

Trade and climate change

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The Council adopted conclusions which reflect the EU's position in preparation for the 13th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change to be held in Bali in December with the aim of launching the negotiation process for a global comprehensive post-Kyoto agreement.

In its conclusions, the Council is deeply concerned by the new evidence on the negative impacts of climate change that are unequivocally confirmed by the latest scientific findings reported by the Intergovernmental Panel on Climate Change (IPCC) in the contributions of the Working Groups to its Fourth Assessment Report (AR4). It emphasises that these reports demonstrate even more clearly that the negative impacts of climate change are increasingly posing a serious risk to ecosystems, food production, the attainment of sustainable development and of the Millennium Development Goals as well as to human health and security, thereby strengthening the scientific underpinning of the 2°C objective. It is also emphasised that these reports also show that the window of opportunity to act is rapidly closing and that delaying action will increase the risks of dangerous climate change and that the benefits of strong global early action on climate change far outweigh the economic costs of action.

The Council recalls the building blocks of an effective and appropriate global and comprehensive framework beyond 2012 identified by the 20 February 2007 (Environment) Council, and endorsed by the Spring European Council conclusions, which include:

- further developing a shared vision to reach the ultimate objective of the Convention;
- agreeing on deeper absolute emission reduction commitments by developed countries;
- facilitating further fair and effective contributions by other countries;
- extending the carbon market, including innovative and enhanced flexible mechanisms;
- increasing cooperation on technology, research, development, diffusion, deployment and transfer;
- enhancing efforts to address adaptation;
- addressing emissions from international aviation and maritime transportation, making
- further use of the expertise, experience and work of relevant international organisations;
- reducing emissions from deforestation and enhancing sinks by sustainable forest management and land use practices.

The Council emphasises the following points:

- that, as part of an overall agreement among all Parties, developed countries should commit to deeper mandatory absolute emission reductions. They are invited to reduce their emissions of greenhouse gases in the order of 30 % by 2020 compared to 1990;

- that the EU agreed an objective of a 30 % reduction in greenhouse gas emissions by 2020 compared to 1990 as its contribution to a global and comprehensive agreement for the period beyond 2012, provided that other developed countries commit themselves to comparable emission reductions and economically more advanced developing countries to contributing adequately according to their responsibilities and respective capabilities;

- that contributions by developing countries to the global effort of stabilising greenhouse gas concentrations in the atmosphere at a level consistent with the 2°C objective should be enhanced and that there are many policy options to substantially reduce the emission intensity of their economies where

benefits outweigh costs and that support continued economic growth, strengthen energy security and benefit health;

- that such contributions could be facilitated and enhanced by positive incentives, including through participation in a strengthened and broadened global carbon market, enhanced and additional crediting mechanisms, no-lose targets and sectoral approaches, sustainable policies and measures and enhanced technological cooperation. The Council takes the view that options for measuring and reporting such contributions should be explored;

- the role of national governments in creating enabling national, regional and international environments, including regulation and market-based incentives should be strengthened to attract public and private finance for the deployment of low greenhouse-gas-emitting technologies and investment in infrastructure for clean development;

- that a global carbon market is fundamental to assist in driving low-carbon investment and to mobilising a significant part of the increased financial effort required for the global response to climate change. The international carbon market will need to be supplemented with additional public support to help leverage and redirect further private investment in the development, demonstration, deployment and transfer of low greenhouse-gas-emitting technologies, and that additional suitable financing instruments and mechanisms providing the right incentives will be necessary to deliver on these technologies;

- the need for greater international cooperation on the research, development, demonstration, deployment and transfer of new technology as well as efforts for deployment and transfer of existing technology;

- the EU Member States' commitment to their respective financial obligations under the UNFCCC and its Kyoto Protocol and agrees to step up efforts to mobilise the necessary finance in the most efficient and effective way as part of a global and comprehensive post-2012 framework;

- the need to continue to carefully consider the effects of EU and global climate and energy policies, especially on developing countries;

- that emissions from deforestation in developing countries amount to about 20 % of global carbon dioxide emissions and that concrete policies and actions as part of a global and comprehensive post-2012 agreement are needed to halt these emissions and reverse them within the next two to three decades;

- it is concerned that emissions from international aviation and maritime transport represent one of the fastest growing sources of greenhouse gas emissions.

To conclude, the Council underlines the EU's determination to play a leading role in international climate protection. It confirms the EU Member States' commitment to their respective financial obligations under the UNFCCC and its Kyoto Protocol and agrees to step up efforts to mobilise the necessary finance in the most efficient and effective way as part of a global and comprehensive post-2012 framework.

It invites all Parties to agree a comprehensive and inclusive negotiation process at the Bali climate conference based on a shared vision, elaborating on the building blocks, including cross-cutting issues such as investment and finance, and establish and follow an ambitious timetable which should result in a global and comprehensive post-2012 agreement by 2009.