

NRG4SD POST-BALI POLICY PAPER ON CLIMATE CHANGE

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1. Introduction

Under the United Nations Framework and as part of the international agenda on sustainable development, climate change is a priority area of action within the nrg4SD Network.

Backed by the strong policies adopted by its members, the nrg4SD Network is fully committed to responding appropriately to climate change and to preparing for the Post-Kyoto phase within the framework of the United Nations.

Such commitments are reinforced by the Saint Malo Declaration (presented in Annex 1) and the Letter of Intent between the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) and the associations of regions (NRG4SD, CPRM, NF, OLAGI, AIRF, AER, FOGAR and the Climate Group) with regard to the fight against climate change (“Towards carbon neutral and climate change resilient territories”, in Annex 2).

2. Context

By signing the founding document of the nrg4SD Network, the **Gauteng Declaration**, all of the members of the Network agreed to draw up sustainable development strategies for their regions. The nrg4SD Network undertakes efforts to promote sustainable development and to work towards achieving the Millennium Development Goals in a spirit of close collaboration and solidarity.

The nrg4SD Work Programme (2005-2008) includes the fight against climate change as one of the (four) thematic priorities of actions of the nrg4SD Network, in line with the international agenda and specifically with the multi-year programme of work of the Commission on Sustainable Development (CSD), and has decided to pay particular special attention to preparing the contribution of nrg4SD to the Post Kyoto phase starting in 2013.

The nrg4SD member regions are committed to basing their actions and instruments on policy-relevant findings on global warming (Box 1) and human development.

Box 1. Unequivocal Scientific Evidence of Global Warming

The scientific evidence of global warming, as set out in the Fourth Assessment Report: Climate Change 2007 (AR4) of the Intergovernmental Panel on Climate Change (IPCC), joint recipient of the Nobel Peace Prize in 2007, has put the reality of human-induced global warming beyond any doubt.]

The IPCC Director-General, Dr R K Pachauri's presentation¹ expressed the following vision on climate change at the IPCC Press Conference on AR4: 1) “Climate change is a serious threat to development; everywhere;” 2) “Today, the time for doubt has passed. The IPCC has unequivocally affirmed the warming of our climate system, and linked it directly to human activity;” 3) “Slowing or even reversing the existing trends of global warming is the defining challenge of our ages;” and 4) “Galvanising international action on global warming as one of main priorities as Secretary General.”

¹ Valencia, 17 Nov. 2007

The AR4 provide the international community with three alarming conclusions: firstly, climate change is happening; secondly, the recent acceleration in climate change is the result of human activity leading to the emission of greenhouse gases (GHG) into the atmosphere; and thirdly, most regions in the world², and especially those in the developing world, will be increasingly affected by climate change.

The Synthesis Report (SYR) of the AR4 is organized around six topics. Topic 1 presents observed changes in climate and their effects on human and natural systems. Topic 2 summarizes causes of the observed changes. Topic 3 discusses climate change and its impacts in the near and long term under different scenarios. Topic 4 covers adaptation and mitigation options and responses, and the inter-relationship with sustainable development, at the global and regional levels. Topic 5 addresses the long-term perspective, in particular scientific and socioeconomic aspects relevant to adaptation and mitigation, consistent with the objectives and provisions of the UNFCCC, and in the context of sustainable development. Finally, Topic 6 highlights robust findings and key uncertainties.

The key contributions to the political process under the UNFCCC of the SYR-AR4 which have been highlighted are: 1) high level of scientific confidence in climate change, including its existence and anthropogenic drivers; 2) sense of urgency for action on climate change; and 3) the affordable cost of mitigation and the need for both mitigation and adaptation. As the UN Secretary-General Ban Ki-moon stressed in his speech before the IPCC, "the availability of affordable policy options for reducing emissions is an added value of the AR4 and opens the way to decisive action."³

One of the aspects in the AR4 that regional governments consider fundamental is the fact that some systems, sectors and regions are likely to be especially affected by climate change and climate change will affect countries and regions from developing countries the most.

There are sharp differences across regions and small island states and those regions and countries in the weakest economic position are frequently the most susceptible to climate-related impacts.

The time has come to turn words into deeds. During the UNFCCC Conference⁴ where the SYR – AR4 report was approved the UN's UNFCCC Executive Secretary Yvo de Boer challenged world policymakers and governments to map out a path to curb climate change, saying that to ignore the urgency of global warming would be "nothing less than criminally irresponsible" and a direct attack on the world's poorest people.

Climate change is not only an environmental problem; it also has economic and social implications, as well as having an impact on security and survival. In fact, there is a close relationship between climate change, poverty and development (Box 2).

Box 2. Climate Change and Human Development

The United Nations Development Programme's Human Development Report 2007-2008 (HDR 2007-2008) entitled "Fighting climate change: Human solidarity in a divided world" has warned that the world should focus on the development impact of climate change that could bring unprecedented reversals in poverty reduction, nutrition, health and education. The Report, which came at a key moment in negotiations to forge a multilateral agreement for the period after 2012, states that climate change will undermine international efforts to combat poverty. The Report highlights that "climate change is hampering efforts to deliver The Millennium Development Goals (MDGs) promise."⁵

As UN Secretary-General Ban Ki-moon addressed the IPCC upon the release of the Fourth Assessment Synthesis Report, "changing weather and temperature patterns can potentially push developing countries back into the poverty trap, and undo much of the progress towards the MDGs."

Some **relevant findings** on climate change are the following:

² Here, the term "region" used by the United Nations refers to Continents.

³ Source: <http://www.iisd.ca/vol12/enb12342e.html>

⁴ Valencia, Spain, November 2007

⁵ Summary Report: http://hdr.undp.org/en/media/hdr_20072008_summary_english.pdf

(i) Current warming trends are unequivocal. It is very likely that greenhouse gases released by human activities are responsible for most of the warming observed in the past fifty years. The warming is projected to continue and to increase over the course of the 21st century and beyond.

(ii) Climate change already has a measurable impact on many natural and human systems. Some systems, sectors and regions are likely to be especially affected by climate change and effects are projected to increase in the future and to be more severe with greater increases in temperature.

(iii) A wide array of adaptation options is available, but more extensive adaptation than is currently occurring is required to reduce vulnerability to climate change. In fact, there is high confidence that there are viable adaptation options that can be implemented. However, adaptive capacity is intimately connected to social and economic development but is unevenly distributed across and within sectors.

(iv) Neither adaptation nor mitigation alone can avoid climate change impacts but they can complement each other and together significantly reduce the risk.

(v) Mitigation measures that aim to reduce greenhouse gas emissions can help avoid reduce or delay many impacts of climate change.

(vi) Responding to climate change involves an interactive risk management process including both mitigation and adaptation, taking into account damages, co-benefits, sustainability, equity and attitudes to risk.

(vii) Sustainable development paths can make major contributions to mitigation and adaptation. In several sectors, climate response options can be implemented to realize synergies and avoid conflicts with other dimensions of sustainable development.

The adoption of the **United Nations Framework Convention on Climate Change (UNFCCC)** in 1994 was the first major step forward in tackling the challenge posed by climate change. The UNFCCC, which enjoys near universal membership, with 191 countries having ratified it, sets an overall framework for intergovernmental efforts to tackle the problem of global warming. In February 2005 an addition to the UNFCCC Treaty, called the **Kyoto Protocol**, came into force establishing more powerful and legally binding measures to reduce greenhouse gases in industrialised countries. The Protocol's first commitment period begins in 2008 and ends in 2012.

The impact of the Kyoto Protocol's first commitment period 2008-2012 on global carbon emissions is expected to be limited. However, a notable achievement of the UNFCCC and Kyoto Protocol is the establishment of a global response to climate change.

The IPCC-AR4 stressed the urgent need to enter into negotiations to reduce emissions worldwide and provided the factual underpinning for the UNFCCC's Conference of The Parties (CoP 13) held in Bali in December 2007.

Providing political answers to these scientific findings, reaffirming that economic and social development and poverty eradication are global priorities and recognizing that deep cuts in global emissions will be required to address climate change, the United Nations Climate Change Conference in Bali approved the two-year Bali Roadmap (Box 3), which was backed by 190 States, including the United States of America.

The Bali Roadmap established the key "building blocks" of a future climate change regime to be conducted under the umbrella of the United Nations Framework Convention on Climate Change, which include a long-term global goal for emission reductions, adaptation, mitigation, technology development and transfer, and the provision of financial resources and investment to support those actions. The Bali Roadmap sets out the paths of work for this process. The process will be conducted under a subsidiary body under the Convention — the Ad Hoc Working Group on Long-term Cooperative Action under the Convention. The Working Group will

complete and present the outcomes of its work to the Conference of the Parties for adoption at its fifteenth session (COP15 and COP/MOP 5) in December 2009 in Copenhagen, Denmark, allowing enough time for ratification by 2012, the end of the Kyoto Protocol's first commitment period. This work will ultimately lead to a post-2012 international agreement on climate change.

In addition to the Bali Roadmap, the UN Climate Change Conference in Bali also delivered a number of important agreements, such as a draft decision on the management of the Adaptation Fund to fund projects in developing countries, a new programme to scale up investment for the transfer of clean technologies to developing countries and a course that has been charted forward on reducing emissions from deforestation.

These underpinnings are taken into account in the present document.

3. Climate Change Policies: the intervention and responsibility of regional governments

Now is the time for Governments at all levels to find the political will to successfully conclude a new negotiating process with concrete adaptation and mitigation actions and rigorous implementation. Urgent global action is needed.

Regional Governments, by virtue of their closeness to their citizens, their efficiency and size, are crucial for the development of policy and implementation of sustainable development, particularly in relationship to adaptation measures and policies to tackle climate change.

The scope of regional action is favourable for the implementation of policies and strategies for sustainable development and climate change. Regional Governments have wide policy and implementation competences related to activities and sectors such as energy, transport, industry, agriculture, land use and resource management, which are mainly responsible for the anthropogenic green house gas emissions.

Regional governments are sufficiently strategic and have the flexibility to work with other local, state and international actors, social movements, NGOs and the private sector, and are particularly well suited to understand, incorporate and take into account the specificities, vulnerabilities and identities of their own regions.

We encourage regional governments and associations of regional governments to follow the guidelines of the Policy Paper and use them as a reference for drawing up their own policies and strategies for responding to climate change. We also encourage regional to fund appropriate response measures, indicating governmental priorities. The nrg4SD member regions will act according to these guidelines and will share good practices that follow these principles based on the conclusions from the IPCC AR4.

The nrg4SD regional governments believe that the current pace and pattern of development is not sustainable and changes in lifestyle, behaviour patterns and management practices are needed to tackle climate change. Sustainable Development paths, strategies and policies adopted by regional governments can make major contributions to mitigation and adaptation and reduce the emissions and the vulnerability to the impacts on climate change. An emphasis on sustainable development can help human societies and regions reduce their vulnerability to climate change. The potential and advantages of creating synergies between climate change and other sustainable development policies such as, energy efficiency, renewable energies, forest and land management, transport, conservation of natural habitats, industry and agriculture, are to be highlighted.

The necessary and essential role of Regional Governments at the international sustainable development agenda is increasingly indisputable. Regional Governments have great potential to participate in cooperation partnership agreements between developed and developing regions and with other stakeholders and agents. The Bali Roadmap approved by the UN Climate Change Conference on December 2007 has explicitly addressed ways to strengthen the catalytic role of the Convention in encouraging multilateral bodies, the public and private sectors and civil society, building on synergies among activities and processes, as a means to support mitigation and adaptation in a coherent and integrated manner. The Bali Roadmap further anticipates inputs from the research, private sector and civil society sectors to assist in the forthcoming process.

A wide variety of policies and instruments are currently commercially available, or will be in the coming decades, to governments, including regional governments, to create incentives for adaptation and mitigation action. Those policies and instruments need to take into account local-regional-national circumstances and interactions between policies. It is important to consider environmental effectiveness of policies and instruments, their cost effectiveness, institutional feasibility and how costs and benefits are distributed.

No one sector or technology can address the entire adaptation and mitigation challenge. Several sectors including energy production, buildings, industry, agriculture, biodiversity, forestry, waste managements could contribute to the overall climate change adaptation and mitigation efforts. Regional Governments have a mayor role to play on those sectors.

Regional Governments should find their way to participate and take common approach towards the instruments, technologies and policies to tackle the effects of climate change and reduce emissions.

Some examples of policies, actions and instruments to tackle climate change are listed below. The Nrg4SD Network and Regional Governments should consider those and other possible policies and instruments to be adopted and implemented from the regional perspective, in accordance with the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors.

- **Integration into Sustainable Development policies.** Integrating climate policies into broader development policies makes implementation easier. As an example, *adaptation strategies* for agriculture and natural resource management *need to be developed in the context of sustainable development* and to consider the linkages to other sectors such as water, health and gender equality; and the necessity to closely engage with civil society groups and other stakeholders concerned with poverty reduction, MDGs, and sustainable development. Integration also needs to be achieved into socio-economic sectors such as housing, transport, education and health.
- **Cooperation and capacity-building on adaptation actions** such as vulnerability assessment and reduction strategies, response and risk management strategies, and disaster reduction strategies, should all be integrated into sectoral and spatial planning and overall sustainable development policies. The United Nations Development Programme's (UNDP's) Human Development Report 2007-2008 (HDR 2007-2008) warns that inequalities in ability to cope with climate change are emerging as an increasingly powerful driver of wider inequalities between and within countries and it calls on rich countries (and regions) to put climate change adaptation at the centre of international partnerships on poverty reduction. Adaptation considerations should not only be applied in the 'proactive' sectoral and spatial planning disciplines, but also in 'reactive' environmental and land-use authorisation decision making processes. Tools such as Environmental Impact Assessments and application processes for enhanced land-use development rights considered by regional and local governments to be appropriate must ensure that appropriate conditions are placed on such enhanced rights. These conditions may for example include conditions relating to: (i) setbacks

from flood prone and coastal sea-level rise zones; (ii) water and energy efficiency measures, including building standards; (iii) the long term persistence of significant components of biodiversity; (iv) waste management and recycling measures;]

- **Technology cooperation and incentives for the effective for fuel switching and technology transfer on renewable energies, energy efficiency policies and appropriate energy infrastructure investment decisions.** The application of existing technologies and systems can deliver significant reductions of greenhouse gases. Effective mechanisms and provisions of financial and other incentives are needed in order to promote access and accelerate deployment, diffusion and transfer of affordable environmentally sound technologies in developing regions and countries. Effective transfer of technology to developing countries requires appropriate financial, institutional, policy, legal and regulatory frameworks. In this sense, regions from developing countries need to be provided with incentives to help them move forward along a strong socio-economic development path that is significantly different to the path taken by the currently developed countries. Developing countries need concrete incentives and assistance from developed countries to travel a low green house gas emission development path to reach the socio-economic development levels of the developed countries. As the UN Secretary-General Ban Ki-moon said to the IPCC upon the release of the Fourth Assessment Synthesis Report, assistance for developing countries needs to provide for better funding for clean energy technologies; to spur financial flows for adaptation; and to enhance research and development cooperation, as well as transfer of clean technologies, particularly for energy supply and adaptation.
- **Incentives, subsidies and tax credits for the development and diffusion of new technologies.** Although sometimes costly, they are often critical to overcome barriers. Subsidies for products and services which negatively impact on the climate should be phased out, especially those relating to fossil fuels. Subsidies and incentives for environmentally preferable goods and services should be increased.
- **Sustainable forest, land & resource management policies.** Climate change risks and consequences need to be considered in infrastructure and policy planning. Taking into account that deforestation causes 20 per cent of all greenhouse gas emissions, policy approaches and incentives to tackle deforestation and forest degradation and to reduce emissions are needed, especially in developing countries. There is also a need to clear alien invasive vegetation to increase water yields and reduce erosion within water catchment areas as well as wetland rehabilitation initiatives. Financial incentives to avoid deforestation, which are both verifiable and measurable, should be provided.
- **International trade.** Recognition by Regions of the role of international trade in GHG emissions. For example, regions in developed countries should recognize the importance of environmentally preferable goods in their imports.
- **Regulations and standards.** Although they generally provide some certainty about emission levels, they may not encourage innovation and the development of new technologies. Regulations and standards need not only refer to emission levels but also issues such as building, waste management, recycling and land management regulations and standards.
- Encouragement of projects under the **Clean Development Mechanism**, as well as other GHG emissions mitigation initiatives, commitments or actions that should be measurable, reportable and verifiable, as highlighted in the Bali Action Plan.
- **Sustainable mobility policies and planning** with measures such as more fuel efficient vehicles; hybrid vehicles; sustainable biofuels, modal shifts from road transport to rail and public transport systems; cycling; walking; land-use planning. Sustainable mobility policies and planning need also to refer to the integration of road and rail public

transport systems for maximum efficiency. The need for commuters to be encouraged to move from four wheels to two should be stressed, particularly in regions where public transport is inadequate and even a security risk. Public transport and personal security and safety when using such facilities are inextricably linked;

- **Measures and incentives for sustainable buildings:** efficient lighting; efficient appliances; improved insulation; solar heating and cooling; alternatives for fluorinated gases in insulation and appliances.
- **Effective carbon-price signal, taxes and charges & tradable emission permits to establish a “carbon price”.** Those signals can set a “carbon price” and be an effective mitigation incentive, but cannot guarantee a particular level of emissions. The volume of allowed emissions determines their environmental effectiveness, while the way permits are allocated determines who bears the costs. Fluctuation in the “carbon price” makes it difficult to estimate the total cost of complying with emission permits.
- **Voluntary agreements between industry and governments.** The agreements are politically attractive, raise awareness, and have played a role in the evolution of many national and regional policies. Only a few of them have led to measurable emission reductions.
- **Research, Development and Demonstration (RD&D).** They can stimulate technological advances, reduce costs, and enable progress toward stabilization. Not only the issue of greenhouse gas stabilisation that needs to be researched: much research is needed on the impacts of climate change of socio-economic conditions, particularly on the poorer and most vulnerable sectors of society. It is necessary to illustrate how these sectors of society will be impacted by climate change and develop appropriate technologies and socio-economic instruments to increase their resilience to climate change impacts;
- **Education and awareness campaigns towards changes in lifestyle and behaviour patterns.** These Governmental measures and actions, including the regional scope of action, may positively affect environmental quality by promoting informed choices and possibly contributing to behavioural change. Although their impact on emissions has not been measured yet, the need to change lifestyle and behaviour patterns and invest in products, technologies and processes intended to reduce greenhouse gas emissions is critical to tackle climate change. It is also necessary to improve education and awareness aimed at changing behaviours, in order to improve socio-economic status and resilience to climate change impacts.

The regional perspective and scale are key to shed light on the uncertainties in responses to climate change included at the AR4 Report. Some of these uncertainties are:

- our limited understanding of how development planners incorporate information on climate variability and change in their decisions;
- our adaptive and mitigative capacity depends on socioeconomic development pathways;
- the barriers, limits and costs of adaptation are not fully understood;
- the estimates of mitigation potential and costs depend on various assumptions and uncertainty arises in particular concerning technology-related issues and effects of changes in behaviour and lifestyles; and

- the effects of non-climate policies on emissions are poorly quantified.

The active participation of regional governments and regional associations, such as nrg4SD, addressing those questions and gaps in knowledge would further reduce uncertainties and facilitate decision-making related to climate change policies and measures.

4. Nrg4SD commitments

Nrg4SD commits to actively participate and take action on the four key “building blocks” of the future international climate change regime highlighted on the Bali Roadmap: adaptation, mitigation, technology cooperation and financing, in accordance with the provisions and principles of the UN Climate Change Convention, in particular with the principle of common but differentiated responsibilities and respective capabilities .

Nrg4SD calls for an approach that combines stringent inter-regional cooperation and action on adaptation with strengthened mitigation actions, while enhancing measures on technology cooperation and provision of financial resources to support those adaptation and mitigation actions.

4.1. Adaptation

Nrg4SD will especially focus on regional climate change adaptation actions and their integration into wider and overall regional sustainable development policies and sectoral approaches and actions.

As many nrg4SD regions are and will be subject to increasing impacts from climate change, the here proposed nrg4SD Policy on Climate Change will focus on mitigation issues as much on adaptation responses to the phenomenon in those regions as on mitigation responses in developed regions. The Intergovernmental Panel on Climate Change’s Fourth Assessment Synthesis Report states that ‘a wide array of adaptation options are available, but more extensive adaptation than is currently occurring is required to reduce vulnerability to climate change. In fact, there is high confidence that there are viable adaptation options that can be implemented. However, adaptive capacity is intimately connected to social and economic development but is unevenly distributed across and within sectors.’

Nrg4SD commits to:

1. Launch regional co-ordinated and comprehensive **Climate Change Plans and Adaptation Response Strategies and Plans** based on common grounds and in accordance with the principle of common but differentiated responsibilities, including vulnerability assessment and reduction strategies, response and risk management strategies, and disaster reduction strategies, integrated into sectoral and territorial planning and overall sustainable development policies.
2. Cooperate and incentivize the **implementation** of adaptation actions, integrating climate policies into broader development policies and including the provision of financial and technological support to developing countries and regions.
3. Systematically gather and share information on regional climate change policies, best practices and responses to climate change, as well as in relationship to the key uncertainties included at the AR4 Report. More concretely, all members of nrg4sd must

provide an English version of all their regional strategies and plans on climate change policies.

4. **Translation of documents.** The nrg4SD will consider a priority (i) to support translation of all reported documents into English; (ii) to offer capacity building and adequate level of information to non-native English Regions with, *inter alia*, teleconferences.
5. Put climate change adaptation at the centre of the **nrg4SD partnerships and projects** and the bilateral and multilateral partnership agreements signed among nrg4SD members in the framework of nrg4SD
6. Take into account and **differentiate the priority adaptation actions** and concrete commitments of regional governments of developed and developing countries and regions and the urgent and immediate development needs of developing countries and regions.
7. Quantify and to progressively increase their assistance to efforts in adaptation to climate change, both at internal and international levels

4.2. Mitigation

The nrg4SD acknowledges that in order to stabilise the concentration of greenhouse gases in the atmosphere and address climate change as indicated at the AR4, regional emissions would have to stop increasing and then decline.

The nrg4SD dealt with the subject of climate change in previous **policy papers**: “Sustainable Energy and Renewables” and “Enhancing Added Value of the Regional Dimension in International Cooperation”. Both policy papers make specific mention of the importance of renewable energies and regional action in the international response to climate change. The policy paper on sustainable energy and renewables points out that regions from developing countries are confronted with quite different conditions with regard to the introduction of renewables and for that reason differentiates the policies for priority action of regional governments from developed countries. It also indicates that renewable energy has an important role to play in the international response to climate change and underscores the central role of regional governments in putting in place actions and policies to mitigate climate change, transition towards renewable energy technologies and reduce levels of CO₂. Moreover, the policy paper states that the regions represented in the Network are committed to set targets to increase substantially the share of renewable energy sources in their total energy consumption.

Mitigation measures implemented in developed regions will in many instances have unintended negative socio-economic impacts in less developed regions which will require adaptation responses in the latter. Some examples include: (i) the high fuel (carbon) costs of **transport** of raw materials and manufactured goods from less developed regions to developed regions affecting trade competitiveness and tourism development; (ii) the decreased availability of and increasing cost of **food** as food crops are used for bio-fuels. (iii) changing **trade** practices and the norms and standards applied to traded products; (iv) changes in **trade routes** as polar ice caps melt – even seasonally – what may impact on ship repair industries and suchlike.

The following actions are proposed therefore:

1. Taking into consideration the policy paper, Member Regions are invited to report their energy matrixes, including shares of renewable primary sources and accordingly with

- the guidelines of the International Energy Agency. Regions shall also report official projections of these matrixes, where available.
2. Regions to set indicative individual targets to increase substantially the local share of renewables –then make efforts to turn into mandatory by internal law these indicative targets
 3. In order to establish common metrics for the emissions of greenhouse gases (GHG), there should be incentives – *inter alia* capacity building - to the establishment of GHG local inventories within the nrg4SD, utilizing the methodology proposed by the 2006 IPCC Guidelines
 1. The nrg4SD member regions decide to launch a process in order to reach an agreed outcome on regional emission reductions towards ensuring that emissions within the overall nrg4SD common GHG inventory systematically reduce in relation to] the emission actions and limitation and reduction targets set up for the respective signatory country at the future post-2012 international regime on climate change to be approved in December 2009, except for those regions with binding regional targets through a burden-sharing agreement in the national context. .

4.3. Cross-cutting issues: following the Bali Roadmap

In the Bali Action Plan (Decision -/CP.13), the Conference of the Parties resolves to urgently enhance implementation of the Convention in order to achieve its ultimate objective, reaffirming that economic and social development and poverty eradication are global priorities, considering that delay in reducing emissions significantly constrains opportunities to achieve lower stabilization levels and increases the risk of more severe climate change impacts. The Conference recognizes that deep cuts in global emissions will be required to achieve the ultimate objective of the Convention and emphasizes the urgency to address climate change. A comprehensive process was launched to enable the full, effective and sustained implementation of the Convention through long-term cooperative action, now, up to and beyond 2012.

Following the Bali Roadmap, member Regions are invited to launch a process in order to address, *inter alia*:

1. **a shared vision for long-term cooperative action**, including a long-term global goal for emission reductions, to achieve the ultimate objective of the Convention, in accordance with the provisions and principles of the Convention, in particular the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors;
2. **enhanced national/international action on mitigation of climate change**, including, *inter alia*, consideration of: (i) measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives, by all developed country Parties, while ensuring the comparability of efforts among them, taking into account differences in their national circumstances; (ii) nationally appropriate mitigation actions by developing country Parties in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner; (iii) policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries; (iv) cooperative sectoral approaches and sector-specific actions, in order to enhance implementation of the Convention; (v) various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries; (vi) economic and social consequences of response measures; (vii) ways to strengthen the catalytic role of the

Convention in encouraging multilateral bodies, the public and private sectors and civil society, building on synergies among activities and processes, as a means to support mitigation in a coherent and integrated manner;

0. **enhanced action on adaptation**, including, *inter alia*, consideration of: (i) international cooperation to support urgent implementation of adaptation actions, including vulnerability assessments, prioritization of actions, financial needs assessments, capacity-building and response strategies, integration of adaptation actions into sectoral and national planning, specific projects and programmes, means to incentivize the implementation of adaptation actions, and other ways to enable climate-resilient development and reduce vulnerability of all Parties, taking into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change, especially the least developed countries and small island developing States, and further taking into account the needs of countries in Africa affected by drought, desertification and floods; (ii) risk management and risk reduction strategies, including risk sharing and transfer mechanisms such as insurance; (iii) disaster reduction strategies and means to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change; (iv) economic diversification to build resilience; (v) ways to strengthen the catalytic role of the Convention in encouraging multilateral bodies, the public and private sectors and civil society, building on synergies among activities and processes, as a means to support adaptation in a coherent and integrated manner;
0. **enhanced action on technology development and transfer to support action on mitigation and adaptation**, including, *inter alia*, consideration of: (i) effective mechanisms and enhanced means for the removal of obstacles to, and provision of financial and other incentives for, scaling up of the development and transfer of technology to developing country Parties in order to promote access to affordable environmentally sound technologies; (ii) ways to accelerate deployment, diffusion and transfer of affordable environmentally sound technologies; (iii) cooperation on research and development of current, new and innovative technology, including win-win solutions; (iv) the effectiveness of mechanisms and tools for technology cooperation in specific sectors;
0. **enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation**, including, *inter alia*, consideration of: (i) Improved access to adequate, predictable and sustainable financial resources and financial and technical support, and the provision of new and additional resources, including official and concessional funding for developing country Parties; (ii) positive incentives for developing country Parties for the enhanced implementation of national mitigation strategies and adaptation action; (iii) innovative means of funding to assist developing country Parties that are particularly vulnerable to the adverse impacts of climate change in meeting the cost of adaptation; (iv) means to incentivize the implementation of adaptation actions on the basis of sustainable development policies; (v) mobilization of public- and private-sector funding and investment, including facilitation of carbon-friendly investment choices; (vi) financial and technical support for capacity-building in the assessment of the costs of adaptation in developing countries, in particular the most vulnerable ones, to aid in determining their financial needs.

5. Final remarks

Following the approval of the Bali Roadmap at the UN Climate Change Conference in December 2007, a strong multilateral framework needs to be in place by 2009 to ensure that there is no gap between the end of the Kyoto Protocol's first commitment period in 2012 and the entry into force of a future regime.

The nrg4SD member regions encourage signatory countries of the Bali Roadmap to enter into fruitful negotiations, in order that a strong multilateral regime on climate change is approved at COP 15 and COP/MOP 5 in December 2009 for the future post-2012 period.

6. References

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8. Nrg4SD's regional governments actions on climate change - São Paulo State Climate Change Policy – Draft for open international consultation:
http://www.cetesb.sp.gov.br/Tecnologia/consulta_ingles.asp

ANNEX 1.

The Saint Malo Declaration

Network of Regional Governments for Sustainable Development, nrg4SD
Nrg4SD Summit
Saint Malo, Brittany, October 2008

We, representatives of Regional Governments and Associations of Regional Governments from all parts of the world who assembled as the General Assembly Summit of the Network of Regional Governments for Sustainable Development (nrg4SD) in Saint-Malo on October 2008;

Reaffirming the principles, objectives and commitment under the **Gauteng Declaration**, the founding document of the nrg4SD Network;

Recalling that **the nrg4SD Network is fully committed** to responding appropriately to climate change and to preparing for the Post-Kyoto phase within the framework of the United Nations;

Recognizing with concern that the **scientific evidence** of global warming, as set out in the Fourth Assessment Report: Climate Change 2007 (AR4) of the Intergovernmental Panel on Climate Change (IPCC), has put the reality of **human-induced global warming** as unequivocal;

Noting that the Conference of the Parties to the United Nations Framework Convention on Climate Change has highlighted that **urgent global action on climate change is needed** to achieve the ultimate objectives of the Convention;

Reaffirming that **the scope of regional action is critical and necessary** for the development and implementation of sustainable development policies and strategies and, particularly, in relationship to mitigation and adaptation measures and policies to tackle climate change;

Noting that **Regional Governments**, the spheres of government that we represent, have **wide policy and implementation competences** related to activities and sectors such as energy, transport, industry, agriculture, land use and resource management, which are mainly responsible for the anthropogenic green house gas emissions;

Noting also that Regional Governments have also the **ability and capacity** to work with other local, state and international actors, social movements, NGOs and the private sector, and are particularly well suited to understand, incorporate and take into account the specificities, vulnerabilities and identities of their own regions and their citizens;

Reaffirming that **integrating climate change policies into broader sustainable development strategies and policies within the regions** makes implementation easier and more efficient;

Recalling that there are **sharp differences across regions**, that some systems, sectors and regions are likely to be especially affected by climate change, and that adaptive capacity, unevenly distributed across and within sectors and regions, is intimately connected to social and economic development;

Deeply concerned with the fact that The United Nations Development Programme's (UNDP's) Human Development Report 2007-2008 (HDR 2007-2008) warns that **inequalities in ability to cope with climate change are emerging as an increasingly powerful driver of wider inequalities between and within countries and regions**;

Resolve that, in order to respond to the challenges faced now and in the future, climate change and its adverse effects should be addressed while meeting the requirements of sustainable development and with the active participation of Regional Governments.

Therefore, we call for the following:

- (1) The nrg4SD Network and its members commit to follow the guidelines and commitments of the *nrg4SD Policy Paper on Climate Change (October 2008)*, in accordance with the provisions and principles of the UN Climate Change Convention and based on the conclusions of the IPCC AR4 Report.
- (2) The nrg4SD Network and member regional governments **commit to participate actively and take action in the future international climate change regime highlighted on the Bali Roadmap for**

the Post-Kyoto phase, in line with the principle of common but differentiated responsibilities and respective capabilities, and taking into account specific social and economic conditions and needs of developing countries and regions.

- (3) The nrg4SD Network calls for an approach that combines stringent inter-regional cooperation and action on adaptation with strengthened mitigation actions, while enhancing measures on technology cooperation and provision of financial resources to support those adaptation and mitigation actions.
- (4) The nrg4SD Network and its member regions should especially focus on regional climate change viable **adaptation actions** and their integration into wider and overall regional sustainable development policies and sectoral approaches and actions.
- (5) Recalling the provisions related to **adaptation** at the nrg4SD Policy Paper on Climate Change the nrg4SD Network and its members commit to: **1.** Launch regional co-ordinated and comprehensive Climate Change Plans and Adaptation Response Strategies and Plans based on common grounds and in accordance with the principle of common but differentiated responsibilities; **2.** Cooperate and promote the implementation of adaptation actions, integrating climate policies into broader development policies and including the provision of financial and technological support to developing countries and regions; **3.** Systematically gather and share information on regional climate change policies, best practices and responses to climate change, as well as in relationship to the key uncertainties included at the AR4 Report; **4.** Support Translation of regional strategies and plans on climate change policies into English; **5.** Put climate change adaptation at the centre of the nrg4SD partnerships and projects and the bilateral and multilateral partnership agreements signed among nrg4SD members in the framework of nrg4SD; **6.** Take into account and differentiate the priority adaptation actions and concrete commitments of regional governments of developed and developing countries and regions and the urgent and immediate development needs of developing countries and regions; and **7.** Quantify and progressively increase their assistance to efforts in adaptation to climate change, both at internal and international levels.
- (6) Recalling the provisions related to **mitigation** at the nrg4SD Policy Paper on Climate Change member regions should: **1.** Report their energy matrixes, including shares of renewable primary sources and accordingly with the guidelines of the International Energy Agency; **2.** Set indicative individual targets to increase substantially the local share of renewables, while making efforts to turn them into mandatory by internal law these; **3.** Promote the establishment of GHG local inventories within the nrg4SD, utilizing the methodology proposed by the 2006 IPCC Guidelines; and **4.** Launch a process in order to reach an agreed outcome on regional emission reductions towards ensuring that emissions within the overall nrg4SD common GHG inventory systematically reduce in relation to the emission actions and limitation and reduction targets set up for the respective signatory country at the future post-2012 international regime on climate change to be approved in December 2009, except for those regions with binding regional targets through a burden-sharing agreement in the national context. .
- (7) In accordance with the commitments of the nrg4SD Policy Paper on Climate Change, the nrg4SD Network and its members should launch a process to address cross-cutting issues following the Bali Roadmap, including a **shared vision** for long-term cooperative action and **for long-term global goal for emission reductions** to achieve the ultimate objective of the Convention, as well as enhancing mitigation and adaptation action, action on technology development and transfer, and action on the provision of the corresponding financial resources and investment.
- (8) The nrg4SD Network encourages its members, as well as other regions, to participate at the programme put in place by the UNDP with the aim of developing a new financial mechanism to help regions, particularly developing regions, in the fight against climate change and its consequences.
- (9) The nrg4SD Network **encourages signatory parties of the Bali Roadmap to enter into fruitful negotiations**, in order that a strong multilateral regime on climate change is approved at COP 15 and COP/MOP 5 in December 2009 for the future post-2012 period.

- (10) The nrg4SD Network calls upon the Heads of signatory parties, other world leaders and the United Nations itself to **recognize and support the necessary, essential and complementary role of Regional Governments** in the promotion of sustainable development and the efficient response to climate change. In this sense, nrg4SD Network calls for the explicit recognition of regional governments in the text of the Copenhagen agreement recognizing the key role they are playing in mitigation and adaptation policies in line with the principle of common but differentiated responsibilities and capabilities.

We all welcome the good cooperation achieved at the World Summit of Regions “Climate Change: Regions in Action” in Saint-Malo and express our gratitude to the host Region of Brittany for its gracious hospitality.

Saint Malo 28 October 2008

Regional Governments participating in the Summit

1. Aragon
2. Basque Country
3. Brittany
4. Canarias
5. Cantabria
6. Catalonia
7. Flanders
8. Galicia
9. Intendencia de Canelones
10. Kaunas
11. Mbale
12. North Sumatera
13. Prodippan
14. Reunion
15. Santa Fe
16. Sao Paulo
17. Sofala
18. Tuscany
19. Wales
20. Wallonia
21. Western Cape

Associations of Regional Governments participating in the Summit

1. Associação Brasileira de Entidades Estaduais de Meio Ambiente, ABEMA
2. Asociación Nacional de Autoridades Ambientales Estatales, ANAAE
3. Conference of Peripheral Maritime Regions of Europe, CPMR
4. Conferencia de Intendentes de Uruguay
5. Northern Forum
6. Organización Latinoamericana de Gobiernos Intermedios, OLAGI

ANNEX 2.

Letter of Intent between the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) and the Associations of Regions (NRG4SD, CPRM, NF, OLAGI, AIRF, AER, FOGAR and the Climate Group) with regard to the fight against climate change “Towards carbon neutral and climate change resilient territories”

1. Meeting in Saint-Malo (Brittany - France) on 29 and 30 October 2008 at the initiative of nrg4SD (Network of Regional Governments for Sustainable Development) on the occasion of the World Summit of Regions on “Climate Change: the Regions in Action” at the invitation of Mr Jean-Yves Le Drian, President of Brittany Region, Ms Esther Larrañaga and Mr Pierre Uys Co Chairs of nrg4SD, the associations of Regions, sub-state bodies (Federal State, Region, Province, *Länder*, etc.), UNDP and UNEP, signatories of this letter of intent, and thanks to the initial willing of nrg4SD and UNDP, and on the demand and the active role of Regions from the five continents, agree to step up their action with regard to tackling climate change by accompanying the Regions in developing and implementing their Climate Change mitigation and adaptation strategies.
2. They feel that this dimension does indeed appear to be a necessary complement to the strategies and actions that already exist at national level in order to assure an articulation of efforts between all levels of governance. Regional governments, which are active players in development policy, are convinced that this development policy will not be effective unless it takes on board, in full agreement with their national governments, the major upheavals that will result from climate change in most of the world’s Regions
3. To this end, the signatories of the present letter of intent are determined to set up a partnership with the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP).
4. This partnership, named UN – Regions Partnership “Towards Carbon Neutral and Climate Change Resilient Territories”, aims to assist the regions in developing real strategies for mitigation and adaptation to climate change by allowing them to draw up their own Integrated Territorial Climate Plan (ITCP) that can be integrated into public policy and regulations on the one hand and investment projects on the other hand for which the partners will seek to access the various existing financial mechanisms.

The partnership will be based on:

- Know-how and **good practice** exchanges between the United Nations, national governments, regions and the private sector, etc.
 - Customization and provision of **methodological tools** and techniques necessary for the drafting of the Integrated Territorial Climate Plan (ITCP)
 - **Training** on the use of these tools, and on the design of strategies and an ITCP
 - Assistance to select projects within the ITCP and identification of the appropriate regulatory and financial instruments: **public policy / investment projects**
 - Technical assistance to facilitate access to **new financial mechanisms**.
5. This partnership is to be considered as an added value in relation to the actions already led by national and regional governments and associations of Regions within their own remit where appropriate and those led under the national and regional groupings – for instance the European Union - to which they

belong. This partnership is therefore designed and led in full cooperation and total coordination with current and planned initiatives at national, regional and global levels. It helps towards stepping up the application of guidelines on mitigation and adaptation as defined by the UNFCCC. It also serves as an operational support for “external” actions to be defined by the European Union with regard to adaptation.

6. In order to achieve this coordination and to ensure full cooperation, the content of this partnership is based on the following guidelines:
 - This is an open dynamic process designed to integrate the guidelines that will be adopted in the future in the framework of the “Conferences of Parties” and the continental and sub-continental groupings, such by the European Union with regard to adaptation;
 - This process must remain flexible as regards the methods and delivery instruments to be proposed in order to take into account the diversity of regional experiences with regard to climate change and the diversity of the existing situations at global level, both in terms of response capacity (including institutional and political contexts) and the geographic conditions encountered; This process draws on existing methods and instruments insofar as they comply with the technical and scientific requirements and allow for an effective contribution towards the targets and priorities of the territories concerned.

7. The UNDP and UNEP on the one hand, and the associations of Regions on the other hand, hereby decide:
 - To set up a scientific working group made up of technical staff representing the signatory parties or third-party institutions approved by the signatory parties, to define the actual arrangements for this partnership in terms of methods and instruments;
 - To form a steering committee made up of institutional and political representatives of the signatory parties to specify the institutional, administrative and financial arrangements and to draft a monitoring procedure and sharing of responsibilities for this initiative that will define the relations between the partners, where Regions will have an out most active role..
 - To design and implement the UN – Regions Partnerships “Towards Carbon neutral and climate change resilient territories” around three main working phases: .i) Raise awareness among at least 500 Regions worldwide is made up of two main axes: the preparation of tools to disseminate knowledge and the organisation of learning workshops by peers and assist a small number of pilot regions in developing their Integrated Territorial Climate Plan; ii.) Assist at least 50 Regions in developing their Integrated Territorial Climate Plan, with a first batch of pilot Regions; iii.) Deliver public policies and regulations on the one hand and investment projects on the other hand thanks to the assistance given to Regions to access the different existing financial mechanisms (public development aid, GEF, MDG Carbon Facility, CDM, adaptation fund, PPP, decentralised cooperation, private foundations, 1% water, etc.);

The signatories are committed to develop and implement this initiative in full partnership with UNFCCC and call the European Union and the other continental and sub-continental groupings to take part in this initiative by joining the working group.

The signatories call on the States and other appropriate bodies to co-fund this important partnership.

8. In addition to the present signatories, other associations of Regions and UN Agencies may join this partnership. As well, Regions on an individual basis or through the networks in which they are members are welcomed to support the partnership.

9. In this regard, the stakeholders signing the letter of intent shall unite their efforts to ensure that their approaches and concerns are be taken on board in the run-up to the events in Strasbourg (European Development Days), Poznan, Copenhagen, Limoges and in their resulting conclusions.
