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**Statement to the Economic and Social Council at the
General debate for the High-level Segment on behalf of the
Committee for Development Policy (CDP)**

by

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1 July 2008

Achieving sustainable development within an environment of climate change

Mr. President, Distinguished Delegates,

I have the pleasure of presenting to you the part of the Report of the tenth session of the Committee for Development Policy (CDP) which addresses the theme of the 2008 Annual Ministerial on achieving the internationally agreed goals on sustainable development. On this we have heard today and yesterday excellent and comprehensive presentations. Let me stress some few points of the CDP Report in the few minutes I have available.

Since the previous CDP report in 2007, the severe challenge posed by climate change for the international development agenda has become increasingly evident and its relevance for the sustainability of development accepted. There is growing recognition of the severe risk that the world faces if it does not urgently correct its development path: the great risk of no development at all!

In particular, the Committee looked at the key channels through which climate change can affect sustainable development and the ways of protecting against those impacts, namely, through adaptation and mitigation policies, effective international cooperation and improved policy coherence. Climate change must be addressed as an integral part of the wider sustainable development agenda. That agenda should seek a transition towards development approaches that are less carbon intensive and encourage the adaptive capacities in developing countries in a way that enhances options for these societies.

Achieving and sustaining the internationally agreed goals on sustainable development will not be possible without deep overall reductions in carbon emissions according to the principle of equal but differentiated responsibilities. It will also require a comprehensive approach—beyond the cap-and-trade system.

There are three main policy approaches to deal with mitigation in general, and environmental “goods” and “bads” in particular: i) creating a quasi-market to define

emission rights (such as the cap-and-trade approach); ii) using price mechanisms, by applying taxes to internalise the external costs of emissions (e.g. a carbon-tax) and incentives to innovation, research and development, education for sustainable development (taxes can self-finance incentives); or iii) dealing with the cause of the harmful outcome or 'bad' through direct regulation. Given the pressing and demanding challenge faced, and the shortcomings or insufficiencies of each approach mentioned earlier, the complementary features of these alternative channels for action must be stressed.

Reduction targets need to be regionally differentiated and negotiated in the context of the Principle of Common but Differentiated Responsibilities. In any case, significant emission cuts in developing countries pose major challenges due to the need of reconciling mitigation actions with the necessary growth in energy consumption.

Mitigation in developing countries requires investment, innovation and institutional capacity building so these economies do not follow the same fossil fuel dependent path pursued by developed countries. Energy transition strategies that redirect investments to greater energy efficiency and renewable alternatives are urgently needed.

The ability of developing countries to adopt and implement clean and efficient technologies depends on access to such technologies. However, the latter requires sufficient funds, knowledge and the development of new technologies. It is recognized, including by the United Nations Framework Convention on Climate Change, that in taking mitigation measures the developing countries will need significant support from the developed economies, through financial resources, technology transfer and capacity-building.

Adaptation to climate change will also be necessary and it must be integrated into the development strategies and public policies such as rural development, disaster risk management, infrastructure investment and others. At the international level, developed countries need to ensure that various policies (aid, trade, security, immigration and environment) that affect sustainable development in poor countries reinforce each other rather than work at cross-purposes.

Mr. President,

The threats of climate change will affect the development prospects of developing countries, particularly the least developed countries and the small island developing States. Although these countries have contributed the least to the emission of greenhouse gases, they are the most vulnerable and have the least capacity to adapt to the effects of climate change.

International cooperation is the only route to address successfully the challenge of climate change and achieve sustainable development. The Bali Action Plan has established a clear basis for international cooperation on climate policy in the context

of sustainable development, including by linking mitigation and adaptation in developing countries to financial, technological and capacity-building support from industrialized economies.

Taking account of the low level of climate-related financial flows to developing countries, the Committee, while welcoming the recently announced initiatives, has pointed out that the level of international commitments on financing and technological cooperation in relation to climate change needs to be urgently reviewed.

The world has seen some visible and widespread gains in achieving the Millennium Development Goals. But, the gains are uneven and can be reversed: the serious implications of climate change for preserving the earth's sustainable and human development remain ahead of us.

We hope that the Committee's recommendations including the one to review the adequacy of resources required for sustainable development will enhance the Council's discussion on sustainable development issues and contribute to find the way to practical solutions and policies.

Thank you.

