



Designing and Agreeing on a Post-2012 Climate Change Regime

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Responding to the science | Political imperative

- The scientific advice is **unequivocal**, providing a strong foundation for policy
- The world is looking to the UN Climate Change Conference in Bali to deliver a **political response** to the science
- Bali can launch **an intensive global effort** to design and agree on a post-2012 agreement, which prevents the worst projections of the IPCC from becoming a reality

How much will it cost? | Depends on how it is done

- Macro-economic estimates of the cost of mitigation are based on **least-cost trajectories** (early, flexible, broad, technology available)
- **Shifts** in investment and **scaling up** of financial flows required
- Investing in emission reductions in developing countries can deliver **68%** of global emission reductions in 2030 for **46%** of the total cost.
- Ongoing investment in new capital stock and capital stock turnover in the **energy sector** presents a strategic opportunity.

Analysing strategic approaches | Informal

- Governments have concluded a two-year **informal dialogue process** on long-term cooperative action to address climate change
- Report of co-facilitators of this Dialogue process feeds into the Bali Conference
- The Dialogue has **built trust** among governments and provided channels for inputs from the private sector

- Mitigation
 - Nature and content of **commitments** (including types and levels of emission limits)
 - Frameworks for voluntary national **mitigation strategies** and the required incentives for their implementation
 - **Deforestation** and land use
 - **Sectoral** approaches



- Adaptation
 - Impact, vulnerability and adaptation assessments
 - National planning and decision-making
 - Access to and availability of finance

- Technology for adaptation and mitigation
 - Deployment and diffusion of **existing technologies**
 - Research, development and demonstration of **new technologies**

- Finance and investment
 - Market-based mechanisms
 - Scaling up of the CDM and JI
 - New post-2012 mechanisms
 - Public finance
 - Shifting private investment

Breakthrough in Bali | What would constitute a success?

- Common understanding of the required **building blocks** (not agreement on the specifics)
- **Decision to negotiate** a comprehensive post-2012 agreement
- Establishment of a **negotiating process** with clear tasks
- Agreement on a **timeframe** (2009)