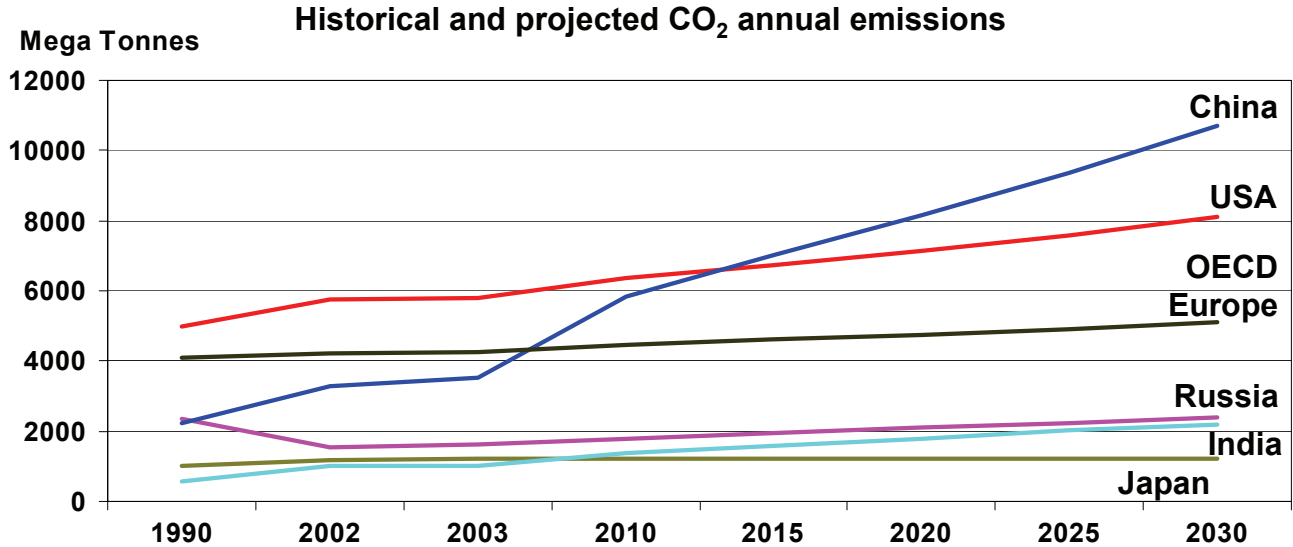




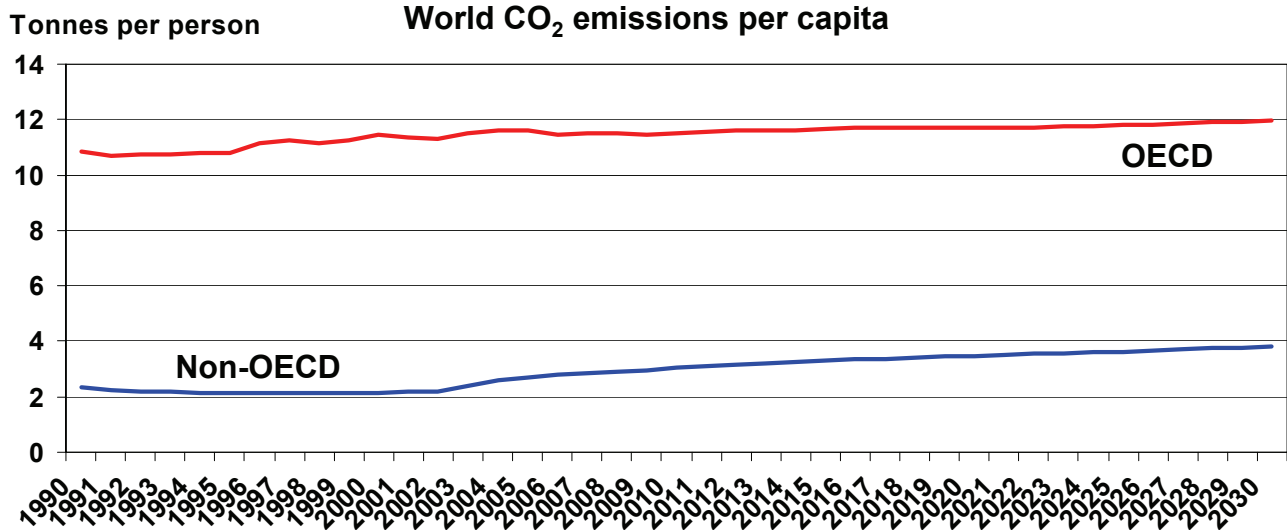
Climate Change: Next Stop, Copenhagen

No curbing of emissions possible without the cooperation of China and the developing world



Source: EIA/DOE.

Developed economies are still the most carbon-intensive



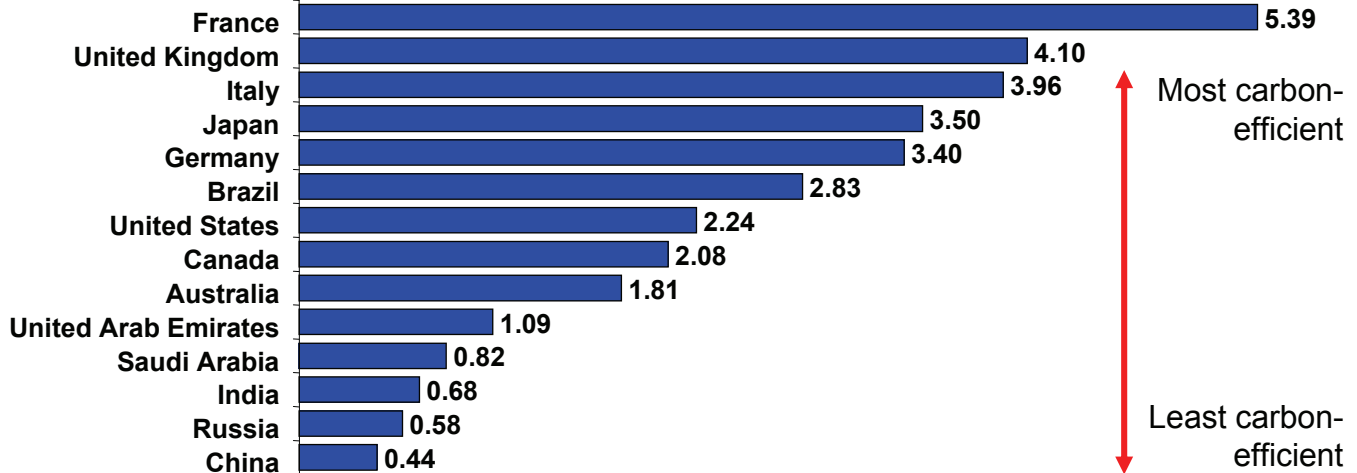
Source: EIA/DOE.



Not all developed countries are equal

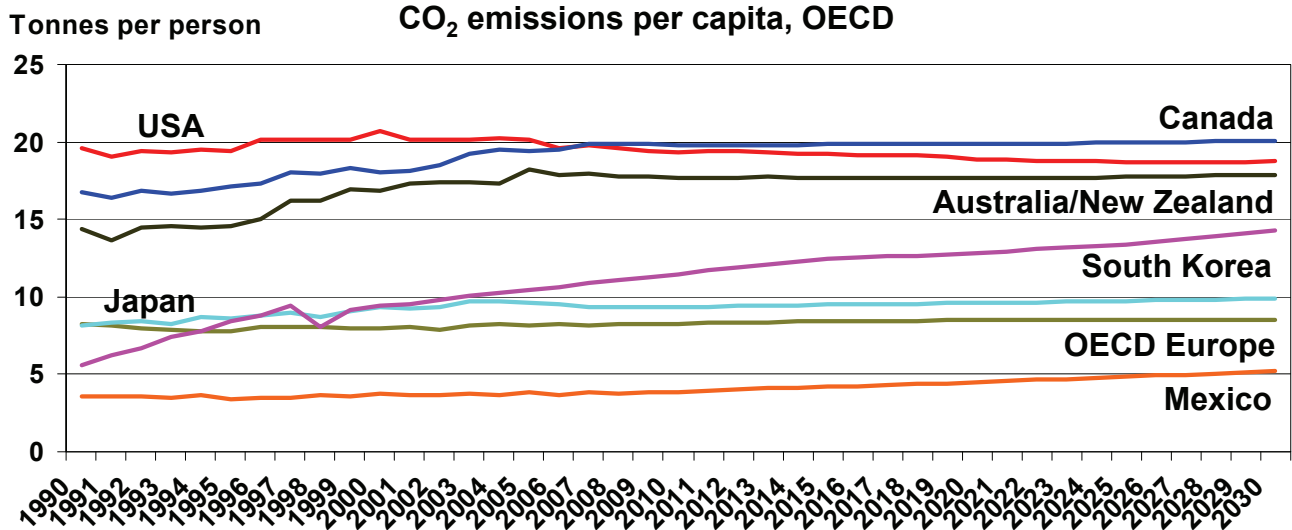
Carbon intensity of GDP (2006)

GDP/CO2 emissions



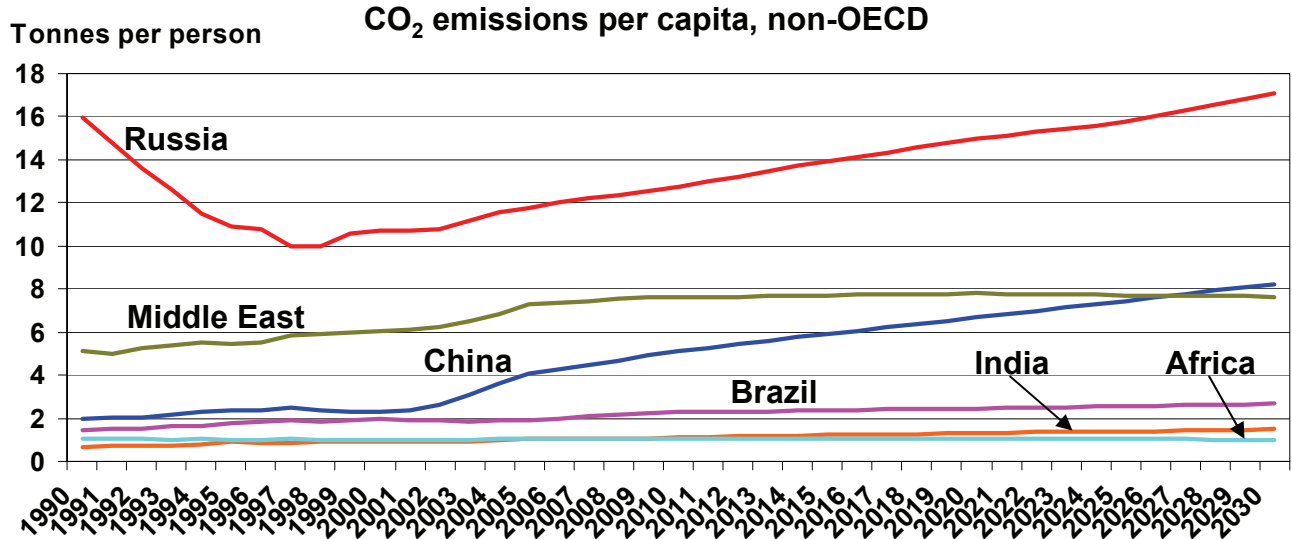
Source: EIA/DOE, IMF.

Americans and Canadians lead the pack of big polluters



Source: EIA/DOE.

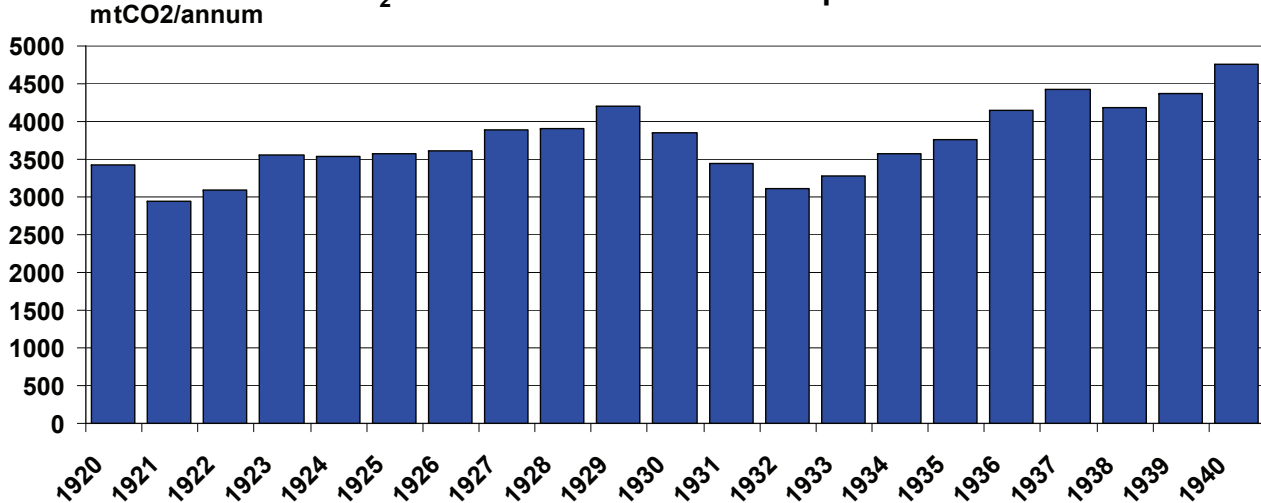
Russia and China have the highest projected increase in CO₂ emissions per capita



Source: EIA/DOE.

The economic downturn will only temporarily slow the growth in emissions

CO₂ emissions and the Great Depression



Source: HSBC.



Neil Eckert, CEO
Climate Exchange, PLC

Great Expectations : What business wants from a global climate change agreement



The conclusion of a global climate change agreement in Copenhagen this December must meet certain expectations in order to ensure that industry can play its part in reducing carbon emissions and to ensure that the agreement meets its environmental objectives

The following two slides set out 5 elements that must be included in an international agreement and 5 elements that would severely impede its effectiveness



Five elements that must be in the global climate change agreement

A global climate change agreement must:

- Set a global long-term target for 2050, and medium term targets for developed countries to 2020
- Establish a credible institutional framework to enforce targets and commitments, and set out some of the means, such as global carbon markets, and substantial investment in low-carbon research and development, through which these targets can be achieved
- Address competitiveness concerns and ensure environmental effectiveness by ensuring that major emerging economies commit to take action in heavy emitting, internationally competitive sectors, and that they set out ambitious and comprehensive nationally appropriate mitigation actions and commit to adopt binding national targets by 2020



Five elements that must be in the global climate change agreement

A global climate change agreement must:

- Provide certainty to the carbon market by clearly mapping out the future of the CDM, establish the means for the creation of a global carbon market through linkage of emissions trading schemes, and global trading schemes in the marine and aviation sectors linked to a carbon reporting standard globally
- 5. Establish comprehensive monitoring, reporting and verification of emissions and a process to move towards a single carbon reporting standard globally



Five elements that would limit the effectiveness of a global climate change agreement

A global climate change agreement must not:

- Delay establishing targets, set short term commitments only, or establish targets or policies that are unachievable, liable to change over time, or punitive towards business
- Fail to include all developed countries in comparable medium term emission reduction targets, or fail to result in emerging economies taking action in heavy emitting sectors
- Create a large UN bureaucracy to administer and distribute all of the large amounts required of low carbon finance



Five elements that would limit the effectiveness of a global climate change agreement

A global climate change agreement must not:

4. Create uncertainty and inefficiency in global carbon markets by failing to provide clarity over the short term reform and long term future of the CDM, or by preventing the linkage of cap and trade schemes by allowing them to develop with rules, such as price caps or floors, that would prevent their linkage
5. Result in a regime of mandatory transfer of intellectual property rights, or fail to engage business meaningfully on how to take forward the research, development and deployment of technology globally