Saudi Arabia

STATEMENT OF THE KINGDOM OF SAUDI ARABIA AT THE MINISTERIAL SEGMENT OF THE CONFERENCE OF THE PARTIES TO THE U.N. FRAMEWORK CONVENTION ON CLIMATE CHANGE

By

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Head of Saudi Arabian Delegation to the First Conference of Parties to the U.N. Framework Convention on Climate Change Statement of the Kingdom of Saudi Arabia to the Conference of the Parties of the UN Framework Convention on Climate Change

Madame President,

The Honourable Ministers and Heads of Delegations to the First Conference of the Parties of the United Nations Framework Convention on Climate Change, Delegates, Ladies and Gentlemen,

it is an honour and a privilege for me to address this first meeting of the Conference of the Parties for the Framework Convention on Climate Change and express the support of the Kingdom of Saudi Arabia for the important changes which, hopefully, will result from its implementation.

The Kingdom of Saudi Arabia has joined the Convention following an intensive national debate in which the many ramifications of the Convention were carefully considered by all sectoral interests. It was a most constructive exercise that has done much to advance our nation along a path towards sustainability.

In the course of this consideration, the Kingdom has come to the position that, because it is a developing nation, an energy producing nation and a major contributor to development assistance; Saudi Arabia may well be in a position to play a significant role in the implementation of this Convention. Thus, we come to this meeting fully prepared to play a positive and constructive role in this effort.

Saudi Arabia interprets the Framework Convention on Climate Change as an essentially political process which has evolved from, and is supported by, the scientific deliberations of the IPCC and other scientific bodies. Yet, despite the excellent efforts of the scientific community, each national delegation present is constrained by its own national political realities in terms of what actions can be supported.

It also appears that there are frequent confusions between scientifically based propositions, technological feasibility, and political necessity. Furthermore, and it is our position that importance of the Convention's intent is so great that such confusions should not be allowed to impede necessary progress by diverting global effort into unproductive or impossible directions which cannot be implemented with available resources.

Foremost among these directions are the proposals for reductions in emissions which are currently under consideration. Our own calculations indicate that, in order to reduce emissions to 1990 levels during the next 50 years, every nation in the world would have to achieve the highest efficiencies attained by developed nations to date (beginning in 1996) and that the global economy would have to expand at less than 2.3% annually. The cost of implementation of such a program would require an investment of nearly 4% of world GDP¹ (\$4 trillion) when fully implemented.

In order to achieve such a reduction by the year 2000 (with the same efficiency) the

In order to achieve such a reduction by the year 2000 (with the same efficiency) the global economy would have to expand at less than 1% growth.

¹ Energy Modelling Forum, Stanford University.

To reach the 60% reduction which the IPCC indicates is necessary to stabilise the concentrations of greenhouse gases at a level which would avoid dangerous anthropogenic interference with the climate system would require maximum efficiencies and 0,4% economic growth for nearly half a century.

Madam President, clearly, for all of these scenarios, the first condition is impossible and the second unacceptable to both developed and developing nations.

It is clearly impractical to propose to return global emissions to such a level without a major injection of funds by the developed world.

Investment in eradication of poverty, on the other hand, can have immediate environmental savings in solving the problems of desertification, afforestation and vulnerability to natural disasters which may follow a change in climate beside promoting political stability. In addition, if the poverty gap between rich and poor can be narrowed, developing nations can avoid the cycle of inefficient development which has taken place, a much greater saving in cumulative emissions may result. Much of Saudi Arabia's development assistance, which has reached as high as 7.4% of its GDP² is directed towards such an end.

Thus, the real issue facing this conference is not the establishment of unattainable goals for emission reduction but rather establishment of modalities which will free up financial resources necessary for a level of response by all involved nation that is appropriate to the magnitude of the problem of global climate change.

Madam President, the level of commitments taken by developed countries to date represent a very small step in this direction, one which clearly must be increased by orders of magnitude if the countries are going to actually implement response to climate change.

It is imperative that the developed countries take the lead in funding response since they have contributed 85% of global emissions since the industrial revolution. There is, therefore, an "environmental debt" of enormous magnitude that is owed by these countries which must serve as the basis for initiating global response. Developing countries must not be asked to pay this "debt" by modifying their own development to include current and prior environmental incremental costs.

Thus, any attempts to develop any binding measures for emission reduction must inherently adjust for the reality that, despite the developing world's insistence that the costs of climate change response should be paid in addition to normal ODA, developed world nations do not appear to be ready to make the modifications to their standard(s) of living which would be required in order to repay this debt to the world community. Measures should, therefore, be pragmatic, realistic and attainable and reflect this fact of limited resources².

² In addition. Saudi Arabia's contribution to the International Monetary Fund and a depletion factor since the aid originates form a depletable resources may bring this total to 16% of GDP. Japan

Furthermore, any binding measures brought forward for consideration needs to provide full consideration of those nations whose situations are unduly subject to both impacts from climate change and to global measures to mitigate climate change.³

At the same time, the entire global community, particularly the nations of the developed world should begin to examine modalities to begin to stimulate repayment of the environmental debt and creation of additional capital for sustainable development in developing countries.

Madam President, efforts to reduce emissions through market modalities such as the so-called "carbon taxes" should be discouraged. Although a reduction in energy consumption might be achieved, it would be accompanied by displacement of a large share of capital generated by developing world energy producers from the developing world to the developed countries, where it would be distributed to the consumers in those nations as subsidy for their energy improvements. It would seem that, if the developing world is being asked to make sacrifices, that they should not also be asked to finance efficiency in the developed world.

Furthermore, technology transfer should insure technological independence rather than dependence.

Finally, given the difficulty or even impossibility of achieving additional emission reduction goals currently under consideration with the resources that are likely to be made available, it would seem most important to have a fall-back long-term program. Such a program would emphasise adaptation to climate change, efficiency of developing world economic expansion and provision for taking full and complete advantage of beneficial climate related changes when they could lead to improved food production and other benefits. It should also include provision for dealing with the unexpected and with the negative aspects which are being suggested by the scientific analysis of future climates.

Madam President, thus, following its careful analysis of the Framework Convention on Climate Change, Saudi Arabia looks toward full and constructive involvement in the process represented by this first meeting of the Conference of Parties. In addition to its role in the Conference itself, the Kingdom will also continue in its role as a major donor nation providing assistance that is not tied to any political agenda, and will seek, through its internal pursuit of sustainable development, to develop skills and technologies which may be freely shared with other nations.

Thank you.