainable, UNDP is helping countries to increase the efficiency of energy use and to expand the use of renewable energy resources. This initiative promotes technologies and policies which are consistent with the goals of this convention and will seek to encourage the technological "leapfrogging" referred to earlier. It does so through building capacity in developing countries and facilitating cooperation with the private sector and major lending institutions.

At UNDP, we have strengthened our own substantive capacity to provide support to our programme countries in their pursuit of sustainable human development. Our evaluation of key development issues has identified energy as being central to development and to our key concerns-- employment generation, poverty alleviation, improving the status of women, and sustainable management of natural resources. Energy also is critical to foreign exchange balances, urban air pollution, acidification of soil and water, and greenhouse gas emissions. As observed in Agenda 21, current trends in the energy sector are not sustainable. Actions taken to make the energy system more sustainable also coincide with the measures required for climate change mitigation. Energy must become an instrument for sustainable development.

To that end, UNDP is pursuing its Initiative on Sustainable Energy. This programme builds on strengthening human and institutional capacity within developing countries and leapfrogging towards increased energy efficiency and expanded use of renewable sources of energy.

### **3. Capacity Building and the GEF**

UNDP is active in the area of capacity building in support of sustainable human development. Capacity 21 is a programme designed to make it possible for developing countries to implement Agenda 21. Capacity 21 assists governments in reviewing national policies and plans, analyzing capacity needs, developing participatory processes, setting national agendas and building consensus.

Together with UNEP and the World Bank, UNDP also serves as an Implementing Agency for the Global Environment Facility and is responsible for capacity-building, pre-investment and technical assistance. In this role, we work through our network of 135 country offices supporting governments in formulating their climate-change strategies, building capacity to pursue their own programmes, obtaining funding for their own projects, and implementing their own priorities.

As you are aware, the Convention places the highest priority on the funding of "enabling activities". UNDP has begun working with its bilateral and multilateral partners in the CC:COPE framework to build a systematic programme which responds to the long-term needs of developing countries both to participate in the Convention process and to pursue their own development

priorities. Within the restructured GEF, UNDP supports countries in preparing "enabling activity" projects, designed to help them establish a sustainable system to prepare their communications to the Conference of Parties. In addition, UNDP also supports countries in developing and implementing training programmes, targeted research, institutional development, strategic research and development initiatives, and "demonstration" projects.

More than twenty-five GEF-supported climate change projects worth more than \$100 million have been implemented through UNDP during GEF's Pilot Phase. We are working in close partnership with the Convention and the GEF Secretariats and the other implementing agencies to make the financial mechanism of the Convention a flexible, participatory, and country-driven tool to serve the needs of the global environment and our partner countries.

And so, in conclusion, I would like to offer you the services of UNDP. We are at your disposal. Our 135 country offices around the world are poised to help you wherever and however appropriate. These offices are a flexible and responsive network for implementing global programmes through the United Nations system. We are prepared to provide both substantive and administrative support to serve your needs and those of the Secretariat. In this endeavor, we are pleased to work closely with UNEP and the United Nations Department for Policy Coordination and Sustainable Development (DPCSD).

With the toppling of the Berlin wall, Germany provided the world with an important symbol for political change. It seems fitting, then, that we meet here. Berlin must now also become a turning point in environmental stewardship--the place where the protection of the planet's climate began in earnest.

Ladies and gentlemen, like many of you, I have followed this issue closely for more than 15 years. You know and I know that the threat is real and compelling. This is no time for a standoff among the industrial countries, the developing countries, and the oil-producing countries. All countries have an obligation to act and a role to play in achieving the clearly stated goals of this Convention. And as I mentioned earlier, the OECD countries have an obligation to act first and most.

Quite literally, the world is in your hands. Don't drop the ball!