

STATEMENT BY ITALY ON BEHALF OF THE EUROPEAN COMMUNITY AND ITS MEMBER STATES

The position is supported by the following Acceding States: Slovenia, Poland, Lithuania and Hungary

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COP9: Opening of the sessions

Mr. President,

It is a real pleasure for me to welcome you, all delegates and the Secretariat to Milan.

Italy, on behalf of the European Community and its Member States, looks forward to advancing the work outlined on the COP9 agenda which can make important contributions to the successful implementation of the UNFCCC and the Kyoto Protocol.

As we start our work it is useful to reflect on why we are here. The message from the IPCC is clear and is supported by the overwhelming majority of the scientific community – climate change is occurring, it is primarily a result of human activities, and it represents a threat to people and ecosystems. Developing countries, in particular the least developed and small island states, are the most vulnerable and the least able to adapt to climate change. We also know that climate change will continue and will get worse unless we act. That is why we are here, in this Conference of the Parties to this Convention – our aim is to take action and to limit that damage. Climate change action not only limits damage costs, but has further benefits, including other environmental benefits, energy cost savings, health benefits, promoting energy security, employment and competitiveness.

With this challenge in mind, the EU sees the Kyoto Protocol as a key step in tackling climate change. We welcome that 120 Parties have already ratified the Protocol and EU looks forward to its ratification by Parties that have not yet done so, in particular the Russian Federation, to allow its entry into force as soon as possible. The EU believes that the fight against climate change can only have a successful outcome if ultimately all the countries of the world participate and if there is a truly global and international response.

With this in mind, the EU calls upon the United States of America (USA) to live up to its responsibilities under the UNFCCC and to strengthen their domestic action on climate change to a level which represents an effort comparable to that made under the Kyoto Protocol.

The Kyoto Protocol represents the first step towards meeting this challenge and has the full commitment of the EU, which underlines its determination to respect its commitments under the Convention and the Kyoto Protocol and to demonstrate progress by 2005. The first priority is mitigation – controlling emissions is key to limiting the amount of adaptation needed. This is why the EU 15 not only stabilised its emissions at 1990 levels by the year 2000 as aimed for in the Convention but reduced them. In 2001, emission levels were 2.3% below 1990 levels. The EU is also committed to meet its Kyoto target to reduce our greenhouse gas emissions by –8% below 1990 levels by 2008-2012. The EU is already taking the necessary steps to achieve this.

In addition to action at national level, common policies and measures have been approved under the European Climate Change Programme and are in the process of being developed to ensure the EU is on course to meet its commitments. EU action to date includes legislation on renewable energy sources that sets a target of 22.1% for the share of electricity produced from renewables in total Community electricity consumption by 2010, and voluntary commitments by car makers to reduce CO₂ emissions per km by 25%. Legislation to establish an EU GHG emissions trading scheme has also been adopted and the scheme will be operational from the start of 2005. Recalling Articles 6 and 12 of the Kyoto Protocol and the respective decisions adopted by COP7 in Marrakech, the EU also acknowledges that the recognition of JI and CDM credits inside the EU GHG emissions trading scheme offers opportunities to promote project activities to the transfer of environmentally safe and sound technology and know-how, in order to assist Parties not included in Annex I to the Convention and Parties hosting projects, in achieving sustainable development and in contributing to the ultimate objective of the Convention. In addition, to follow the EU's progress towards meeting its target and to help identify where additional action may be necessary, the EU's monitoring mechanism has recently been strengthened to supplement national level monitoring.

As well as delivering on its mitigation commitment, the EU places great weight on respecting all its other commitments under the Convention and Protocol. Member States are already devoting considerable resources to non Annex-I Parties on climate change, including support for technology transfer and capacity building in developing countries, for activities linked to adaptation and to mitigation. In this context, we welcome that the GEF has just approved financing for 2nd National Communications from Non-Annex I Parties, a new Strategic Priority on Piloting and Operational Approach to Adaptation and a new Strategic Approach to Enhance capacity building in developing countries. The EU will contribute its fair share to the financial commitment made by a number of Annex 1 Parties in the Bonn Political Declaration. To this end, the EU Member States will annually from 2005 make available a total of US \$369 million using the four channels outlined in the Declaration.

The EU also recognises the strong link between action on climate change and sustainable development and, with this in mind, the EU strongly supports the important role of the Clean Development Mechanism and welcomes the on-going work of the Executive Board.

At this Session, the EU looks forward to working constructively with other Parties to advance our work. In particular:

- The EU looks forward to reaching an agreement on "**Modalities and procedures for afforestation and reforestation projects** under the Clean Development Mechanism in the first commitment period". The agreement should maintain the integrity and the environmental sustainability of the Protocol while promoting sustainable development in developing countries.
- Considering the significant increase of GHG emissions related to the use of the **international bunker fuels** since 1990, the EU believes that specific measures to reduce these emissions are of utmost importance and progress is needed.
- The EU looks forward to reaching agreement on guidance for the SCCF and the LDCF, to reaching agreement on the frequency of submissions of National Communications in order to support an efficient preparation process and to make concrete progress on adaptation to the adverse effects of climate change.

- The EU believes that work on further improving cooperation among the **three Rio Conventions** - both at national and international level should also be taken forward at this Session.
- The EU also looks forward to concluding the **budget** negotiations. To ensure that the international process develops and expands to cover the negotiation process and increased demands, we need to continue to benefit from a well functioning and efficient Secretariat. This depends substantially on the resources at its disposal, for which we need to provide the appropriate and justifiable finances in an era of tight budgets.

Mr. President, at this session of the Conference of the Parties, we also have to take stock of the important work already done for the implementation of the UNFCCC and the Kyoto Protocol and to set the scene for the future. In the days ahead, we look forward to a close and productive exchange of views and collaboration with our colleagues and the Secretariat. The ministerial roundtables will provide a good opportunity for this.

In conclusion, the EU looks forward to working constructively with other Parties for a positive outcome to this conference that will take us closer to meeting the ultimate objective of the Convention. The EU is also committed to increase and strengthen the dialogue and co-operation on the **evolution of the UNFCCC international climate protection** regime, beyond the first commitment period, building on the Kyoto Protocol. The EU is open to discussions with all Parties to hear from them their views and to explore all options available to achieve the ultimate objective of the Convention taking into consideration the principle of common but differentiated responsibilities.