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# The Climate Change Negotiations The Bali Road Map and the Road to Copenhagen via Poznan

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*Conference on Climate Protection, Climate Change and  
Gender Justice*

Bonn, 4 November, 2008

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UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

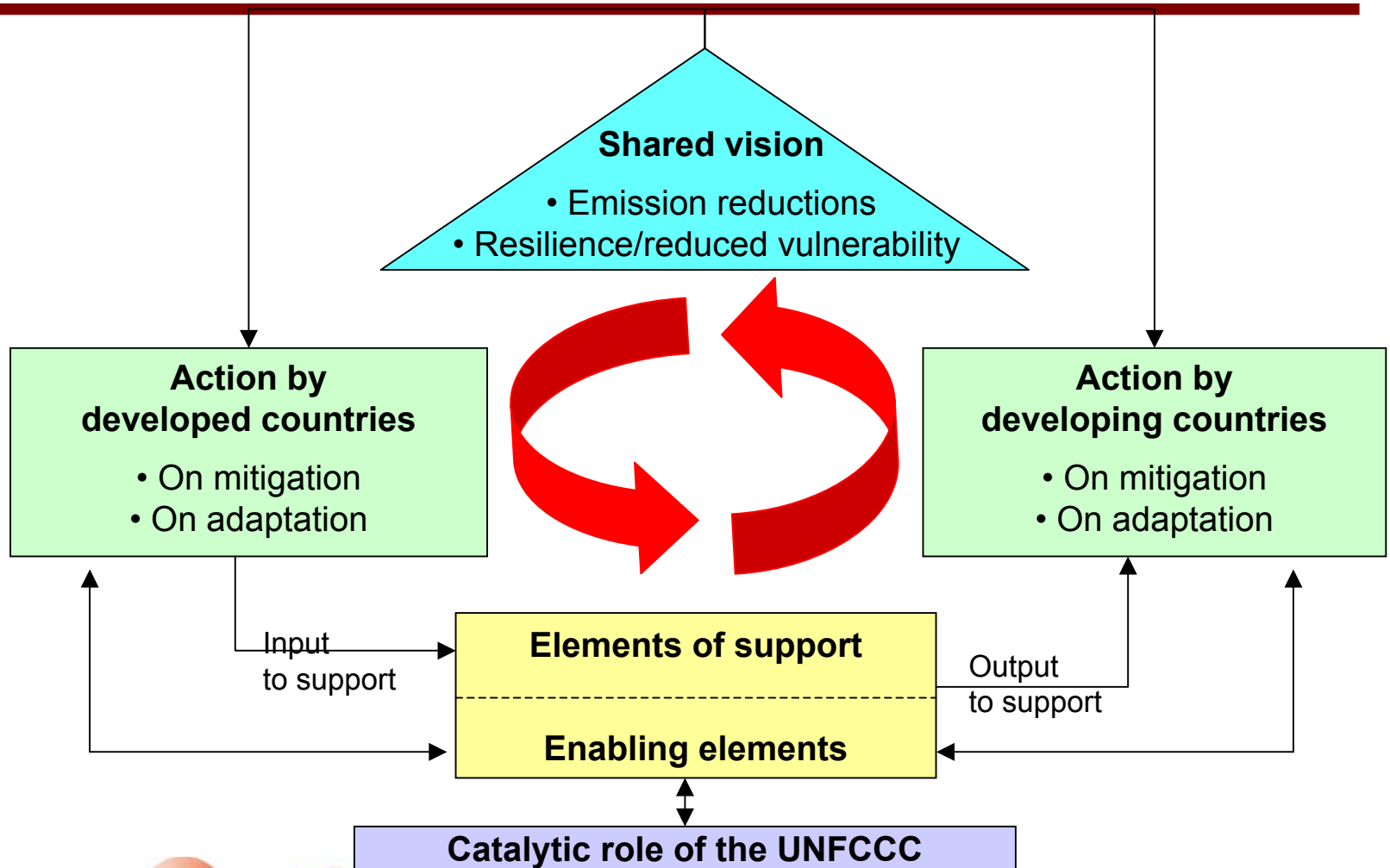
# THE BALI ROAD MAP

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- Findings of IPCC Fourth Assessment Report means that humanity has never before been so profoundly aware of climate change, of its impacts and of the fact that *emissions must be radically reduced* to secure our survival.
- Build-up of political awareness for climate change - adoption of the **Bali Road Map** negotiating process.
- Two-year process under the UNFCCC is set to conclude in an agreed outcome in Copenhagen 2009.
- The Bali Road Map negotiating process offers Governments an opportunity to transform the global economy to a climate-friendly, green economy.
- Craft a solution that responds to adaptation challenge in an appropriate way, addressing needs of the most vulnerable.



# Elements of the LCA process



# Action areas

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- The Bali Road Map, all countries agreed to stronger action on mitigation.
- Developed countries would do this through quantified targets.
- Developing countries would contribute through measurable, reportable and verifiable mitigation actions in the context of sustainable development and supported by measurable, reportable and verifiable financial and technological support.



# Progress on negotiating process in 2008

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- 3 Inter-sessional meetings (Bangkok, Bonn and Accra).
- Progress by gathering ideas and clarifying positions of Parties on many issues.
- Numerous proposals on the table and on many issues initial exchanges of ideas took place.
- Proposals include ways to boost adaptation, mitigation and the types of institutions that are needed to ensure progress on mitigation.



# The Accra Climate Change Talks

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- At the Accra Climate Change Talks, Parties agreed to compile proposals into a document, which could serve as a first version of a negotiating text at Poznan.
- Parties go into full negotiating mode at and after Poznan.
- *Developing countries will underline poverty eradication and economic growth as major concerns. These development objectives cannot be reached without reliable and sufficient access to energy.*



# *Energy investment price tag*

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- According to the IEA, global energy demand will grow by 55% by 2030. In the period up to 2030, the energy supply infrastructure world-wide will require a total investment of \$22 trillion, with about half of that in developing countries.
- If we do not manage to green these investments (climate-friendly technologies) emissions will go up by 50%, instead of down by 50%
- Developing countries needs help to leapfrog the emissions-intensive stage of economic development.



# WHAT IS NEEDED BY COP 15

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- Copenhagen COP15 needs to put in place mechanisms that support developing countries in their mitigation efforts.
- In terms of adaptation, window of opportunity lies in creating funding mechanisms that would boost the swift implementation of adaptation activities, especially in the most vulnerable countries.
- Copenhagen outcome needs to include ways of generating new, additional, predictable and sufficient funding for adaptation.



# FINANCIAL ARCHITECTURE

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- Develop a clever financial architecture that will generate significant financial and technological support for both adaptation and mitigation, especially for developing countries.
- Funds respond to the needs of the most vulnerable



# THE ADAPTATION FUND

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- One promising step towards a clever financial architecture is the Adaptation Fund under the Kyoto Protocol (2% levy on CDM projects)
- A high level of ambition of industrialised countries  
→ higher use of the CDM → higher amount of funds generated in this way.
- Adaptation costs are likely to run at billions of dollars annually.



# ADAPTATION UNDER THE BAP

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- Enhanced action on Adaptation, including, inter alia, consideration of:
  - Risk management and risk reduction strategies, including risk sharing and transfer mechanisms such as insurance
  - Disaster reduction strategies and means to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change



# ADAPTATION UNDER THE BAP

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## 4 COMPONENTS OF ADAPTATION

- National Planning for Adaptation
- Streamlining and scaling up financial and technological support
- Enhancing knowledge sharing
- Institutional frameworks for adaptation



# QUESTIONS ON POSSIBLE SOURCES OF FUNDING

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- How could a funding mechanism through the carbon market be expanded?
- What other types of mechanisms could be established within the Convention to generate solid adaptation funding?
- Adaptation will need funding from different sources. Which sources?
- Options could include mechanisms enabled through rules of the Convention e.g Auctioning emission rights to generate funds to support adaptation activities in developing countries.



# POZNAN – COP 14

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- At Poznan discussions will focus on shared vision on the type of mechanisms, the financial architecture and the institutional structure that are needed to deliver.
- The nature of commitments to be addressed in-depth during 2009.
- Next to the shared vision for long-term cooperative action, Poznan will also seek progress on on-going work. This includes work on adaptation, technology, capacity-building and improving the geographical coverage of the CDM.



# POLITICAL ESSENTIALS

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- Critical that real progress made towards Copenhagen 2009 for defining effective, efficient and equitable agreed outcome
- **Three political essentials need to be in place by Copenhagen for concerted action**
  1. Clarity on how to generate additional financial resources
  2. Clarity on the institutional framework needed to deliver for adaptation and mitigation
  3. Clarity on the nature of commitments

