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**Keynote statement by
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AFFAIRS
TO THE BEIJING HIGH-LEVEL CONFERENCE ON CLIMATE
CHANGE: TECHNOLOGY DEVELOPMENT AND TECHNOLOGY
TRANSFER
Beijing, 7-8 November 2008**

Excellencies,

On behalf of the United Nations, in particular the Department of Economic and Social Affairs, I am delighted to welcome you this morning. I have the honour to read the message of the Secretary-General, Mr. Ban Ki-moon. I quote:

“It gives me great pleasure to send my greetings to this High-Level Conference on Climate Change, focusing on the development and transfer of technology. Let me thank the Government of the People’s Republic of China for hosting, and His Excellency Premier Wen Jiabao for personally opening the proceedings. The United Nations is proud to be co-organizing this gathering on a subject that is so crucial to our efforts to address climate change, particularly in developing countries.

Climate change is the defining challenge of our time. Our actions in the weeks and months ahead will go a long way toward determining whether we will truly rise to the challenge, or bequeath to succeeding generations a

problem growing ever more dire.

Over the past year, higher food and fuel prices and global financial turmoil have threatened to undermine progress in tackling climate change, and to impede further gains towards achieving the Millennium Development Goals and advancing the broader development agenda. We must not allow current difficulties to lower our expectations of what can be done, or deter us from doing what must be done. Confronted collectively and decisively, climate change offers an enormous opportunity to put all societies on the path to sustainable development.

This conference focuses rightly on the great potential of climate-friendly technology and technology transfer. With global energy demand expected to grow by 55 per cent by 2030, we need more investment in clean technology, not less. New thinking and specific measures are necessary to remove existing barriers to clean technology transfer and diffusion. Clean technologies have proven their worth again and again. Investments in clean technologies can generate jobs and growth while safeguarding the environment, in effect addressing the financial crisis and climate change at the same time.

The stakes are highest for the poorest and most vulnerable, who have done the least to contribute to the problem, and face an immense challenge in reducing their vulnerability to climate change and adapting to its impact. At the Earth Summit in Rio de Janeiro, governments agreed to proceed according to the principle of common but differentiated responsibilities. This principle must be upheld.

Climate change demands decisive action and global solidarity. Beijing is an appropriate setting for this conference, given China's commitment to the development and use of renewable energy, energy conservation and other technologies to address climate change and promote sustainable development. It is also timely, being held just one month before the next round of climate negotiations at Poznan, Poland. I encourage you to make a strong, substantive contribution to Poznan, and strengthen the multilateralism that is needed to reach a climate agreement in Copenhagen in 2009.

I thank all the participants for their efforts to combat climate change. Please accept my best wishes for a successful conference.”

This concludes the message from the Secretary-General.

I would like to add my words to those of the Secretary-General, in expressing our deep gratitude to Premier Wen Jiabao for opening this Conference. His statement was rich in thought-provoking ideas, and I am sure it will shape our discussions in important ways over the next two days.

Technology is a critical means of achieving adaptation and mitigation action in response to climate change. Indeed, technology will be of decisive importance. Through the development and deployment of clean and climate-friendly technologies, we possess a powerful, integrated approach to tackling climate change and promoting sustainable development.

According to the United Nations Intergovernmental Panel on Climate Change, the portfolio of technologies necessary for achieving our climate goals is – or will become – available. The essence of the challenge is to sharply accelerate technology development and transfer.

Technology transfer obligations and commitments are set out in the UN Framework Convention on Climate Change and its Kyoto Protocol. The Bali Action Plan also singles out technology transfer.

World leaders have recognized that concerted global action is a prerequisite for stabilizing greenhouse gas emissions at safe levels. Technology is one area that unites the interests of developed and developing countries. All countries have an interest in the rapid development, deployment and diffusion of climate-friendly technologies – thereby enhancing country capacities to take effective mitigation actions and pursue adaptation strategies.

But the question remains – can we move from recognition of shared interests to action? How do we reckon with such tough issues as who should transfer what, to whom, and at what price?

Everyone here knows that technology development and transfer is a broad, multifaceted topic. I would like to suggest some thoughts to stimulate our discussions during this Conference.

First, it should be clear that hardware supply is only the most visible facet of technology transfer. To this, one must add complex processes of sharing

knowledge, know-how and adapting technology to meeting local conditions. Second, our approach should be comprehensive, meaning that we should consider both mitigation and adaptation technologies. Sometimes adaptation technologies are neglected in favour of more well-known and easily-identified mitigation technologies.

Third, our discussion of technology transfer should be guided and informed by a clear understanding of the status of development of key technologies.

Fourth, we should seek to analyze and then identify the major barriers and obstacles to transfer and diffusion of clean and climate-friendly technologies. In other words, our approach must be practical.

I would like to share some reflections with you on the latter two topics.

In what shape is our portfolio of technologies? To begin, we should differentiate between: (i) mature technologies, with a proven record of deployment; (ii) state-of-the-art technologies, which are nearly ready for large-scale deployment; and (iii) technologies still under development.

Energy efficiency technologies are technically mature, and energy efficiency is repeatedly singled out as one of the most important near-term mitigation options. It has the potential to contribute towards both climate and other goals, such as improving air quality. According to analysis by the International Energy Agency, end-use electricity efficiency and fuel efficiency have the potential to reduce energy-related carbon dioxide emissions by 47 per cent in 2030. In this regard, China's policy of reducing the energy intensity of its economy by 20 per cent, between 2005 and 2010,

is a noteworthy step.

Renewable technologies, such as wind and solar, are also examples of technologies that are mature and available in the market. Economies of scale will bring down prices, and performance improvements will occur. Appropriate policy support is required in order to secure the place of renewable technologies in the energy mix.

Firms from developing countries are innovating and amassing market share in the field of renewable energy. For instance, Suntech, a Chinese firm, has become a leader on solar PV, based on a combination of its own technologies with that purchased from developed countries.

State-of-the-art technologies include high-pressure coal combustion plants and hybrid vehicle technology. Significant additional R&D, and demonstration at scale, are required for mitigation technologies such as second-generation biofuels, hydrogen fuel cells for cars, grid-connected solar photovoltaics, and carbon capture and storage (CCS).

CCS is of major concern, given the reliance of many countries – not least China – on coal. The lack of funding and incentives for full-scale and demonstration projects constitutes a major barrier. At present, the necessary technical expertise and know-how is largely in the hands of a small number of firms based in developed countries. Further delay would mean that the technology essentially comes too late to make the needed difference.

At the far end of the spectrum are new technologies which might emerge from the discovery of new materials, the development of new equipment and methods, and the identification and development of new fuels. This will require a major push on research and development (R&D). Technology cooperation between developed and developing countries, and increasingly between developing countries, will need to be significantly enhanced. Similarly, it will be necessary to catalyze the complementary roles of the public and private sectors in technology development and technology transfer.

What are the critical barriers impeding technology development and technology transfer? For developing countries, one of the most significant barriers is that, at current costs, the energy services from climate-friendly technologies are too costly for the vast majority of their populations. In addition, capital shortages and high capital costs are still commonplace in many developing countries – a situation exacerbated by the current financial crisis.

Other barriers include market conditions, inappropriate fiscal and regulatory policies, lack of access to information, the condition of infrastructure, and weak human resource capacities.

The legal and regulatory frameworks can promote and enable – or slow – technology development and transfer. In this respect, views differ sharply on whether prevailing international intellectual property rights protections constitute genuine barriers to technology transfer and diffusion. Certainly, the rationale for IPRs is to promote innovation. It may be legitimate to ask – has the pendulum swung too far, from protection to protectionism?

Our timing today is good – a month from Poznan. And the setting, here in the Great Hall of the People, is auspicious. Let us seize this opportunity to contribute to the negotiations through substantive discussions on these hard issues, which will not go away. We must confront them, head on.

On behalf of the United Nations, I express our profound gratitude for the generosity and graciousness of our hosts, the Chinese Government, and for their excellent organization of this Conference. Our thanks must also go to the United Nations Foundation and the Government of Denmark for their support, which enabled the presence of a number of participants.

I wish you all frank and fruitful discussions.

Thank you.

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