

**STATEMENT BY MR. JAN PRONK, MINISTER OF  
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**BEFORE THE FOURTH CONFERENCE OF THE  
PARTIES TO THE UNITED NATIONS FRAMEWORK  
CONVENTION ON CLIMATE CHANGE**

**BUENOS AIRES , NOVEMBER 12 1998**

**ATT: PLEASE CHECK AGAINST DELIVERY**

Your Excellency President Alsogaray, Colleagues, Mister Executive Secretary,  
Distinguished Delegates,

I would like to make four points.

1. Much discussion during this Conference centers on the so-called "flexible mechanisms": international finance and trade aiming at emission reductions in other countries than our own. This does make sense, because it can be cost effective. However, there should be no misunderstanding: all countries with high emissions should start at home. If not, credibility is at stake. Credibility in the eyes of future generations within each of our own societies. Our grandchildren, bearing the burden of climate change, will call us shortsighted if we by, trading rights, continue to increase pollution at home, postponing changes in domestic production and consumption patterns necessary to render life sustainable. Credibility also vis-à-vis those countries which, being poor, rightly feel entitled to a fair share of the world's resources necessary to grow in a sustainable way. Asking them too to take steps to limit the negative impact of economic activities on climate requires that Annex I countries first do this themselves.
2. Sustainability requires that there are no taboos, neither at home nor internationally. In many of our countries prices of fuel for automobiles have been a taboo. In the Netherlands we try to address this by greening taxes: lower taxes on labour, higher on energy and pollutants. Other taboos can only be addressed internationally. Aviation, for example. We should now seriously try to reduce emissions from international aviation, for instance by agreeing on taxes on fuels.
3. All three flexible mechanisms are very promising. Joint Implementation furthers international cooperation. It is an incentive for private business and helps us to reach our targets at lesser cost. Emission trading brings all these benefits. It has a great potential, provided that it does result in lower emissions in each of the trading partners. The Clean Development Mechanism offers a new perspective because it may be the first mechanism for international development finance which does not depend on the whims of the donor. In a CDM there are no donors and recipients anymore, only beneficiaries, because all CDM-partners share an interest in cleaner development: less poverty, more renewable resources, responsible management of land, forest and water, limiting the consumption of fossil fuels, reducing the negative impact of human activities in all countries on global climate conditions. Such a common interest of all generations, irrespective of their nationality, is a guarantee for real cost effectiveness and sustainability of development finance.

4. There are already too many victims of extreme weather conditions and climate related natural disasters. The number of vulnerable people is on the rise. Many countries still can cope, though only with the help of costly investments, such as in my country, when we strengthen our dikes.

Most of the vulnerable people, however, are poor. Victims of drought, landslides, floods, typhoons, erosion. Their poverty compels them to live in the least productive and most vulnerable parts of our earth. Their habitat may even weaken their natural environment, rendering them ever more vulnerable. And if they are hit, they have nothing left to start their lives again. This is why we have to increase assistance to vulnerable people and countries which try to adjust to changing weather and climate conditions. Finance on the basis of the three flexible mechanisms may help. But let us not wait until such finance becomes available. Redirecting and increasing existing facilities and funds such as GEF and UNDP is urgently required.

We in the Netherlands commit ourselves to both domestic action and to the participation in international mechanisms. Soon we will take decisions on a new project to reduce CO<sub>2</sub> emissions in our country, in cooperation with private business and civil society. In our budget for the next couple of years we have reserved several hundreds of million of guilders to participate in JI and CDM. We stand ready to cooperate with all countries to implement the work program to be adopted at this Conference. We are pleased with statements made by many other countries, including Argentina and the United States. For us these are an encouragement on the road towards full ratification and implementation of the Kyoto agreements.

May Buenos Aires provide the good atmosphere for a breakthrough on the four fronts mentioned: domestic action first in order to avoid a credibility gap, no taboos, sustainable finance for sustainable development and unconditional aid to the victims of manmade climate change.

Thank you very much.