

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE
Second Session of the Conference of the Parties
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Statement by Ms Sirkka Hautojärvi
Secretary General, Ministry of the Environment, Finland

Mr. President, Distinguished Delegates, Ladies and Gentlemen

Scientific knowledge and awareness of anticipated serious consequences of climate change is continuously increasing. The IPCC Second Assessment Report concludes that the balance of evidence suggests that there is a discernible human influence on global climate.

We have also been able to read in the excellent report by the Secretariat that numerous measures have already been adopted and planned by the Parties. This constitutes a constructive and promising start in this common and global effort. However, those policies and measures are considered to be a minor step in the long process towards the ultimate objective of the Convention.

We should really start negotiations on the Protocol which should include policies and measures as well as quantified emissions limitation and reduction objectives. We think that it is of utmost importance to include an approach of fair sharing of responses to global climate change challenge into the Protocol in order to ensure the widest possible involvement. We are of the opinion that elaboration and implementation of common and coordinated policies and measures would significantly contribute to the fair sharing of responses among the Parties.

The EU has identified a set of key policies and measures that could be included in a protocol or another legal instrument. We would like to highlight some of those measures already applied in Finland.

Finland was in 1990 the first country to introduce a CO₂ tax on carbon content of the fossil fuels. Since then, the energy taxation system has been further developed and restructured. At present, the tax is imposed on the primary energy, thus encouraging improvements in energy efficiency and production structures. The system does not provide for any relief or exemption for any economic agent, even not for the energy-intensive industries. So it is the environmental effectiveness we have looked for with this economic instrument.

Unfortunately, the Finnish energy taxation has also its disadvantages; the main one being the fact that very few Parties have introduced taxes of similar type. In fact, for this reason we are on the course to revise slightly our system. We are convinced that environmental taxes, other economic and market-based instruments, including removal of subsidies, are a suitable and efficient tool in reducing emissions.

In the light of the Finnish experience, especially in the case of economic instruments clearly affecting the international competitiveness, internationally coordinated approach would be of utmost importance. We are here dealing with a global problem and no single Party is supposed to solve it alone. Certain types of measures are effective only if we act jointly.

Energy efficiency has been one of the corner stones of Finnish energy policy. We regard energy efficiency as a vital element of active policy towards sustainable development and especially in combatting the increase of greenhouse gas emissions. Based on our special energy conservation programme, which has been just revised, energy consumption in 2010 could be made 10-15 per cent lower than what it would be without new conservation measures.

We see that the role of new technology is essential and the most important when aiming at further emission reductions in the future. In Finland there are 10 national energy technology programmes under way in cooperation with companies and other expert bodies. The main emphasis in these programmes is on research on environmentally sustainable technologies. Aspects covered include development of new combustion techniques and research aimed at increasing the use of biofuels and other renewable energy sources and improving the efficiency of energy production. The programmes involve considerable international cooperation. The status report of these programmes is available at the back of the room.

Development and dissemination of new technologies should be emphasized. In this respect we regard the Climate Technology Initiative (CTI) of the OECD/IEA as a promising tool.

Fossil fuels are not the only contributor to the climate change. We consider the safeguarding of carbon storage in forests of great importance. Our forests are managed according to sustainable principles also leading to carbon sequestration. A significant part of annual increment is left untouched by commercial exploitation due to environmental goals of the forests, especially for the conservation of biodiversity.

Finland believes that each industrialized country has to intensify her efforts and to contribute to the development of the Convention. Finland equally believes that the legal commitments of each of these countries must take into account different national circumstances, such as differences in starting points and approaches, the resource base and structure of the economy and other factors as mentioned in Article 4 of the Convention and in the Berlin Mandate. Finland is willing to do her part within the context of such equitably shared commitments.

Thank you

RECORD OF MINISTERIAL SEGMENT

COUNTRY: FINLAND NAME OF SPEAKER: Ms. Sinkka Henttonen

DAY: 18 July TIME: 19:31 NOTE-TAKER: CHZ STATEMENT PICKED UP? ☒

AGBM-RELATED ISSUES		
The speaker indicated:	<input type="checkbox"/> a preference for an amendment <input checked="" type="checkbox"/> a preference for a protocol <input type="checkbox"/> that s/he cannot indicate a preference at this time <input type="checkbox"/> AOSIS <input checked="" type="checkbox"/> EU	Comments: → should include policies + measures + QELRO - common + coordinated policies + measures
The protocol/ other legal instrument should include:	<input type="checkbox"/> mandatory policies and measures <input type="checkbox"/> voluntary policies and measures	Policies or measures specified: CO ₂ tax on fossil fuels system to be revised - other market-based instruments to be implemented
Does the country support any particular target?	<input type="checkbox"/> yes: <u>10-15</u> % by <u>2010</u> year <input type="checkbox"/> no	Comments:

SBSTA-RELATED ISSUES	
Reaching targets within the country by the year 2000 (Annex I Parties)	Comments:
Development and transfer of technology	Comments: CTI is a promising tool - → the most important issue in reduction of emissions → also other bodies → programs to promote biofuels + renewable resources + internat. coop.
IPCC Second Assessment Report (SAR)	Comments:

SBI-RELATED ISSUES		
Should the GEF be the permanent financial mechanism?	<input type="checkbox"/> yes <input type="checkbox"/> no	Comments:
Activities Implemented Jointly (AIJ)	<input type="checkbox"/> in favour of pilot phase <input type="checkbox"/> distinction made between JI/AIJ	Comments:
Preparation of non-Annex I communications	Comments:	

OTHER COMMENTS: