<u>UK INTERVENTION IN THEMATIC DISCUSSION ON "ADDRESSING INTERLINKAGES BETWEEN CLIMATE CHANGE AND SUSTAINABLE DEVELOPMENT" – 4 MAY 2006</u>

Endorse the intervention made by Austria on behalf of the European Union. Thank the Panel for their insights.

The <u>barriers to mitigation</u> include the sheer scale of the problem and the fact that in developed countries most of the economic signals are pointing in the wrong direction. The <u>barriers to adaptation</u> include the lack of data on the impact of climate change in some of the most vulnerable regions, and the consequent lack of adaptation strategies – as well as the lack of capacity to implement such strategies.

The lessons learned include:

- It is not just that environment Ministries on their own can't tackle climate change; even governments on their own can't do it. The private sector needs to be engaged and we should also recognise the social dimension. Public awareness needs to be raised so that individuals in developed countries can take responsibility for their economic choices.
- In the UK we have done this in part by setting a challenging target of a 60% reduction in carbon dioxide emissions by 2050, from a 1990 base.
- Economic incentives and disincentives can also play an important role, such as emission trading schemes and green taxes, and we need to develop these further.
- Cleaner technology also plays a role, both in relation to fossil fuels and renewables.

As to next steps, at the global level these include:

- The need to follow up on the important progress made in UNFCCC and the Kyoto process in 2005, and ensure we maintain the momentum.
- The G8 Dialogue on Climate Change, Clean Energy and Sustainable Development, which will enable countries to share best practice and address the strategic challenge of transforming their energy systems onto a secure and sustainable basis.
- The World Bank is creating a new investment framework for public and private finance into low carbon energy technology.

Finally, CSD itself can play a role, not by duplicating UNFCCC or other processes, but by approaching the issue from a sustainable development perspective. This means recognising that secure and affordable access to energy is fundamental to sustainable development; and addressing the challenge of meeting the rising demand for energy, while achieving the Millennium Development Goals and minimising the impact on the global climate.

Thank you.