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**CONFERENCE ON EU AND ASIAN POLICY RESPONSES TO
CLIMATE CHANGE AND ENERGY SECURITY POST-COPENHAGEN**

Singapore, 26 July 2010

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

Introduction

Mr. Tan Yong Soon, Ambassador Rodolfo Severino, Ambassador Kesavapany, distinguished guests, ladies and gentlemen – good morning. I am pleased to be here today to speak with you about an issue which is of the utmost importance to us in the European Union at the moment, that of the responses to climate change and energy security in a post-Copenhagen environment. Before I go any further I just wish to say how encouraging it is to see ISEAS, the ESI and the EUC devote two days to this conference. I trust that by the end of it we will all have a better understanding of where we all are in terms of our policy responses and, perhaps more importantly, where we should be going.

Post-Copenhagen environment

We are now operating in what I will call a 'post-Copenhagen', environment. What does this mean – well, the 'Copenhagen Accord', may have fallen short of what is needed but I would prefer to see it now as a stepping stone rather than a failure (we cannot give up). There continues to be much public attention and media scrutiny on this topic, which is good – maintaining momentum is a priority. If the Copenhagen accord has taught us anything it is that the process of combating climate change still needs strategies to anchor it, and developed countries still need to deliver on finance. It is encouraging that we are seeing low emissions development strategies taking shape though.

As I have just said, let us not see Copenhagen as a failure – it was an unprecedented manifestation of global concern. The Copenhagen

outcome, although falling short of the EU's expectations, provides a basis on which to work further. We believe we should continue to press ahead, implementing, building upon and strengthening the outcome of Copenhagen. Our aim remains an international legally binding agreement, and a post-2012 climate agreement should be agreed on as soon as is achievable.

Of course we acknowledge that the Copenhagen Accord fell short of some of our objectives. It has a number of weaknesses, for example, the Accord does not set global mid-term or long-term reduction targets. The Accord is, as you know, not legally binding and does not expressly foresee the conclusion of a legally binding Agreement in 2010.

Nevertheless we can take away some positives. The Accord anchors the 2° Celsius objective and provides for a review of this objective and actions under this Accord by 2015. It also provides for economy-wide emission reduction targets for developed countries and mitigation actions by developing countries along with monitoring, reporting and verification for both developed and developing country emissions.

The Accord also Provided the basis for setting up a mechanism for reducing emissions from deforestation and forest degradation and enhancing the removal of greenhouse gas emissions by forests – which is of course of key concern in this particular region.

What is most certainly clear in the post-Copenhagen environment is that the EU cannot 'go it alone', in terms of the fight against Climate Change. In fact, no single country or region can go it alone – we have heard this

all before, it is a global problem that requires a global solution. I can only speak from an EU perspective and tell you what our vision is and what we believe needs to be done.

Science clearly states that developed countries have big responsibilities in this area and we do not shirk our responsibilities in the EU – we know we need to achieve 25-40% reductions by 2020. This can only be done by effective mitigation and adaptation strategies. The development of new technologies is going to be essential in achieving this, as is ensuring that there is enough finance available to implement these strategies. The EU can play a role here, we are a good advocate for strong scientific action and we possess the expertise to help in this area. Do not forget that the EU is an organisation that is built upon patient negotiation and taking into account diverse views to achieve an overall outcome.

What the EU has done since Copenhagen

Like many others, we in the EU undertook a period of reflection following the Copenhagen conference last December. We issued a communication in March 2010 taking stock of Copenhagen and highlighted that it is important that action on climate change be reinvigorated despite disappointments at Copenhagen.

We also undertook action quickly, however, and have already instigated the fast start pledge of €2.4 billion – which represents around one third of global commitments. This amount was agreed at the European Council in December, right around the time of Copenhagen, as funding from the EU to developing countries to the tune of €2.4 billion annually for the

years 2010-2012. Since December I am happy to say that despite economic difficulties, we have committed our target for 2010 and are almost at the target for 2011 already. It is important to note that this fast start funding complements the substantial existing EU climate finance flows. The EU and its member states, which represents the worlds leading donor of development aid, remains committed to broader climate financing activities. The fast start contribution will not reduce the amount of funding provided to fight poverty and continue progress towards achievement of the Millennium Development Goals – in fact, climate action will play a key role in contributing to the achievement of these goals.

It is also important to note that we have used the opportunity presented by this fast start funding to ensure that mitigation and adaptation strategies are a cornerstone to any climate change solutions going forward.

The policies

The theme for this conference is 'Policy Responses to Climate Change and Energy Security Post-Copenhagen'. I have just mentioned that adaptation and mitigation are cornerstones to our strategies in a post-Copenhagen environment. Complementary to that is the Energy and Climate package that we have had in the European Union for some time now. This shows how inherently linked we consider energy and climate change to be. Just like climate change, energy policy requires global action.

To this end, we have really had an energy and climate package in some formal degree in the EU since 2007. It was in March of that year that EU leaders endorsed an integrated approach to climate and energy policy that aims to combat climate change and increase the EU's energy security while at the same time strengthening our competitiveness. We strive to be a highly energy-efficient, low carbon economy.

In order to achieve this we have had, which I am sure you are familiar with already, our 20-20-20 targets which aim to achieve the following;

1. A reduction in EU greenhouse gas emissions of at least 20% below 1990 levels
2. For a 20% of EU energy consumption to come from renewable resources
3. A reduction of 20% in primary energy use compared with projected levels to be achieved by improving energy efficiency.

So, how have we done? Well, we have put in place measures to fully implement the 20% Greenhouse Gas reduction, as well as a 20% mandatory renewables target. We have realised that cost-effectiveness and a fair and equitable effort for all of our Member States is the key to underpinning the package (this should be a principle that translates to any kind of global agreement perhaps) and we have ensured this cost-effectiveness through our Emissions Trading Scheme which, as it is market based, gives flexibility for companies to meet targets and develop a comparative advantage in low emitting technologies.

It is important that we keep challenging ourselves in this fight against climate change though. To this end, you will recall that the EU had said

that it would be willing to move to a 30% target on greenhouse gas emissions, if a legally binding agreement was achieved at Copenhagen. A legally binding agreement may not have been forthcoming, but we are still prepared to move to 30%, provided other developed countries take comparable commitments. As I have said before – we cannot go it alone. It is encouraging that many countries have made pledges since Copenhagen and we continue to actively engage with major emitters to explore possibilities for strengthening pledges.

What we would like to see in the future

If we were on the road to Copenhagen last year, we are now on the road to Cancun this year. Our overall objectives have not changed – we would like to see a strong international legal framework on climate change. I know that some countries remain opposed to such a framework and others may be progressing slowly in this area, nonetheless, Cancun is an opportunity to take a number of important decisions to implement key elements of the Copenhagen Accords which will provide the basis for all countries to step up their contributions to the global mitigation and adaptation challenge.

Copenhagen has shown us all how challenging a consensus-based multilateral negotiating process for an issue as complex as climate change can be. Nevertheless it is important that the UNFCCC remains the principal forum for our multilateral discussions. There is no other alternative that can provide the international action we seek. Of course, we also need to continue to integrate climate change into other bilateral

and multilateral fora and use opportunities provided by those to step up our action and those of our partners.

Energy security

I have already outlined to you how we see climate change and energy security policy as being intrinsically linked to each other in terms of EU policy. Given the focus of your discussions here today and, indeed, the importance of energy security, it is perhaps appropriate that I specifically focus on the importance we attach to our cooperation with Asian countries in terms of energy security.

Reflecting about energy security amongst EU stakeholders alone would be unproductive. We are living in a highly interconnected world and cooperation with third partners is a fundamental requirement to energy security policies.

In Asia, energy security has become a growing concern even if the region holds significant energy reserves. For example, Malaysia and Indonesia have recently become net oil importers although they have been traditionally known for their rich reserves of indigenous fossil fuels. China has also put a lot of efforts in its Five-Year Plan to improve its energy security.

The European Commission has built a number of partnerships notably with ASEAN, China, India and Japan in which energy security is a central theme. In each of these dialogues, we are seeking to make progress to

achieve enhanced energy efficiency, fast deployment of renewable and clean energy sources but also investment in energy infrastructures.

I would especially like to mention that our cooperation with ASEAN has recently been given a strong impetus. Energy security has a central role in the EU-ASEAN Energy Dialogue framework. The EU and ASEAN agreed last year on a energy work plan for 2010 which includes *inter alia* biofuels, energy efficiency but also investment in energy infrastructures.

Last but not least, ASEM held for the first time in June 2009 a Ministerial Conference fully dedicated to Energy Security. For the first time in ASEM history, a Joint Statement was adopted by all ASEM members. This Joint Statement is a very strong political message of EU and Asia's willingness to cooperate together to enhance energy security.

Conclusion

I hope that I have managed to give you an overview of where we, the European Union, see our climate change and energy security policies in a post-Copenhagen environment. I wish you the best for the coming two days of your conference and I look forward to learning what your findings may be.

Thank you.