

CHECK AGAINST DELIVERY

Speech at the Tenth Conference of Parties to the UN Framework
Convention on Climate Change

Reducing Vulnerability through Global Cooperation

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Mr. President, honorable ministers, distinguished guests, ladies and gentlemen:

By 2050 the global population is expected to have increased by 50%, mostly in developing countries. Based on conservative projections, world income is likely to have increased from its current US\$35 trillion to US\$135 trillion and per capita income for a large proportion of the world's poor should reach levels where basic needs for food, energy, clothing and shelter could be met. Such growth and its potential social dividend will be dependent, in part, on the ability to sustain the development benefits we derive from global ecosystems. Increasingly, climate variability- floods, storms and droughts- and uncertainty about future climate patterns will need to be taken into consideration at the outset by economic development planners around the world. Indeed, human-induced climate change is likely to undermine long-term economic development prospects and in particular the ability of many poor people to escape poverty.

Mr. President ,

A decade after the creation of this Convention , we should recognize and appreciate the significant contribution it has made. Yet more remains to be done

We welcome the milestone achievement of the Kyoto Protocol. The international community must now face a number of important choices. These include, but are not limited to: (i) whether to negotiate a new series of national targets for a second commitment period or whether to focus directly on the issue of setting and achieving the goal of limiting the long-term change in global mean surface temperature; (ii) how to fully engage all major emitters of Greenhouse gases in both rich and developing countries, with an equitable allocation of emissions rights ; and (iii) how to facilitate adaptation to climate change.

Mr. President ,

There is no single solution to this very complex problem . At the end of the day, the long term approach is likely to include a rules-based system , an incentives system and investments in technology change. Increasingly, adaptation at the national level will be recognized as a major issue which will require appropriate funding. Dealing with the impacts of climate change and with emission reductions should not be mutually exclusive, but complementary.

Given the long lead times, increases in public and private sector investments in energy research and development, as well as research in adaptation , especially in the agriculture and water sectors, are needed now.. Advances in research and development will have to be accompanied by policies and programs to facilitate the widespread deployment of such climate-friendly technologies.

The World Bank is striving to integrate mitigation of and adaptation to climate variability and change into its operational activities. In the World Bank's regular program we are promoting energy sector reforms including reduction of subsidies, energy efficiency and we have co-funded public-private investments. We have also provided assistance in capacity building and research.

We are working with partners in supporting financial strategies to assist developing countries meet the additional costs caused by climate change. In this regard, I want to highlight the relevance of our cooperation with the Global Environment Facility: In part, as a result of this partnership, the World Bank Group has become one of the larger financiers of renewable energy and energy efficiency during the last 15 years. To date over \$1 billion dollars in GEF grants together with about US\$8 billion dollars in co-financing, have been committed to climate change related programs. The GEF has been and must continue to be a vital source of funding for the ever increasing challenge of achieving globally sustainable development and therefore we hope for strong support from all members in the upcoming GEF replenishment.

More recently, a significant component of our work is to ensure that poor countries have access to carbon financing. As of November 1st, 2004, the World Bank has committed \$760 million from governments and the private sector, through a number of public-private partnerships. The knowledge gained from these transactions has been disseminated widely through capacity building and technical assistance programs. The

methodologies developed for creating CDM-eligible emissions reductions have supported the vital work of the CDM Executive Board. The Bank stands ready to support the CDM's work.

Mr. President, ladies and gentleman:

We cannot wait until 2015 to discover that the sustainability of the Millennium Development Goals is at risk. Climate change is a serious environmental, developmental and global issue, but working together, now and beyond Kyoto, we can find cost-effective solutions. The international community, and particularly developing countries, can be reassured that the World Bank stands ready to assist in overcoming this obstacle to economic and social progress.

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